Inquiry into Heritage Tourism and Ecotourism in Victoria

(1) Examining the current scope of ecotourism and heritage tourism in Victoria;

Phillip Island Nature Parks is part of the United Nations Scientific and Cultural Organisation (UNESCO) Western Port Biosphere Reserve, and abuts the Western Port Ramsar wetland. Phillip Island is part of Bunurong and Boonwurrung country, and the Nature Parks conserves important elements of the area’s indigenous heritage, as well as historical sites of European settlement and agriculture.

Overseen by a Board of Management, appointed by the Victorian Minister for Environment and Climate Change, our primary role is conservation of the Nature Parks’ natural and cultural values, in particular Phillip Island’s colonies of Little Penguins, Short-tailed Shearwaters and other rare fauna and flora. We undertake an extensive environmental management program, informed by our research activities, and provide education and interpretation about Phillip Island’s flora, fauna and history.

We receive no recurrent operational funding from the State Government and generate revenue from ecotourism to fund our work in conservation. The Nature Parks has become one of Australia’s leading ecotourism destinations. 865,617 people visited our ticketed visitor centres at the Penguin Parade, Churchill Island Heritage Farm and the Koala Conservation Centre in 2011/12, 55% from overseas. A further 311,514 visited the Nobbies Centre (free entry), bringing our total number of visitors to 1,177,131 for the 2011/12 period. Many more visited Phillip Island’s significant natural coastal reserves, also managed by the Nature Parks, to enjoy recreation and sightseeing – estimated total was 3.7 million visitors.

The Nature Parks is one of the biggest ecotourism destinations in Australia – see table below of the number of visitors to various attractions in Victoria and Australia in 2011.

<table>
<thead>
<tr>
<th>Victorian Attractions:</th>
<th>Annual Approx.</th>
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<tbody>
<tr>
<td>• Great Ocean Road:</td>
<td>7,000,000</td>
</tr>
<tr>
<td>• <strong>Phillip Island</strong>:</td>
<td><strong>3,700,000</strong></td>
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<tr>
<td>• Melbourne Zoo:</td>
<td>1,184,000</td>
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<tr>
<td>• Sovereign Hill:</td>
<td>450,000</td>
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<tr>
<td>• <strong>Penguin Parade</strong>:</td>
<td><strong>526,000</strong></td>
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<td>• Werribee Sanctuary:</td>
<td>416,000</td>
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<tr>
<td>• Healesville Sanctuary:</td>
<td>329,000</td>
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<tr>
<td>• <strong>Nobbies Centre</strong>:</td>
<td><strong>307,000</strong></td>
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<tr>
<td>• Peninsula Hot Springs:</td>
<td>298,600</td>
</tr>
<tr>
<td>• Puffing Billy:</td>
<td>267,700</td>
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<tr>
<td>• <strong>Koala Conservation Centre</strong>:</td>
<td><strong>200,000</strong></td>
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<tr>
<td>• National Sports Museum:</td>
<td>148,000</td>
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<tr>
<td>• <strong>Churchill Island</strong>:</td>
<td><strong>135,000</strong></td>
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<tr>
<td>• RBG Cranbourne:</td>
<td>85,000</td>
</tr>
<tr>
<td>National Attractions:</td>
<td></td>
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<tr>
<td>• Great Barrier Reef Marine Park (QLD):</td>
<td>1,920,000</td>
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<tr>
<td>• Uluru Kata Tjuta National Park (NT):</td>
<td>400,000</td>
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<tr>
<td>• Currumbin Wildlife Sanctuary (QLD):</td>
<td>382,550</td>
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<tr>
<td>• Penguin Island (WA):</td>
<td>70,000</td>
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</table>
If the Nature Parks was to cease its operations, the foregone economic impact to the Victorian economy would be:

- $96.19M = Gross State Product
- 1,636 = Full Time Equivalent staff positions
- $80.92M = Direct economic impact

Locally there would also be a significant economic impact in the Bass Coast Shire:

- 2011 = $64M (Ernst & Young 2012)

Phillip Island’s reliance on tourism is 18.7% - the highest of any region in Victoria.¹

Last year visitation was composed of:

**54% International**
- 58% Eastern (Asia, India, Middle East)
- 42% Western (UK, USA, Europe)
- 47% Free Independent Travellers (including day tour, self-drive, Visiting Friends and Relatives)
- 53% Groups (including leisure, business, education, incentive)

**46% Domestic**
- 18% Interstate
- 82% Intrastate
- 71% Metro
- 29% Regional Victoria

**Market Segments**
- 75% families with children
  - 8% Couples
  - 9% Seniors
  - 8% Special interest groups

Factors influencing ecotourism markets include:
- Global economic conditions
- Exchange rate volatility
- Changing consumption patterns
- Increase in outbound travel
- Stagnant domestic markets
- Demographic shifts
- Rise of new technology and social media
- Increased visitor expectations

(2) Examining best practice in ecotourism and heritage tourism;

Best practise in ecotourism requires a holistic approach. The structure of Phillip Island Nature Parks includes: Administration, Retail, Food and Beverage, Education, Wildlife Research, Environmental Conservation, Marketing – domestic and international, Ticketing, Operations (major projects, commercial operations, ground services).

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¹ Tourism Research Australia
To be able to sustain ecotourism in the long term, conservation of environmental assets must be the top priority. The approach by Phillip Island Nature Parks involves understanding the inter-relationship between economic, social and conservation spheres, and recognising conservation as the driver for long term sustainability as illustrated in the diagram below.

For successful long term ecotourism businesses, maintaining an excellent reputation and competitive edge are essential. Products offered need to be benchmarked against industry standards including "green" credentials.

For example, Phillip Island Nature Parks has:

The **highest** number of 'Advanced Ecotourism' products in Victoria

- Penguin Parade
- VIP Tour
- Penguins Plus Viewing Platform
- Penguin Eco Explorer
- Ultimate Penguin Experience
- Ranger Guided Tour
- Penguin Research Tour
- Feathers, Flippers & Fun Family Tour (seasonal)
At Churchill Island Heritage Farm activities include:

- Cow milking
- Wagon Rides
- Sheep Shearing
- Whip cracking
- Working dogs
- Boomerang throwing
- Tours of historic farm buildings

We employ a museum conserver to oversee our collection of historic materials and have museum accreditation.

Our tourism and business offer is also benchmarked against other attractions in the industry:

- Australian Export Awards 2012 – “Finalist” category: Small to Medium Business Award
- Governor of Victoria Export Awards 2012 – “Winner” category: Small to Medium Business Award
- Victorian Tourism Awards “Winner” Penguin Parade Major Attraction – Hall of Fame Ecotourism Attraction – Hall of Fame
- Victorian Science and Mathematics Excellence Awards 2010 - “Winner” category: Education and Excellence Program: Maths Matters to Little Penguins
- Green Flag Award - Parks Forum – “Winner” 2012

Conservation programs also need to be world class and benchmarked against those in other parts of Australia:

- Banksia Environmental Awards – Business and Not-for-Profits “Finalist” 2013 – Magic Wand Oiled Penguin Recovery Technology
- United Nations Association of Australia, World Environment Day Awards – Finalist Categories: Biodiversity Award and Prime Minister’s Environmentalist of the Year Award 2013
- Banksia Environmental Awards – Land and Biodiversity - Preserving Our Ecosystems “Finalist” 2012 – Hooded Plover Heroes
- Victorian Coastal Awards for Excellence 2012 - Category: Natural Environment Award Program “Winner”: Fox Free Phillip Island
- Banksia Environmental Awards – Biodiversity “Winner” 2011 Fox Free Phillip Island
- Banksia Environmental Awards 2011 –Category: 2011 Mercedes-Benz Australian Environmental Research Award Program “Finalist”: 43 Years of Little Penguin Research
- Banksia Environmental Awards - Coastal and Marine “Winner” 2002 Protecting Little Penguins on the Summerland Peninsula

As we are so reliant on the environment, the Nature Parks maintains its own research department which undertakes world class research into Little Penguins and Australian Fur Seals. This research is used to inform our protection of environmental values through input into the Environment Plan 2012-2017.
Phillip Island Nature Parks’ research team is an authority on Little Penguins, seals and other seabirds. We also work closely with universities and other research organisation and supervise numerous Honours, Masters and PhD students each year.

Our research objectives are:

- Assess the population status of fauna and flora of Phillip Island Nature Parks to identify threats to these populations and to plan management strategies and priorities for their protection.
- Establish and maintain the status of Phillip Island Nature Parks as a recognised world authority on penguins, other aquatic birds and seals.
- Give priority to maintaining a world class facility for research into aquatic birds (particularly seabirds) and seals.
- Encourage integrated research on environmental matters with priority given to those matters which may affect Phillip Island Nature Parks.
- Encourage and participate in co-operative research programs with universities, industry, government and non-government organisation and encourage public involvement when appropriate.

The needs of the research department can be linked directly back to entry fees, giving visitors a sense of participation in conservation of the area e.g.

**Phillip Island Nature Parks is a not-for-profit organisation.**

*Your visit directly contributes to the research of wildlife and ecosystems within Phillip Island Nature Parks.*

*One penguin satellite tracker = $2000*

*One microchip = $10*

(PINP web page [www.penguins.org.au](http://www.penguins.org.au))

It is also essential to involve the **local community and volunteers** in the operation and conservation of the island:

**Volunteers**

Our wonderful volunteers contribute over 1,000 days to the Nature Park per year. Volunteers assist with:

- Penguin and koala monitoring.
- Bird counts across Phillip Island.
- Wildlife rescue and rehabilitation.
- Restoration projects and visitor services at Churchill Island historic farm.
- Environmental works and visitor education across Phillip Island.
- Input through Community Advisory Groups.

**Our community support**

- We support and sponsor local community groups including Bass Coast Landcare, Woolamai Surf Life Saving Club and Barb Martin Bushbank indigenous nursery.
- We sponsor local events and clubs.
- We maintain walking and cycling tracks, car parks, toilets and picnic facilities across Phillip Island.
- A Locals Pass allows ongoing, discounted entry to our attractions for island residents.
- Community “Open Days” are held providing free of charge entry to all Nature Parks attractions.
- We employ a Community and Stakeholder Engagement Officer to further develop and improve community relations and involvement.
- We use local contractors where possible.
- We deliver $64Million to the Bass Coast economy.
**Working with local Indigenous people**
We acknowledge the Boon Wurrung and Bunurong Indigenous peoples and have developed a Reconciliation Action Plan leading to the establishment of a meaningful relationship with local Indigenous elders.

It is also important to invest in the next generation through outreach programs in education and providing opportunities for work experience at secondary and tertiary levels.

**Education**
- A total of 29,014 primary and secondary students visited the Nature Parks last year.
- Over 2,000 visitors attended school holiday activities.
- Programs expanded to include teacher professional development.
- Coastal Ambassadors Program celebrated ten years and won an award of excellence.
- We worked with Chisholm Institute of TAFE to develop a new Vocational Certificate in Ecotourism.

**Environmental sustainability** is also an essential plank in our approach to a sustainable ecotourism future.

- We are committed to reducing our carbon footprint with annual targets set.
- We are committed to reducing waste by tracking and reducing our resource use.
- We are investing in green power at our two largest consumption sites - the Penguin Parade and Koala Conservation Centre.
- We are utilising solar energy at the Nobbies Centre and solar hot water at all sites.
- We use water tanks with a total capacity of over half a million liters at all sites for toilet flushing, storing water for fire response and watering plants in our nursery.

**Marketing**
Marketing is an essential tool in maintaining visitation to a large ecotourism organisation – see the Nature Parks’ current commitment outlined below

Marketing is undertaken with strategic partners:
- Tourism Australia
- Tourism Victoria
- Melbourne Convention Bureau
- Victorian Industry Tourism Council
- Australian Tourism Export Council
- Destination Phillip Island
- Destination Gippsland
- Phillip Island Business and Tourism Association
- Bass Coast Shire Council
- Visitor Information Centre
- Department of Environment and Primary Industries (DEPI)

The Nature Parks:
- Participates/supports sales missions or sales calls
- Attends Tourism Australia’s Greater China Mission (October)
- Attends Tourism Victoria’s Victoria Roadshow to China (May)
- Attends Australian Tourism Exchange (ATE)
- Undertakes domestic and international sales calls
- Has in-market agencies
Utilises PR and media (domestic and international, including engaging Chinese PR agency)
Has online language support (language pages on website)
Works with inbound tour operators (ITO) and day tour operators in Australia.

Planning for the future is also essential; we have a five year Strategic Plan for the Nature Parks and five year plans for each part of the departments. We are also working on master plans for different areas of the Nature Parks with the Bass Coast Shire Council and the community to address long term issues such as: sustainable long term ecotourism by addressing environmental asset protection, carrying capacity, quality of visitor experience, infra-structure needs and climate variability issues.

(3) Examining the potential for the development of ecotourism and heritage tourism in Victoria;

Bass Coast would not be what it is today without the hundreds of thousands of tourists that come to our region every year. Council (Bass Coast Shire Council) is committed to improving the benefits of tourism for our region, by focusing on increasing visitor numbers, length of stay, expenditure, and visitor satisfaction. The numbers behind our tourism industry are quite remarkable. Visitor and holiday home expenditure has grown from $800 million in 2009 to $1 billion in 2011. Further, in 2011, tourism accounted for 28% of total employment in Bass Coast, with an estimated 2,037 direct tourism jobs and the equivalent of 3,228 full time jobs supported by the sector. *taken from the Winter/Spring Coastell Magazine

Demands of tourists are changing. Our focus for the coming years will be extending our immersive, authentic nature-based experiences. This shift demands that we modify or change our product mix to more high yielding individualised tours and events. We already have a wide mix of tours at the Penguin Parade; e.g. the Ultimate Penguin tour for small groups of visitors (10) with a qualified eco-guide.

The ecotourism products of the future need to focus on changing visitor expectations:

- Product = experiences
- Supplier = host
- No such things as ‘mass market’
- Customers are seeking the ‘complete package

Niche Tours / Events
Niche tours / initiatives we are developing include ‘Biyadin’ Shearwater Indigenous Festival, bird watching tours, Short-tailed Shearwater tours, Wildlife Clinic and behind the scenes tours and Indigenous tours.

Investing in new technologies
Major strategic priorities include; using new technologies to provide interpretation for Penguin Parade visitors, including apps for social media devices and free Wi-Fi access at all our visitor centres. Use of this technology will assist us in providing a better experience for all visitors particularly non-English speaking visitors. Inter-active Skype education sessions are also being investigated.

Emergence of online and Social Media
Investment in new content for the Nature Parks’ website is an ongoing process. Recent developments allow teachers to peruse the Nature Parks’ education and interpretation offerings with ease via the web.
Increasingly social media are being used by visitors to find out about destinations and make bookings – see below:

**China Market**
- 60% of Chinese mobile owners have a smartphone
- Chinese holiday makers access the Internet whilst they travel
- WEIBO and WECHAT are instantaneous and have very large reach

- Sina WEIBO has 500+ million users in China
- The Nature Parks has 34,000 WEIBO fans (6,221 Facebook)
- The Nature Parks is currently running a domestic promotion on WEIBO, and we receive in excess of 360k views per week
- WIEBO has the ability to “win and lose” business from Chinese travellers – a hotel on the mid-central coast of NSW apparently lost 30k after negative reports
(4) Determining the environmental and heritage issues associated with large scale tourism;

Increased recreational use and visitor numbers, perceived conflicts between the needs and expectations of local land owners and visitors to the island need to be handled with sensitivity.

With the increase in popularity of recreational water activities, the increase of school surfing and kayaking lessons as part of the educational curriculum and the increase in visitors to Phillip Island, there is a concern over the capacity of some beaches such as Smiths Beach and YCW Beach to sustain activities whilst maintaining safety and protecting cultural, environmental and social values.

Ideally cultural heritage values should be assessed and surveyed in culturally sensitive areas, e.g. 200m inland from the coast. The location of cultural heritage sites should be protected and help guide management of large scale tourism.

Vegetation management and fire management plans should be developed to protect environmental values and new assets prior to establishment or renewal. Geological sites of significance should also be mapped and considered.

Balancing usage between the public and others on Crown Land

In order to manage ecotourism on beaches in Victoria, studies to determine the beach capacity for coastal and water-based activities at coastal reserves needs to be undertaken. Water activities (with a shore base) would include surf schools, stand-up paddle boarding, sea kayaking, life-saving and swimming classes and use of rock platforms for educational activities. The existing usage and potential usage needs should be assessed over peak and non-peak periods and safety, available facilities, public access and environmental impacts taken into consideration. Stakeholders should be consulted to inform recommendations for future capacity at beach locations to obtain a balance between commercial and public users.

DEPI recommends that Committees of Management obtain professional independent advice in the preparation and management process for the competitive allocation of Tour Operator Licences, however most Committees of Management would be unable to afford such a study and as indicated above most of the areas where the activities occur are under the management of DEPI.

Tour Operator & Activity Provider / Crown Land Use Licences

Licences issued for business operation on Crown Land within the Nature Parks include:

- Surf schools
- Eco-tours
- Beach activities
- Cycling
- Bush walking
- Sea kayaking

There are a number of issues regarding the management licensing that have or could arise:

- Safety of beaches being used by surf schools
- Surf school operators have had to ‘save’ students when caught in rips at certain locations (as teachers holding surf lessons as part of school curriculum are not always able to ‘read ocean’ and exempt from getting a license or permit)
- Too many groups at a single location (complaints by residents)
Parking inadequate at some of the surf school beaches (parking over habitat such as shearwater burrows)

Increasing numbers of educational & non-commercial activities are being held on public land – this issue is not addressed in the current arrangements and these groups do not have to obtain a licence

With so many groups now not requiring a licence, it is not possible to ensure that Crown Land regulations are being observed.

For each area of coastline the following needs to be known:

- How many beaches can safely be used for surf schools?
- Should the number of surf school operators equal the maximum number of “safe surf school beaches”, or should we limit the number of operators so that there is always a “safe surf beach” for the general public to use with their families?
- How we can adequately manage educational groups / school groups / non-commercial operations when a licence system is not essential under state government legislation?
- How to limit the number of groups (commercial, non-commercial & educational) that operate on a beach at one time?
- How do we factor in school surfing lessons when assessing beach capacity, as schools are an unknown variable?

In summary the needs for managing water activities uses on Crown Land beaches include:

- safety;
- minimisation of conflict between beach users;
- environmental sustainability;
- financial returns;
- good business and ecotourism practice; and
- fair trading.

A study of the above would assist in ecotourism development. The objective of such a research project would be to provide recommendations on whether a limit on licences/controls needs to be placed on water activities and if so what the limit/controls should be.

The study would include:

- Assessment of the appropriateness of existing water activities, specifically beaches and coastal reserves.
- Conduct stakeholder consultation meetings
- Obtain “snapshots” of usage over peak/non-peak times:
  - Water-based:
    - The number of craft in the water;
    - The access and availability of surf breaks;
    - Impact on public safety;
    - Potential for conflict between water activity (with shore base) businesses;
    - Local conditions.
  - Shore-based:
    - The number of beach users;
    - The availability of facilities such as car or bus parking, showers and other amenities;
    - The resources available to manage day to day issues arising from commercial operations;
    - The impact on public access to availability of parking;
    - Impact on public safety;
The environmental sensitivity of the beach and nearby areas;
- Beach thoroughfare access;
- Potential for conflict between water activity (with shore base) businesses; and
- Any other issues deemed relevant.

This information could then be utilised in conjunction with the Australia Beach Safety and Management Program and the general beach hazard rating (as determined by Surf Life Saving Australia) to determine the capacity for water activity (with shore base) licences for particular beach and coastal locations.

**Increasing problem of motorhomes:**
In recent years there has been a great increase in the use of motor homes for touring Victoria. Many of these motorhomes are self-contained and visitors seek “free of charge” areas for parking overnight. Due to the increased number of visitors using motor homes emerging issues include:

- Conflict with local residents
- Illegal discharge of waste in sensitive environmental areas
- Increased overnight parking in sensitive environmental areas
- Increase incidences of pets such as dogs and cats entering the park
- Flouting of shire and Crown Land regulations.

A study to the expectations and requirements of motorhome tourists is urgently needed.

(5) Determining whether the local industry is sufficiently advanced to manage increased tourism and any obstacles to this.

**Multiple land managers in the same coastal area**
Under Section 17B of the Crown Land (Reserves) Act 1978, Committees of Management can grant licences to enter and use any portion of the land for purposes other than those for which the land is reserved. Most beach recreation occurs below the high tide line which is usually unreserved Crown Land and the responsibility of the Department of Environment and Primary Industries. Often a third party such as a shire council controls car parking, road access and amenity blocks. Under the Crown Land (Reserves) Act 1978 the responsibility for issuing licenses and permits cannot be handed over to another agency, so it is not possible to issue only one permit per proposed venture.

**Maintenance of infra-structure in coastal reserves**
Many coastal reserves do not have the capacity of generate the income required to maintain or renew their facilities.

**Visitor expectations**
Many visitors to Crown Land reserves think that the State Government funds infrastructure in these areas so there is a reluctance to pay fees for parking or use of amenities. This community perception needs to be addressed so it is easier for committees of management to fund their requirements.

On behalf of
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