Beyond Tourism 2020 Strategy Steering Committee Report to Government

Response to the Invitation to Comment

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1. Introduction

In response to the invitation to comment on the Beyond Tourism 2020 Strategy Steering Committee Report to Government and following participation on the Industry Roundtable organised by Austrade on 1st March 2019 in Launceston, we submit this document as part of the consultation process for the National Tourism Strategy.

2. Our understanding of the strategy as it is currently proposed

The strategy is explicitly focused on the growth of inbound and domestic tourism, with tourism being portrayed globally and in Australia as a major economic driver. Both the evaluation of Tourism 2020 and the set goals for 2030 focus on the achievement of specific
levels of tourist expenditure. This is broken down in supply requirements in terms of accommodation, aviation and jobs.

A list of challenges and opportunities to achieving expenditure growth is used to shape strategic pillars to drive growth. These challenges and opportunities include those related to maintaining Australia’s competitiveness, those brought by the sharing economy, emerging markets and advances in technology, including the operation of ultra-long-haul travel and the popularity of online education, and those associated with tourism’s social license to continue to operate.

The six proposed strategic pillars are: drive demand, invest in aggregated and segmented data analytics capability; address capacity constraints; harness technology to enhance visitor experience; establish a suitably skilled and available workforce that aligns with Australia’s world-class positioning; and build a sustainable tourism industry.

The following are listed as emerging risks and opportunities to the implementation of the strategy: financial, environmental and disease-related shocks and geopolitical shifts. While the strategy recognises the limited capacity of the tourism industry to control or influence most of these issues, it acknowledges the industry must be prepared to respond and adapt to changes. For the specific changes to the geopolitical environment, it recognises the need for intergovernmental and interorganisational collaboration.

The proposed measuring of success in the implementation of the strategy is limited to assessment of consumer profile and behaviour.

Implementation is proposed to be carried out in three stages: driving ongoing momentum, transforming and implementation; and achieving the results.

Each strategic pillar is then broken down into strategic goals, strategic actions and measures of success.

3. Overall Considerations

Targeting expenditure growth as the main goal may be an interesting approach to engage industry and Treasury by offering a forward-looking perspective of increased opportunity for business growth and prosperity and increased tax revenue but does not necessarily help make a good case for other sectors and organisations to support the implementation of the strategy. In fact, tourism could be seen as a competitor to other sectors and government portfolios when it comes to funding allocation. Apart from stating how the tourism 2030 goals can impact quantitatively the Australian economy and its GDP and support increases in the number of jobs, there is no strategic statement about the importance of tourism to Australia and to the Australian Government.

While the emphasis on economic growth and job creation may help make a strong case for cabinets, it does not necessarily help with gaining support from other departments and government agencies on which the implementation of the strategy depends. Despite the strategy identifying it needs a whole of government approach to be implemented, it highlights
a narrow view of the value it brings to whole of government and to Australia. Apart from mentioning the role of tourism in supporting international trade by contributing to a country’s brand awareness and of business travel in supporting “international relations between trading partners and within companies”, no other broader national considerations are made, only tourism industry focused ones.

Tourism brings increased international connectivity and places Australia closer to the rest of the world.

Tokyo, London, San Francisco, New York, Los Angeles and Singapore were consecutively the six best ranked cities for innovation in 2018. They are also ranked as having some of the most connected airports in the world (1st London-LHR; 6th Los Angeles-LAX; 8th Singapore-SIN; 16th New York-JFK; 21st Tokyo-HND). Greater airport connectivity is linked to a city region’s capacity to innovate, shape trends and attract investments through self-reinforcing processes. Through the development of inbound tourism, Australia can be better connected to the world and therefore more competitive globally. By making Australian cities more cosmopolitan, tourism is also contributing to transforming Australia into a powerhouse for innovation. By helping form a consumer market that is more cosmopolitan, tourism is also preparing other Australian-based industries to be competitive in global markets through better understanding of consumer needs from various backgrounds.

International education puts Australia in a privileged position by making it able to interact closely with a cosmopolitan mix of students from various backgrounds while helping shape their thinking about global issues. By providing world-class quality education to generations of international students, Australia is shaping thinking in other countries and becoming more influential in the global arena.

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9 According to the Innovation Cities Index 2018, Sydney and Melbourne were ranked as the 10th and 16th most innovative cities. Melbourne is also recognised by the World Economic Forum as being part of the Lifestyle group of cities which are only behind the innovators and the Big Seven groups for overall real estate investment intensity (https://www.weforum.org/agenda/2018/01/worlds-most-innovative-cities-jll/).
Without overclaiming, we understand that the strategy can and should shift its focus from an industry strategy to a national strategy. By showcasing the national value of tourism beyond quantitative economic terms alone, the strategy can become more relevant to those outside the tourism industry who are needed for its implementation.

4. Strategic Pillar 6. **Build a Sustainable Tourism Industry**; Strategic Pillar 3. **Address Capacity Constraints**; and Strategic Pillar 1. **Drive Demand**

Tourism development and planning need to be part of a national agenda that can harness the potential for tourism to contribute to other national priorities while minimising its negative impacts.

This is a necessary step for tourism to gain greater currency in portfolios and complementary industries that are vital for its success.

The same way the proposed strategy is timid about stating the value of tourism beyond quantitative economic terms, it is also contained when it comes to acknowledging potential negative impacts. While it does acknowledge “the need to grow in a sustainable manner, ensuring tourism continues to be positively perceived by local communities and does not negatively impact the natural environment, social fabric, culture and supporting infrastructure around which it occurs”, the proposed actions within strategic pillar 6 (Build a sustainable tourism industry) are contained to convincing communities about the “importance and benefits of a strong tourism sector to the future of Australia, particularly in the regions” and to “drive sustainable consumption of tourism products and services”.

No mention is made of the need to drive sustainable production\(^{10}\) of tourism products and services or to the need for environment and urban planning professions to be involved in the process of tourism development. Quite the opposite, the strategy proposes that there is a need to “identify red tape and other regulatory barriers impacting foreign investment in tourism infrastructure”. It would be hard to gain support for cutting red-tape and other regulatory barriers impacting foreign investment in tourism infrastructure if there is no greater engagement of tourism stakeholders in overarching and specific (urban and regional) planning processes\(^{11}\).

In this sense, the question should shift from whether foreign investment in tourism development should be facilitated to where and how foreign investment in tourism development should occur as part of integrated urban and regional development planning.

\(^{10}\) See the United Nations 10YFP One Planet Network Sustainable Tourism Programme available on [http://www.oneplanetnetwork.org/sustainable-tourism](http://www.oneplanetnetwork.org/sustainable-tourism)

Overall, the need to shift from a tourism-marketing-only approach to a marketing-and-planning/development approach was evident in some of the roundtable consultation discussions and led to the recognition that tourism development should aim for supporting the development of liveability in Australian cities – this was the second most voted “game-changer” in the roundtable, the first being the need to foster regional dispersal and the establishment of regional hubs and the fourth being the need for a whole-of-government approach to designing the national tourism strategy with bi-partisan support. These identified “game-changers” go hand-in-hand with the need to shift from a tourism industry/tourism-government-portfolio perspective to a whole-of-industry/whole-of-government approach that targets not only strategy implementation, but also strategy design.

There is a need to integrate Resilience, Urban Planning and Disaster Risk Reduction to the National Tourism Strategy

The strategy lacks consideration of the need to ensure the safety of visitors and hosts and therefore the necessary liaison with Emergency Management Agencies and disaster risk reduction initiatives throughout the country at different levels.

Overall, the strategy misses an opportunity to place tourism as a potentially important contributor to building resilience to disasters and crisis, while also acknowledging the potentially negative effects of certain models of tourism to resilience building processes. There should be the recognition that there needs to be greater engagement with resilience building initiatives as well as support for the generation of knowledge in this area.

Integrated monitoring and targeted communication could be useful for initiatives targeting tourist vulnerability. The impacts of a disaster affecting tourists could be devastating to tourist numbers in the short term during and following a hazard event and therefore should be an integral part of the strategy. In fact, disasters involving tourists can have a great impact on brand Australia.

If tourism development is better positioned within integrated urban planning processes that also target disaster risk reduction and natural hazard mitigation, the development of the necessary support infrastructure for tourism development (road upgrades, for example) can also be supported by the argument they are vital for evacuation in hazardous events. Tourism occurs in places and can be a great contributor to place-making, but it can also promote placelessness through its potential gentrification/touristification effect. Natural hazards and disasters are also place-based and are the result of particular interactions between people and their environment. Tourism is a driver for reshaping environments and therefore brings about changes in levels of disaster risk. Not only does tourism affect risk

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profiles, it is affected by them. When it comes to regional areas, tourism development is normally linked to edge development, or that which occurs in the edge of human settlements encroaching natural environments. By pursuing a strategy that recognises the importance of tourism development to regional development, it is important to acknowledge the need to integrate tourism development with environment and urban planning and disaster risk reduction and natural hazard mitigation.

In that respect, resilience should be part of the sustainability pillar of the strategy and needs to be addressed more comprehensively to include specific environmental, social and cultural considerations that go beyond social license and economic benefits.

In terms of strategy 1 (Drive Demand), it is commendable that the capacity of tourism to leverage other export sectors is acknowledged, however only those sectors that are directly serving tourists are listed (the wine industry, agricultural exports (agritourism) and international sports, etc). Acknowledgement of the potential impact that tourism can bring to regions by regionalising supply chains would contribute to regional resilience by offering the chance to develop complementary industries that can hold the regional economies in cases when tourism numbers suddenly dropped (as a result of disasters and crisis, for example).

As the Department of Home Affairs is currently developing a National Disaster Risk Reduction Framework through its National Resilience Taskforce, it is paramount that consideration on the opportunities for alignment and integration with the National Tourism Strategy Beyond 2020 are identified and pursued.

Overall, tourism should be part of a national strategy for Australia. There, it should be acknowledged as a great contributor to achieving national goals, but also a sector that is conscious of its potentially negative impacts and that works hard to minimise them.

5. Strategic Pillar 2. Invest in Aggregated and Segmented Data Analytics Capability

In terms of the Strategic Pillar 2 (Invest in Aggregated and Segmented Data Analytics Capability), Real-Time Data and Integrated and Interoperable databases for real-time information of decision-making would be especially relevant for reducing impacts of disasters and crisis on tourism and reduce community, business and tourist vulnerability to natural hazards. There is also the need to include considerations on the opportunities and limits associated with the use of social media and data privacy / ethical issues. There needs to be a better link between the strategy and existing national research funding schemes when it comes to the definition of tourism as a national priority for research.

For instance, the current Science and Research Priorities defined by the Department of Industry, Innovation and Science include: increase productivity; achieve sustainable economic growth; and create jobs and improve national well-being. While the proposed strategy speaks to the first two priorities and job creation, there is an opportunity to gain greater currency with the National Tourism Strategy by also highlighting tourism’s contribution to national well-being.
Similarly, linking the National Tourism Strategy to the **Australian Research Council’s National Interest Test** (the extent to which the research contributes to Australia’s national interest through its potential to have economic, commercial, environmental, social or cultural benefits to the Australian community”) could help reinforce the importance of research funding to tourism related projects in competitive Australian funding schemes.\(^{14}\)

6. **Strategic Pillar 4. Harness technology to enhance visitor experience**

This pillar needs to include benchmarking as a possible action, but also to be linked to applied research and start-ups. There is an opportunity to harness the growth of research impact and utilisation as a driving trend to research funding. This goes hand in hand with the propositions for pillar 2 (Data) and Pillar 5 (workforce).

7. **Strategic Pillar 5. Establish a suitably skilled and available workforce that aligns with Australia’s world-class positioning**

In terms of working on capacity, there needs to be a better link between research, TAFE and industry so that product, practice and delivery innovation can be propelled. This aligns with the fourth most voted “game-changer” identified in the roundtable that called for **funding for risk-taking**. Research in tourism needs to be recognised as a national priority beyond the realm of Tourism Research Australia. Harnessing the potential of tourism research already being produced in Australian universities with and without specific tourism programs should also be considered. Being interdisciplinary, tourism research permeates a diversity of knowledge fields and can be carried out by different programs not traditionally recognised as related to tourism.

We thank Austrade and the Australian Government for the opportunity to offer insight on the proposed strategy and reinforce our willingness to continue to contribute to the discussion of tourism as a national strategy for Australia.

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\(^{14}\) This reinforces the initial argument in this document that recommends that tourism development and planning need to be part of a national agenda that can harness the potential for tourism to contribute to other national priorities while minimising its negative impacts.
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