Dear Damian,

Re: Parliamentary inquiry into rural and regional tourism

Thank you for giving Frankston Tourism the opportunity to respond to the inquiry and below are some comments for your consideration:

Overall, tourism is not a solution in itself to regional economic downturn. All the same, tourism can be a tool to aid the economic, social and environmental enhancement of regions. For tourism to do this it must be pro-active and managed within the region’s overall plans (as a part, not the primary concern). The inclusive development of tourism it can bring much greater benefits than economic returns, though its development will need to be inclusive.

1) The economic benefits of tourism in regional areas

Often the economic benefits of tourism are over stated.

- The tourism production system or value chain, again especially for local areas, is often not within the region. This means that there are often very high levels of economic leakage and often the amount of money generated is at a ratio of *less* than 0.25 (for every dollar spent in the area by tourists, less than 25 cents stays in the local area). For even smaller areas the ratio may be much less (often island nations have a ratio of less than 0.25, consider this in comparison to a Victorian region).

- More often it will be social benefits that will be created, such as pride of place, a boost to underemployment (for example the farmer’s children in casual jobs), which then has semi-economic implications/benefits.
2) Potential impediments to the sustained growth of regional tourism, economic activity and jobs

- Tourism is but one industry that is not only reliant on many others; it is also reliant on the broader social and environmental resources. To obtain economic benefits, these other two must be not only considered, though actively part of any strategy. *Sustained* growth needs the inclusion of social and environmental factors.

- One of the main impediments to the development of a sustainable tourism industry is personnel. The expertise and skills required to deliver tourism products and services are not available. Additionally, the expertise is not available to plan and manage tourism (at a business and destination level) in regional areas.

- Another impediment to the development of tourism in regional areas is the availability, accessibility and packaging of tourist experiences.

Not every region has resources (in their current form) that attract tourists, and often those that do have resources do not have an ability to package these for tourists. These impediments related to personnel, though also support (largely financial though also in numbers of people) for the development of sustainable tourism. This support also includes facilities and services for tourism such as roads, accommodation, information etc

- Yet another impediment in regional communities may also be that some communities do not want to develop tourism, instead a very vocal minority want tourism, against the wishes of the vast majority. This will have dramatic implications for sustainability.

- Tourism jobs are not the same as farming, mining, forestry, and the like. Tourism positions are often paid a lot less, are casual, have high levels of rotation (no long-term stability). Additionally, and a key point to note, tourism jobs require a different skill set than these other positions. An unemployed or underemployed farmer cannot necessarily start up a tourism business and it will be successful. If tourism is an industry of choice for the community and environment, then some of the support will be required training to deliver satisfying tourist experiences. Tourism businesses will unlikely invest enough in staff training and development due to the owner's/manager's lack of expertise, the short-term (seasonal) nature of employment, and the high turn-over in staff.

3) The effectiveness of current programmes to promote and enhance tourism in regional Victoria

- Tourism is going to occur everywhere, though the scale, type and nature of tourism might be very different in different areas, and also very different from what is wanted.

  - Accreditation of *sustainable tourism destinations* is one effective way of not only attracting tourists, though also managing the impact of tourism on the destination. This will enhance tourism for all: the tourist, the economy, the community and the environment.
- Outer metro Melbourne suburbs are often at the entry points to major regional areas eg. Frankston to the Mornington Peninsula and whilst Frankston is a member of the regional body Mornington Peninsula Tourism, it is often overlooked as a destination in its own right.

- Boosterist or advocacy roles (increasing numbers with no consideration of negative impacts) for the promotion of tourism will only present short-term economic impacts and the detriments will soon be felt by the tourists, and most importantly the community. The community's reaction to tourism can be very dramatic and have a significant impact on future tourist demand.

4) Initiatives to increase both international and domestic visitor nights in regional Victoria

- Some tourists are looking for new and different experiences. As most tourists are from urban areas, regional areas can provide this experience. The focus though must be market led, and also respond to the community's and environment's needs.

  - Again, this is going to relate to the packaging of tourist experiences

  - Public transport facilities need to improve in order to move visitors around easily – for example, visitors can catch the train from Melbourne to Frankston and catch buses that are on the Frankston to Portsea run only. There are no transport facilities to take visitors from the east to the western side of the Mornington Peninsula and therefore cannot visit the wineries, restaurants, mazes and a host of other attractions that are located in the Red Hill to Flinders areas.

  - Tourism Vic marketing programs are fantastic but are extremely expensive for many small business operator to participate, particularly as they are required to be members of an LTA and/or RTO even before they are allowed to advertise within Jigsaw branded material

  - Very difficult to obtain accurate research figures from the operators themselves therefore making it almost impossible to predict actual economic impact on the region and/or city during and after a major event.

5) The efficacy of existing mechanisms at a National, State and local level to address the impact on regional tourism of natural events such as bushfires, floods and drought, and effective measures to drive long-term economic recovery

- The STCRC has initiated some research projects on these areas, nationally and within Victoria

- Tourism is only one industry and is often dependant on the success of other industries in the region. Tourism requires things that are attractive to attract tourists. With the perceptions (not actualities) of the potential tourists, will they want to visit these areas - are the natural and rural resources attractive?
- This will also require personnel (meaning people need to be in the area). If these natural events have driven people from the area, are there going to be people (with the skills and abilities) to cater for tourists?

- Regions, as with all tourism providers, need to be much more aware of their markets' image and how the potential tourist markets' create these images.

- Drought crisis – more visitors impact on the usage of “local” community water

6) Opportunities to leverage private investment and commercial activity in regional tourism infrastructure, including ecotourism

- Tourism businesses are generally small. This will especially be the case in regional areas where those that turn to tourism will generally be providing an additional income stream.

- Potential private investors may be large industrial plants (such as mines, forestry, power) that want to show more corporate social responsibility, or wish to develop industrial tours of their plants (again can be for their own promotional purposes). What is their return on investment? Perhaps this can be seen as a vehicle to promote being an “Employer of Choice”?

- The attraction of large scale private tourism investors will be very dependent on the attractions of the area, and the ability for that business to control, at least in part, the resources that make up that attraction. This control may be the promotion of the region (which may override social and environmental needs). Generally, if they haven’t already invested in the area, the region will need change for them to invest.

- Additionally, outside investment also means greater economic leakage from the area. The locals will get low paying, unstable jobs, whilst new people will be brought in to take the higher stable positions. This may marginalise support if not done well.

- Ecotourism is a term thrown around too much. Nature based tourism is not ecotourism per se. Ecotourism, that is reported as successful for Australia, is accredited businesses that actively develop tourism ventures aligned with environmental, social, economic and tourist needs, not only of the business, but also of the wider community. Consumers know what ecotourism is, and they know that all nature based tourism is not ecologically sensitive.

- State government planning legislation coupled with aggressive environmental groups makes it very difficult to create major tourism attractions on Port Phillip Bay.

On behalf of Frankston Tourism, thank you once again for inviting our submission and we look forward to learning the outcomes of this enquiry.

Kind regards,

Maxine Sando,
Secretary,
Frankston Tourism Inc.