STRATEGIC TOURISM PLANNING: AUSTRALIA’S ‘TOURISM 2020’ STRATEGY

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OVERVIEW

• Overview of Australia
• Australia’s Tourism Performance
• ‘Tourism 2020’ Strategy
  – Purpose
  – Strategic Focus and Priorities
  – Case Study: Labour and Skills
• Recommendations for Strategic Tourism Planning
BACKGROUND: AUSTRALIA

• Population: 23 million
• National & State/Territory Governments
• About twice the size of Europe
• **Economic Indicators:**
  • GDP 1.5 trillion US$ (2011)
  • GDP Growth: 2.8%
  • Inflation: 1.6%
  • Unemployment: 4.9%
  • AUD/USD: $0.98
• Exports: Metal, ore, minerals $79b, Coal and related $44b, Tourism $24b

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• In 2011, there were 5.9 million international visitor arrivals
• In 2011, tourism exports were $24 billion
• $96 billion in spend (inbound $24b & domestic $72bn)
• Tourism’s direct contribution to Australia’s GDP was $35 billion, or 2.5% of the Australian economy
• Global Performance (2011): 8th for yield/receipts and 42nd for visitation (UNWTO)
BACKGROUND: GROWTH IN AUSTRALIA’S TOP 10 INBOUND MARKETS

Growth in Australia’s top ten markets in 2011 compared to 2010

Visitor Numbers ('000)

2010 ('000)

2011 ('000)

New Zealand
United Kingdom
China
United States
Japan
Singapore
Malaysia
South Korea
Hong Kong
Germany

Growth in Australia’s top ten markets in 2011 compared to 2010
WHY IS TOURISM IMPORTANT TO AUSTRALIA?

- Economic benefits - nearly 8% of total export earnings
- Tourism directly and indirectly employs 907,100 persons, or 7.9% of total Australian employment
- Every dollar spent in tourism generates 92 cents in other parts of the economy
- Key role in regional development and indigenous employment
- Supports cultural exchange and understanding
Marketing Side:
- Tourism Australia’s international marketing campaign *There’s Nothing Like Australia* and domestic campaign *No Leave, No Life*

Supply side:
- Implement the national tourism agenda on behalf of Tourism Ministers
‘TOURISM 2020’ SEEKS TO ACHIEVE

By 2020:

• Achieve $115-$140 billion overnight spend
• Hold or grow market share
• Grow labour force
• Accommodation
• Aviation capacity
• Quality and productivity

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## LOOKING OUT TO 2020

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<th>Challenges</th>
<th>Opportunities</th>
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<td>Increasing competition/long haul destination</td>
<td>Unique assets particularly landscapes and nature based tourism</td>
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<td>Strong $AUD</td>
<td>Indigenous culture and heritage</td>
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<td>Consistent quality of product and service</td>
<td>Our welcoming, diverse people</td>
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<td>Competition from other sectors/mining boom</td>
<td>Growth in Asia – our neighbouring geography</td>
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TOURISM 2020: 6 STRATEGIC PRIORITIES

• Grow demand from Asia
• Build competitive digital capability
• Encourage investment and implement regulatory reform agenda
• Ensure tourism transport environment supports growth
• Increase supply of labour, skills and Indigenous participation
• Build industry resilience, productivity and quality
CASE STUDY: LABOUR AND SKILLS STRATEGIC PLANNING

Objective
Increase supply of labour, skills and Indigenous participation

Phase 1
Quantify and model labour and skills shortages

Phase 2
Develop policy/implementation framework

- Improving recruitment
- Improving labour & skills profiling
- Expanding traditional workforce
- Enhancing education & training
- Improving Retention
- Improving labour mobility

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CASE STUDY: LABOUR AND SKILLS PHASE 1

Quantify and model labour and skills shortages

• Review current labour market conditions
• Forecast regional labour shortages to 2015

Results: Labour and Skills Pressures
• 36,000 current tourism vacancies
• By 2015: 56,000 people needed to fill shortages

Conclusions
Concerns with:
• Recruitment difficulties (57%)
• Skills deficiencies (50%)
• Retention difficulties (46%)
Results vary by state & across regions
Findings of the *Australian Tourism Labour Force Report*:

- Perceived lack of career development
- Enhance training outcomes
- Seek alternative labour sources
- Need for regional solutions
- Identification of tourism employment ‘hotspots’
Tourism Employment ‘Hotspots’

1. Broome (WA)
2. Red Centre (NT)
3. Sydney (NSW)
4. Mornington Peninsula/Phillip Island (VIC)
5. Tropical North Queensland (QLD)
6. Kangaroo Island (SA)
7. Canberra (ACT)
8. Regional Tasmania (TAS)

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Develop an implementation framework: Findings of the Australian Tourism Labour Force Report & priorities of the ‘Jigsaw’ to inform a 2 year forward work program

Key Activities

• Industry engagement:
  • Tourism Ministers’ Employment Roundtable

• Solutions:
  • Regional focus: 8 Tourism Employment Plans
  • Promote improved take up of government programs
  • Indigenous initiatives
  • Seasonal Worker Program

• Implementation:
  • Labour and Skills Working Group

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What the Tourism Employment Plans (TEPs) will do:
• The TEPs will be a 3 year plan to address labour and skills pressures in 8 regions for tourism

They will:
1. Deliver 8 unique plans to respond to specific regional needs
2. Industry framework to link tourism businesses with government programs
3. Deliver industry led solutions to address medium term skills pressures
4. Targeted capacity building strategies (regional committees)
5. Deliver models for other regions
CASE STUDY: LABOUR AND SKILLS PHASE 2

Tourism’s Trial in the Seasonal Workers Program:

• The trial allows accommodation providers to meet labour shortages in peak seasons
• Available to Timor-Leste and 8 Pacific Island nations
• Support skills transfer
• Extends the wider program of engagement between Australia, the Pacific and Timor-Leste
• Broome Trial: 12 people from Timor-Leste working in accommodation sector in NW Australia for initial trial
OTHER ‘TOURISM 2020’: PRIORITIES FOR 2012

• Third annual *Tourism Directions* Conference to be held November 2012

• Release of the third *State of the Industry Report* in October 2012

• Promote tourism as a key component of “The Asian Century” white paper; implement 2020 China Strategy & Develop 2020 India Strategy for tourism

• T-QUAL Grants and the T-QUAL Tick of Approval

• Promote greater investment in tourism
  – Tourism investment guide

• Facilitate regional dispersal

• Expand tourism transport access
Lessons learnt and recommendations for strategic tourism planning:

• Need for national, state and industry priority to succeed
• Tourism Agencies can deliver supply side reforms even though many do not hold direct policy levers:
  – Clear and achievable vision
  – Strong policy/evidence base for change
  – Clear implementation framework
  – Whole of Government, industry and business partnerships
• Ensure marketing and supply priorities closely align
• Validate, measure (KPIs) & report
Questions?

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