



APRIL 2013

Infrastructure Initiatives to Support Tourism

TOURISM

Tourism profile

Northern Queensland is home to a multitude of world-class tourism destinations with natural assets such as the Great Barrier Reef, the Wet Tropics and rainforests, the Whitsundays and tropical islands, the Outback and National Parks along with tourism products that have been developed for a wide range of tourism markets.

Tourism makes a significant contribution to the region's economy and employment, and will continue to be one of the pillars of the economy while efforts are made to diversify to ensure sustainability when the tourism sector is affected by external factors such as natural disasters and fluctuations in exchange rates.

Based on assessing the statistics available for sub-regional areas and assessing that a significant part of the "Outback region" is also within the Northern Queensland region, in the year ending September 2012, Northern Queensland was host to approximately four million domestic overnight visitors and one million international visitors.

In terms of the economic value of tourism to the region, although exact and current figures are not available, based on visitation and the Northern Queensland share of the State's visitors, it is estimated that visitors to the region spend approximately \$3 billion¹.

In terms of Gross Regional Product, in 2007-08, it is estimated that tourism contributed more than \$2.5 billion to the Northern Queensland Region's economy².

While there is no recognised indicator, it must also be mentioned that communities also benefit from the development of tourism facilities and recreational spaces that contribute to local liveability, as well as the community pride that develops from seeing their town promoted and visited.

Opportunities

To strengthen and grow the tourism industry, it is important to build resilience in businesses and infrastructure that support them, continue to refresh and develop new product and experiences and to promote the region to current and emerging target markets.

Tourism Australia, Tourism and Events Queensland, Regional Tourism Organisations (RTOs) and Local Tourism Organisations (LTOs) play a leading role in working with the tourism industry to develop business resilience, new products and promotion to domestic and international markets. RDAs encourage and support this activity.

Infrastructure challenges include road safety and flooding issues, air access for both international and domestic markets, telecommunications and electricity supply and pricing.

To develop supporting infrastructure, a collaborative effort is required across all levels of Government, representational organisations and the private sector.

¹ Source: Tourism and Events Queensland, International and Domestic Tourism Snapshots, Year ending September, 2012 (estimate based on available data)

² Source: Tourism and Events Queensland, International and Domestic Tourism Snapshots, Year ending September, 2012 (estimate based on available data)





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Where to from here:

While there are many worthwhile initiatives, the following are considered the most urgent and important to make a wide scale positive impact and benefit across the Northern Queensland region:

Action	What's needed	Benefits to our communities and regional economies
<p>Road safety</p> <p>The Bruce Highway (in total) accounts for 17 per cent of fatalities on National Highways even though it only accounts for 7.5 per cent of total kilometres.</p> <p>From 2008-2011, 170 deaths and 1,620 hospitalisations were due to road crashes on the Bruce Highway.</p>	<p>Safety improvements on the Bruce Highway will make a positive contribution to reducing accidents, fatalities and injuries.</p> <p>It will also lead to more confidence and attractiveness of driving holidays and fly/drive holidays to support growth of tourism.</p>	<ul style="list-style-type: none"> • Safer roads will lead to less fatalities and injuries that negatively impact families and communities; will reduce costs associated with managing accidents and hospitalisation of victims; and will help grow tourism that will have a flow on economic and job impact locally
<p>Road flooding</p> <p>For Northern Queensland, the Bruce Highway, spanning 1,700 km from Brisbane to Cairns, is the most significant single piece of transport infrastructure and is used by visitors, business and industry all year round.</p> <p>From 2010 to 2012, the Bruce Highway was cut due to flooding over 400 times.</p> <p>On average there are nine locations which close annually for greater than 48 hours and six locations that close for greater than five days.</p> <p>Visitation to the region slumps in the wet season and in particular when roads are flooded.</p>	<p>Improvements to reduce the frequency and impacts of floods on the Bruce Highway will reduce the negative economic impacts of flooding.</p> <p>Economic analysis in 2012 has shown the costs associated with flood impacts. For example, Sandy Gully (Whitsunday Regional LGA), closes on average 210 hours each year due to flooding with an economic cost of \$60.8 million. These costs are replicated right along the Bruce Highway each year.</p> <p>Improvements to reduce flooding frequency and impacts will also lead to more confidence and attractiveness of driving holidays and fly/drive holidays to support growth of tourism.</p>	<ul style="list-style-type: none"> • Better roads will lead to a reduction in economic losses associated with flooding; improved safety of roads (fewer cases of unsafe crossings of flooded roads); continuity of supplies of goods and services throughout the state; and will help grow tourism that will have a flow on economic and job impact locally





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<p>Air access</p> <p>Much of the international travel into Northern Queensland is via Sydney or Brisbane, which adds an additional cost to travel to the region.</p> <p>Domestically, there are limited flight routes and capacity within Northern Queensland leading to high costs of travel.</p>	<p>Both existing international airports such as Cairns and other regional airports could be considered based on their tourism markets, inward and outward business and FIFO markets and local residential demand.</p> <p>A scoping study for new opportunities in air route development based on demand factors mentioned above would inform the planning for air capacity expansion into the region.</p> <p>On-going incentives to attract and support new air routes would directly stimulate tourism demand.</p>	<p>Better air access will lead to increased visitation by international and domestic visitors.</p> <p>This will provide an economic and job impact locally.</p>
<p>Telecommunications</p> <p>Infrastructure across the region is patchy at best. Large parts of the region are still without mobile telecommunications, suffer low broadband speeds and in extreme cases of flooding situations such as recently experienced in January this year, suffer a lack of emergency "000" access and total black out of all landline, mobile and internet services on the major regional Telstra telecommunications network.</p> <p>An estimated one million residents and visitors across more than 80 per cent of the State were affected by the recent Telstra system failure for more than 24 hours.</p> <p>An economic impact assessment has not yet been done, but anecdotally, millions of dollars of revenue were lost as most businesses, including those in the tourism industry, could not operate their EFTPOS or credit card payment systems and consumers could not retrieve cash from ATMs.</p>	<p>Mobile</p> <p>Both visitor and community safety would be enhanced by improved mobile telecommunications infrastructure in the region.</p> <p>There may be an opportunity to address mobile telecommunications needs through local service obligations.</p> <p>High speed broadband</p> <p>For those communities that are not in the first five years of the NBN roll-out, it is recommended that communities that come forward with innovative ways to fast track their entry into the fibre network should be encouraged and supported with some flexibility about cost-sharing. This is especially the case where local industry is playing on a global stage – such as in tourism.</p>	<p>Improved safety and security for travellers and residents in rural and remote locations.</p> <p>Greater connectivity of tourism businesses to international, national and regional tourism markets leading to increasing business and flow on benefits to the economy and employment.</p>





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<p>Electricity</p> <p>Increasing costs of electricity are negatively impacting the viability of tourism and other businesses in the region.</p> <p>Security of supply can be an issue in some remote areas.</p> <p>Carbon emissions are high in diesel-generated areas, which does not fit well with ecotourism aspirations.</p>	<p>To plan for electricity supply in Northern Queensland in partnership with State Government planning.</p> <p>To seek Federal Government support for renewable energy generation and transmission. (There is an existing agreement to support the connection of renewable energy to transmission in the north-west Queensland area.)</p> <p>To attract private sector investment into energy infrastructure.</p>	<p>Local tourism businesses will benefit from containing their costs to remain viable; the local community will benefit through employment opportunities; to support other local businesses and industry viability to diversify the economy.</p>
<p>Tourism product</p> <p>Given global and national competition to attract visitors, the region needs to attract and encourage investment into new and updated product including experiences that will build on the strengths of the region and attract target markets.</p>	<p>With world heritage natural assets and local Indigenous and cultural experiences that visitors are seeking, there are opportunities to further develop nature-based and ecotourism, cultural and adventure tourism.</p> <p>To support the growth of tourism there is also an opportunity to develop new visitor accommodation.</p>	<p>Product development will provide more unique and market focused tourism experiences for visitors and locals.</p> <p>This will lead to increased visitor numbers from target markets, which will inject economic benefit and create local jobs.</p>
<p>Tourism marketing</p> <p>Global and national competition by tourism organisations to attract visitors is fierce.</p> <p>Tourism is an industry competing for "share of wallet" against other discretionary items such as home entertainment appliances.</p> <p>Economic uncertainty and low consumer confidence can negatively impact the decision-making process in regard to taking a holiday and if so where and for what duration.</p>	<p>The Northern Queensland region has a wealth of offerings for visitors but much of the region is not known.</p> <p>With marketing support, the region's tourism organisations will have the opportunity to develop their "story" and better promote their products and experiences.</p>	<p>This will lead to increased visitor numbers from target markets, which will inject economic benefit and create local jobs.</p> <p>Community pride is also increased with promotion of their local towns.</p>





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Examples of projects that would support the strategic initiatives include:

- **Cairns CBD project**

Shield Street upgrade of CBD in advance of G20 Summit including increased green space, shelter and pedestrian and vehicular traffic.

- **Whitsunday Regional Airport**

Expand airport to allow for international tourists and opportunities to expand into the Asian tourism market.

WHO WE ARE

The role of Regional Development Australia Committees is to work across all three levels of Government, local industry and their regional communities to enhance the growth and development of regions across Australia. This includes the identification and advocacy of agreed regional priorities; and working in collaboration with regional partners to strengthen each region's long-term sustainability for the long-term benefit of future generations.

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