



# Regional Tourism Review...The Way Forward

## Final report

Department of Economic Development, Tourism and the Arts

27<sup>th</sup> August 2010

ADVISORY



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## **Private & Confidential**

27<sup>th</sup> August 2010  
Deb Lewis  
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Tourism Tasmania  
Level 2, 22 Elizabeth Street  
Hobart TAS 7000

Dear Deb

### **Regional Tourism Review**

We are pleased to provide our Final Report as part of the Regional Tourism Review. This report presents the outcomes of all phases of the project, these being:

- Desktop review of other recent regional tourism reviews undertaken in other jurisdictions of Australia, a review of RTOs in New Zealand as well as other earlier reviews of regional tourism in Tasmania,
- A survey of regional tourism stakeholders in Tasmania, and
- A Reference Group workshop with over 40 of Tasmania's leading regional tourism experts and stakeholders.

The review of regional tourism review has led us to believe:

- The structure and resourcing of regional tourism has been a challenge for other jurisdictions, which have reported similar challenges to Tasmania
- Earlier reviews of regional tourism in Tasmania over the last 15 years identified issues that still remain today and, to some extent have become more complex with the recent introduction of zone marketing
- There are concerns about the current approach to regional tourism in Tasmania, centred around the need for improved role clarity, and less duplication
- Regional tourism effort and spending is mainly allocated to communication/networking, marketing and promotion and visitor information and relatively less is given to other important functions such as product and experience development, infrastructure development and skill development.

The Reference Group workshop was an excellent opportunity to share our observations with key industry stakeholders and focus on the way forward. It was pleasing that there were a number of important outcomes, albeit this was the first step in a much longer reform process. Key outcomes from our perspective were:

- Acceptance of the Destination Management framework as a model to set out the functions needed to manage, develop and market regional tourism
- Acceptance of the need to look at simplifying the stakeholder industry structure, currently comprising 90 or so organisations across five layers
- Acceptance of the need to focus on streamlining communications and marketing to remove duplication and wasted effort
- Acceptance of the need to commit effort and resources to destination development – skills development, products and experiences and infrastructure, and finally,
- Acceptance of the need for Tourism Tasmania and other leaders in the regions to provide the leadership to push through with these important reforms.

We thank you for your guidance and support throughout this interesting and worthwhile project and wish you well in your endeavours to implement changes to regional tourism in Tasmania.

Yours faithfully

*David Richardson*  
Director

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The findings in this report are based on a qualitative study and the reported results reflect a perception of Department of Economic Development, Tourism and the Arts but only to the extent of the sample surveyed, being Department of Economic Development, Tourism and the Arts' approved representative sample of [management and personnel / stakeholders]. Any projection to the wider [management and personnel / stakeholders] is subject to the level of bias in the method of sample selection [or amend paragraph as appropriate].

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## Glossary of terms

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<b>[CCA]</b>	[Cradle Coast Authority]
<b>[DTRS]</b>	[Department of Tourism Sport and Recreation]
<b>[HCC]</b>	[Hobart City Council]
<b>[LGA]</b>	[Local Government Authority]
<b>[LTA]</b>	[Local Tourism Association]
<b>[LTO]</b>	[Local Tourism Organisation]
<b>[NCST]</b>	[New Concept for State Tourism]
<b>[NTD]</b>	[Northern Tasmania Development]
<b>[STCA]</b>	[Southern Tasmania Council Association]
<b>[RFQ]</b>	[Request For Quotation]
<b>[RTA]</b>	[Regional Tourism Association]
<b>[RTB]</b>	[Regional Tourism Board]
<b>[RTO]</b>	[Regional Tourism Organisation]
<b>[TICT]</b>	[Tourism Industry Council Tasmania]
<b>[TT]</b>	[Tourism Tasmania]
<b>[TVIN]</b>	[Tasmanian Visitor Information Network]
<b>[ZMG]</b>	[Zone Marketing Group]

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# 1. Executive summary

## Industry structure and desktop review

Topic	Summary observations
<p><b>Industry structure</b></p>	<p><b>Regional tourism industry and stakeholders</b></p> <ul style="list-style-type: none"> <li>• The regional tourism industry stakeholder group of entities comprises Tourism Tasmania, 3 RTAs, 5 ZMGs, 29 LGAs, 21 centres in the TVIN, 28 LTAs – a total of 86 organisation over 5 'layers'. In addition, there is the TICT and are a number of Sector Associations representing groups of like-operators</li> <li>• Tasmanian tourism operators are characterised by a large number of small operators. Over 2/3 of the operators have 5 beds or less or are small tour operators, which increases the challenge of connecting this many stakeholders in the network</li> <li>• Our initial 'mapping' of this current structure indicates there may be areas of overlap and some gaps in the coverage of Tasmania</li> </ul>
<p><b>Other reviews of regional tourism</b></p>	<p><b>Other reviews of regional tourism in Australia</b></p> <ul style="list-style-type: none"> <li>• Over the last 5 years, reviews and reforms of regional tourism models/ structures have occurred in Victoria, Queensland and Western Australia</li> <li>• Directions/ themes that appear to have been common to these three reviews have been             <ul style="list-style-type: none"> <li>- Reduce the number of layers in governance</li> <li>- Determine regional tourism related <u>infrastructure and product development</u> spending requirements</li> <li>- Improve tourism <u>industry skills</u></li> <li>- Deliver consistent <u>communications</u> from the State Government to industry</li> </ul> </li> </ul> <p><b>Earlier Tasmanian reviews of regional tourism</b></p> <ul style="list-style-type: none"> <li>• Regional tourism in Tasmania has been the subject of seven reviews over the last twenty years</li> <li>• <u>Clarifying roles and funding</u> has been an ongoing challenge, giving rise to periodic formal reviews</li> <li>• The need for <u>clarifying the purpose and roles</u> of the RTAs in particular, within the model has been a common theme</li> </ul> <p><b>New Zealand review of RTOs</b></p> <ul style="list-style-type: none"> <li>• A review of RTOs in New Zealand The New Zealand review of RTOs concluded that opportunities for improvement could come from:             <ul style="list-style-type: none"> <li>- <u>improved role clarity</u></li> <li>- advocating to stakeholders the value of tourism</li> <li>- introducing agreements between LGAs and RTOs to <u>define relationships and duties</u></li> <li>- Improving tourism <u>industry skills</u></li> </ul> </li> <li>• There is no one single structure that will work in all regions as every region has features that another may not possess.</li> </ul>

Topic	Summary observations
Survey summary	<p><b>Roles and functions</b></p> <ul style="list-style-type: none"> <li>• The survey returns indicated that marketing and promotional activities are undertaken by the greatest number of respondents, followed by communication/ networking</li> <li>• Functions undertaken by the lowest number of respondents were <u>skill development and infrastructure projects</u></li> <li>• Other functions undertaken by respondents were tourism strategy development, visitor information services and tourism product development</li> <li>• In terms of qualitative data, respondents pointed to issues with <u>skill development</u>. <u>Communication/ networking</u> with industry and <u>marketing/ promotional</u> activities were regarded as functions that are both working well and need improvement as a result of role uncertainty</li> </ul> <p><b>Funding arrangements</b></p> <ul style="list-style-type: none"> <li>• There are a number of common funding arrangements in place, but there is a wide range of unique, local funding flows between stakeholders within the structure that results in a complex map of fund flows within the current approach to regional tourism.</li> <li>• The survey returns indicated that the quantum of funding in the current regional tourism system may range between \$7M and \$29M, indicating there is a significant pool of resources that should be managed in a coordinated manner to deliver improved regional tourism outcomes</li> <li>• In terms of qualitative data, respondents pointed to issues relating to the funding model, which is often project based, and the adequacy of funding. Respondents noted that some cooperative funding arrangements are working well.</li> </ul> <p><b>Human resources</b></p> <ul style="list-style-type: none"> <li>• The survey returns indicated a total of 65 permanent staff are employed in regional tourism, mostly in the LGAs and TVINs. When extrapolated, there may be in excess of 250 employees directly involved in regional tourism.</li> <li>• The survey returns indicated approximately 450 volunteers are utilised, mostly in the TVIN's and LTAs. When extrapolated, there may be in excess of 1,500 volunteers.</li> <li>• In terms of qualitative data, respondents pointed to the need for additional resources. Volunteerism and resource flexibility were seen as factors that are working well.</li> <li>• Respondents indicated that relationships with Tourism Tasmania, RTAs and ZMGs needed the greatest improvement.</li> </ul>



## Emerging conclusions and a suggested way forward

Topic	Summary observations
Emerging conclusions	<p><b>Roles and responsibilities</b></p> <ul style="list-style-type: none"> <li>● We have used a simplified Destination Management model as the theoretical framework to provide the functions needed within regional tourism</li> <li>● Our mapping would allow us to conclude the <u>need for improved role clarity</u></li> <li>● There is the <u>risk of overlap/ duplication</u> in some areas where many stakeholder groups undertake tasks in these functions (see this as their role) to a partial or significant extent             <ul style="list-style-type: none"> <li>- promotional/ marketing activities</li> <li>- communication/ network</li> </ul> </li> <li>● There may be <u>gaps</u> in some areas where relatively few stakeholder groups undertake tasks in these functions (see this as their role) to any significant extent             <ul style="list-style-type: none"> <li>- infrastructure development</li> <li>- product development</li> <li>- skill development</li> </ul> </li> <li>● <u>These gaps also emerged in the analysis of regional tourism reviews undertaken in other States</u></li> </ul> <p><b>Funding arrangements</b></p> <ul style="list-style-type: none"> <li>● The administration and performance monitoring of the current funding arrangements in regional tourism would consume resources</li> <li>● The relatively small quantum of funds involved in each agreement may not be sufficient to make material differences and secure leverage over performance</li> <li>● There may be an argument for providing greater levels of funding to a fewer number of well resourced participants</li> </ul>

## Key elements of the way forward

Topic	Summary observations
<p><b>Key elements of the way forward</b></p>	<ol style="list-style-type: none"> <li>1. Pursue structural reform to reduce the number of organisations involved in delivering regional and local tourism services throughout Tasmania in order to remove duplication, improve efficiency and achieve some economies from scale</li> <li>2. Review boundaries/ borders involving RTAs, ZMGs, LTAs, touring routes and Local Government since overlap and uncertainty around these jurisdictions these can be an impediment to collaboration</li> <li>3. Revisit regional tourism funding arrangements with a view to aggregating larger pools of funds to a lesser number of effective and well resourced entities</li> <li>4. Implement effective funding agreements with appropriate performance measures to leverage accountability and stakeholder commitment</li> <li>5. Embrace and promulgate the Destination Management Framework as a model that captures the functions needed to manage, develop and market regional tourism</li> <li>6. Continue to clarify roles and responsibilities for the key functions as set out in the Destination Management Framework with a focus on:             <ul style="list-style-type: none"> <li>- reducing duplication in marketing/ promotion and communication/ networking</li> <li>- building capacity and funding in infrastructure development, product and experience development and workforce and skill development</li> </ul> </li> <li>7. Recognise that while clarity around roles and responsibilities is required, differing capacity and organisational structures will mean that flexibility in the final model is required across Tasmania</li> <li>8. Revisit the existing model for the provision of on the ground visitor information in light of the impact of digital information applications</li> <li>9. Identify streamlined membership models within the various stakeholder groups that offer value to industry members and create connections between the organisations</li> <li>10. Empower Tourism Tasmania to provide leadership and make the necessary reforms, notwithstanding the need for some level of positive engagement with constituent organisations in the decision making process</li> <li>11. Develop more structured and consistent two-way communications within the industry with Tourism Tasmania at the centre of that network</li> </ol>

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## 2. Introduction

Tasmania's tourism industry continues to perform strongly, but there are pressures that suggest some reform of regional tourism roles, functions and funding may be required.

Reforms have been made in some other Australian jurisdictions over the last five years.

### Introduction

- Tasmania's tourism industry continues to perform strongly, exceeding expectations during difficult economic times, with visitor numbers reaching nearly one million per annum.
- The Tasmania Visitor Survey for the year ending June 2009 showed Tasmania recording its fourth consecutive period of visitor growth, and increasing visitor numbers by 7% when compared to last period. Visitor nights are also up, as too is visitor spending. The National Visitor Survey reported these figures in decline across Australia for the same period. However, in one of the toughest years that tourism has experienced globally in a long time, it is acknowledged that the visitor increases have not necessarily trickled down to everybody. Forecasts also show that there are challenges ahead.
- A review of how industry and government collectively develop and market tourism at the local and regional level is timely as competition from other destinations is fierce and the environment in which Tasmanian tourism operates continues to change. Other relevant contextual factors include
  - There has been some uncertainty about the overlap of three RTA regions and five marketing zones
  - Zone Marketing Groups are two years into a three year first phase and their future role is the subject of a separate review
  - The three Regional Tourism Authorities have different structures and approaches to supporting regional tourism
  - There is a national focus on destination management planning as a more holistic approach to tourism
  - Tourism Tasmania is moving to establish new funding agreements with the RTAs in 2011 and this review will help to inform those Agreements
- This review of regional tourism is intended to build on successes to date and identify an integrated and sustainable approach for industry and government to work together that will allow the tourism industry to optimise regional tourism outcomes for Tasmania into the future.
- It is important to note that the review did not address the internal operation of any of the constituent organisations.

### Objectives/Outcomes

1. A shared view amongst stakeholders for allocation of responsibilities and resources to support effective delivery of local and regional tourism services in Tasmania
2. A sustainable model for the effective delivery of services and functions that support regional tourism across the state, where duplication of effort is minimised.

### Scope

1. Identify the roles, responsibilities and partnerships between the key stakeholders involved in local and regional tourism
2. Identify funding arrangements and human resources that support their local and regional tourism specific activities, and
3. Make recommendations regarding sustainable and effective model(s) for the future.

### Review governance team

- Steering Committee
  - Roger Jeansch/Ian Waller, Cradle Coast Authority
  - David Adams, Northern Tasmania Development
  - David Lovell, Southern Tasmania Councils Authority
  - Ian Rankine, Totally South Tourism
  - Daniel Hanna, Tourism Industry Council Tasmania
  - Claire Ellis (Chair) Tourism Tasmania
- Working Group
  - Ian Waller, Cradle Coast Authority
  - Maryana Lishman( replaced by Michelle Strickland), Northern Tasmania Development
  - David Rose, Totally South Tourism
  - Deb Lewis (Project Manager), Tourism Tasmania

### Structure of report

- Section 3 presents an industry overview to outline the key stakeholder groups that support Tasmanian tourism operators
- Section 4 presents a summary of previous tourism reviews conducted in Tasmania other States and New Zealand to outline common themes
- Section 5 presents a summary of the results from the survey of regional tourism stakeholders
- Section 6 presents a summary of the Reference Group Workshop conducted on 20th July with tourism industry key stakeholders
- Section 7 discusses the conclusions emerging from the review and proposed a number of elements of the way forward
- The Appendices in Volume 2 present the more detailed analysis that has been summarised in this Final Report.

# Introduction

## Approach

### Our approach consisted of four stages

- Project initiation
- Desktop literature review and survey
- Consultation
- Reporting

**Due to the complexity and duration of the project, Tourism Tasmania resolved to undertake the 'Next Steps' outside the scope of the KPMG review**

#### Project initiation

- Discuss the background and drivers for the review
- Confirm the scope of the project and associated activities
- Confirm project governance arrangements
- Discuss the project timeline, including key milestones
- Obtain relevant background documents and identify other data sources need to undertake the review
- Identify key stakeholders and discuss the consultation plan

#### Desktop literature review and survey

- Develop an understanding of the current roles/ responsibilities and funding model
- Compile and review relevant data to support the consultation and analysis in subsequent stages
- Consider interstate and new Zealand review outcomes
- Conduct a survey of local regional tourism industry stakeholders in order to gather data about their functions, funding and human resources
- Develop a conceptual model for regional tourism around the Destination Management framework

#### Consultation

- Validate the tailored Destination Management model in a series of one-on-one discussions with government and industry representatives
- Conduct a workshop with tourism industry leaders to develop a conceptual model for regional tourism

#### Reporting

- Final report presenting the findings arising from the review.

#### Next steps

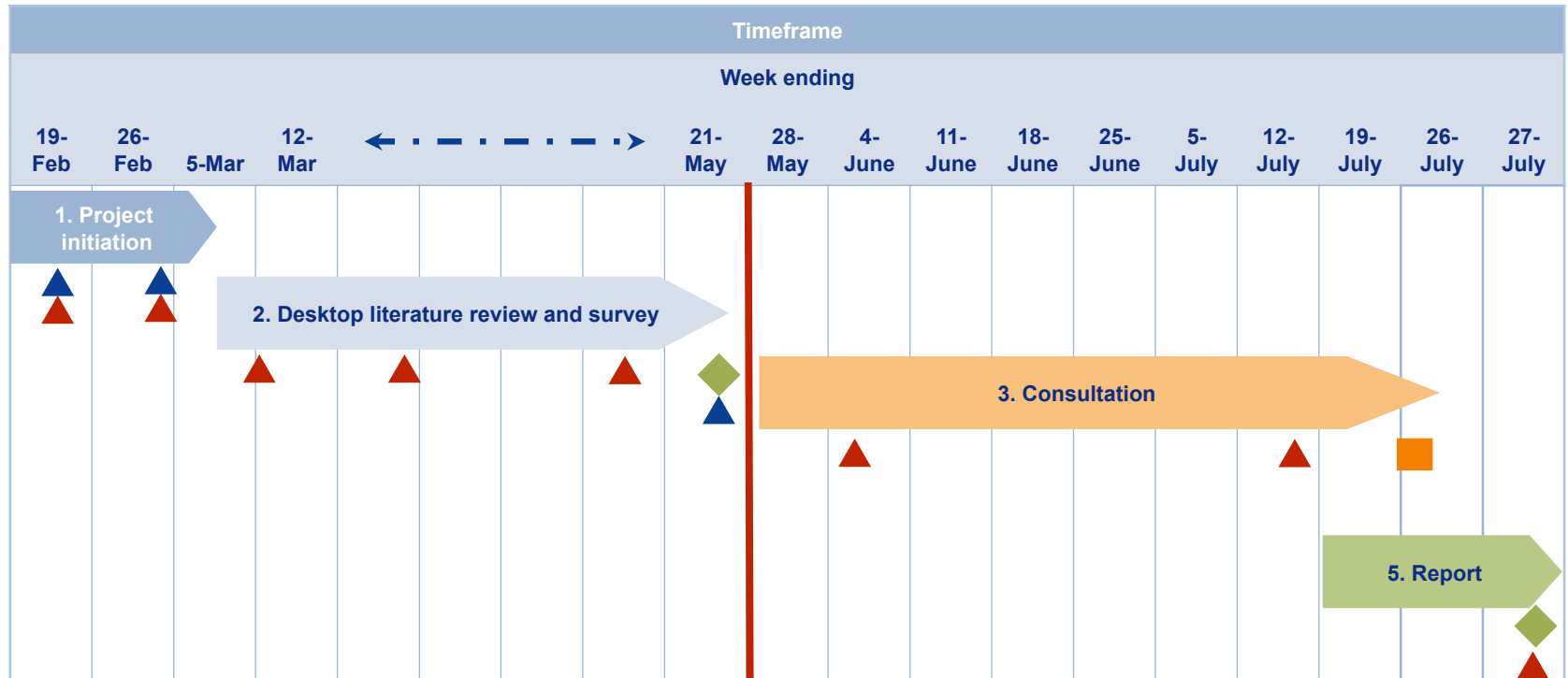
- Tourism Tasmania and the RTAs to conduct Regional Forums to discuss the conceptual model with the tourism industry

# Introduction

## Timeframe

**Our timeframe extends through to late July. Key points to note are**

- An interim report (for internal use only) was prepared at the end of the desktop review and survey phase
- A number of Working Group meetings have occurred to bring industry input to the process
- The Steering Committee has met periodically to guide the project



Key:

- Steering Committee ▲
- Working Group ▲
- Reference Group ■
- Reports ◆

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## 3. Industry overview

## Key stakeholders

**Regional Tourism in Tasmania comprises many layers of stakeholders that all have varying levels of involvement in tourism.**

**The roles of individual organisations in these layers is likely to depend on:**

- the importance of tourism to their region
- the effectiveness of cooperative tourism related arrangements with other stakeholders
- the personal involvement of key influencers.

**The industry is characterised by a large number of small operators**

### Regional Tourism Authorities

- The Cradle Coast Authority is responsible for creating local, regional and state partnerships, and implementing strategies to ensure the region maximises its tourism potential. It also facilitates private investment through strategic development of key areas including infrastructure, planning, market research and training.
- Northern Tasmania Development provides leadership in promoting Northern Tasmania as a quality destination through innovative and strategic marketing and sustainable development. This is done in conjunction with the tourism industry, the eight northern councils, local tourism organisations and Tourism Tasmania.
- Totally South supports the development of sustainable tourism through industry awareness programs, industry education and training, event information and networks, event development, brochure production and distribution, and consumer and trade promotions.

### Zone Marketing Groups

- Zone marketing is a new co-operative marketing approach between Tourism Tasmania and the tourism industry. It uses market knowledge and insights to provide regional Tasmania with new growth opportunities and consumers with a more logical and accessible holiday offer. Zone marketing co-exists with the three administrative RTA zones overlaid with five marketing zones that better fit the way visitors perceive Tasmania. The five marketing zones are Hobart and Surrounds, East Coast, Launceston, Tamar and the North, North West Coast, Western Wilderness.

### Local Tourism Associations

- Local Tourism Associations work within the local tourism industry and liaise with Regional Tourism Authorities and state bodies on behalf of operators.

### Local Government

- Local councils advise on building, zoning, operating and health and safety issues that are necessary to consider when operating a tourism business. Most Councils have some relationship with their Regional Tourism Association. Councils also help with planning and the development of strategies for the region. Some also operate visitor centres. Some Councils also have a more active role in tourism, such as funding a Tourism Office on staff or operating a Visitor Information Centre

### Tourism Industry Council of Tasmania

- Tourism Industry Council Tasmania (TICT) is the peak body that represents and acts for the Tasmanian tourism industry.

### Tasmanian Visitor Information Network

- The Tasmanian Visitor Information Network (TVIN) is one of the best places to promote product and facilities on the ground. The TVIN can assist with product marketing and bookings. There are currently 21 centres strategically located around the state.

### Industry Associations

- Industry associations can provide a number of resources and opportunities to assist tourism industry operators with their day-to-day business activities including cooperative marketing opportunities. Examples of such associations include the Australian Hotels Association, Eco-tourism Association of Australia and the Bed and Breakfast Boutique Accommodation of Tasmania.

### Industry operators

- The Tasmanian tourism industry is characterised by a large number of small operators. Data as at May 2010, provided by Tourism Tasmania indicates there are:
  - Accommodation businesses (20 rooms and over): 176 plus 18 with 20 camp sites and over
  - Accommodation businesses (6-19 rooms): 255 plus 3 with 6-19 camp sites
  - Accommodation businesses (5 rooms and under): 756 plus 1 with 5 camp sites and under
  - Tour businesses: 241
  - Attractions: 390 plus 70 golf courses, 8 markets and 72 natural attractions
  - Hire Companies (including depots): 105

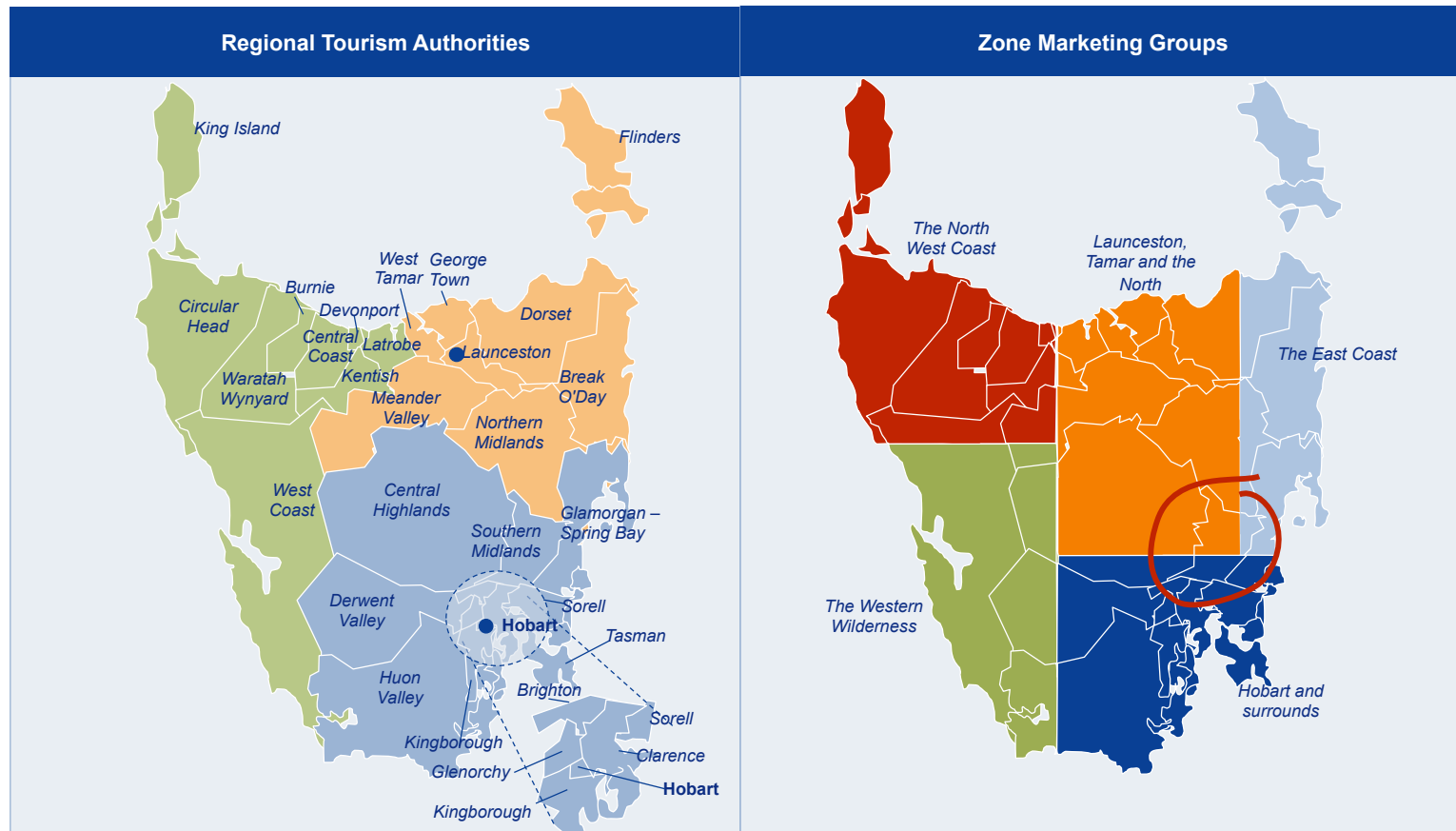


Tasmanian has 29 Local Government Areas, that variously contribute to tourism

Tasmania has three RTAs, with their own unique governance & administrative structures

Tasmania has five ZMGs that cross multiple RTA boundaries

Stakeholders have indicated that the overlay of zone marketing groups onto existing regional tourism structure has created some uncertainty about roles



**The Regional Tourism Authorities**

- Cradle Coast Authority, a Joint Authority, owned by the nine member councils with a broadly focused economic development charter
- Northern Tasmanian Development, a company limited by guarantee (with eight council shareholders), with a broad economic development charter
- Totally South, an independent not-for-profit association with a sole tourism focus, funded by Tourism Tasmania and, up until 30<sup>th</sup> June 2010, by the 12 southern councils

## Industry overview

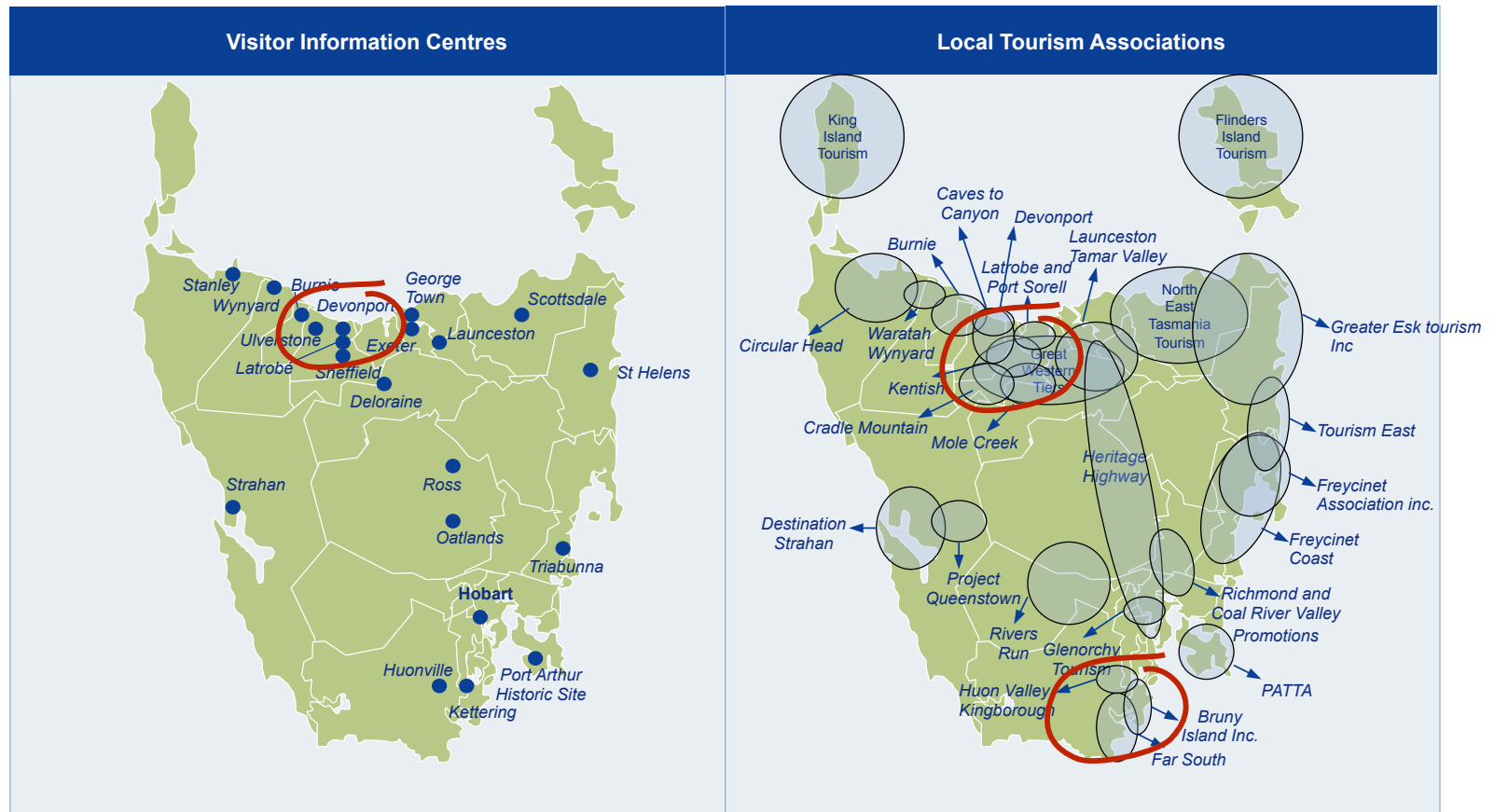
### TVICs and LTAs

Tasmania has 21 Visitor Information Centres spread across the state. Together, these make up the Tasmanian Visitor Information Network.

- There is a greater concentration towards the northern end of the state.

Tasmania has 28 LTAs. These entities are responsible for local tourism management in their designated areas.

- The LTAs are spread across the state, however in many instances there is some crossing over of boundaries



#### Concluding observations

- The depictions of the LGAs, RTAs, ZMG, LTAs and the TVIN network, present, at face value, an existing approach to supporting regional tourism in Tasmania that has many players operating across multiple layers.
  - The ZMGs cross RTA and LGA administrative boundaries and this could be a source of complexity
  - The TVIN appears to have a number of clusters that are closely congregated
  - The LTAs sphere of operations appears to cross other LTA boundaries, and leave some part of Tasmania without LTA coverage

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## 4. Summary of other regional tourism reviews

# Reviews undertaken in other States and Regions

**Regional tourism arrangements have been the subject of review in some other States and New Zealand in recent years. Common directions that have emerged from these reviews have been:**

- Reduce the number of layers in governance
- Define infrastructure spending requirements
- Define product development spending requirements
- Target overseas advertising
- Improve industry skills
- Deliver consistent communications from the State Government to industry

**The work in New Zealand RTOs also found a need to recognise that regions are different and one model will not fit all regions.**

### Reviews undertaken in other States and Regions

All the reviews were undertaken in response to changing tourism markets leading to uncertainty about the future. This made it necessary for the current networks to be reviewed in light of future requirements, with a focus of the potential for international visitors to grow the regional tourism market. All reviews were different.

- The VIC review considered the drivers for change and infrastructure requirements, and proposed significant reform of the regional tourism governance structure.
  - This was done by identifying areas needing improvement, then building a system that may support the desired tourism numbers. From this point it identifies short term actions and the budget required to close the gap from current to the proposed future state.
- QLD had a much longer term perspective, seeing this as an opportunity to alter the current tourism network to be better equipped for the future. More emphasis was placed upon the way the entities within the network worked together.
  - The review obtained input from 300 stakeholders which were either directly or indirectly associated with Tourism in QLD.
- WA had already begun to alter their tourism network, and were seeking reactions to the new model in order to make further improvements. The review compiled and assessed input by undertaking:
  - A desktop research
  - Interviews with key tourism staff including RTO chairs and CEOs, WA Tourism and Tourism Council staff
  - Visitor Centre staff focus sessions and open submissions from the tourism industry and the public. There were 107 submissions after extensive advertising.
- The NZ review features an in-depth look at RTOs in the NZ structure. It shows how the tourism model has changed, introducing, removing and refining roles over time and tries to define the reasons behind changes, anticipating possible future evolutions in the industry.

### Key findings relevant to this review

A number of findings have emerged from these reviews that are relevant to this review of regional tourism in Tasmania

- All three interstate reviews found that global shifts in self-made holidays, low cost carriers, greater advertising and the emerging Chinese holiday market were key drivers for reform.
- In some case, such as in Gippsland and Noosa, grass-roots operations have maintained their infrastructure and advertising, elevating their quality as tourist destinations.
- However, it was considered that these were let down by the bureaucratic nature of their systems, which made it difficult to secure support from government.
- The current networks were not sufficiently fast-moving, having too many layers within their networks and organisations.
- All reviews found the tall governance structure was seen as the area requiring improvement, as strategic thinking and planning was not possible with so many layers in networks between state government and operators.
- This also meant that ideas at a local level usually never progressed through the Government, which was unable to assess needs at the grass-roots levels.
- Infrastructure, such as regional transportation and signage, was seen an important foundation to support regional tourism and was in need of improvement.
- The New Zealand review of RTOs postulates that the key to revitalising the NZ tourism structure is going to involve improving existing structural features as complete reform is unlikely due to the slow-moving nature of the industry.
- The New Zealand review (Zahra) also indicates that the greatest wins in improving the structure will occur once all relevant stakeholders accept their roles, e.g. role clarity is essential to creating accountability and ownership in the market, and that there is no set structure that will work in all regions as every region has components that another may not.
- The New Zealand review also points out a few key initiatives that were required in the NZ industry to improve tourism management. These include advocating to stakeholders the value of tourism to garner support, introducing agreements between LGAs and RTOs to define relationships and duties, introducing expertise to strategy development including hiring the right people to drive tourism and undertaking a greater level of research to support decisions. These could be equally applicable to the Tasmanian tourism industry.

## Reviews undertaken in Tasmania

**Regional tourism in Tasmanian has been the subject of 7 reviews over the last 20 years.**

**The settling of structures, roles and funding arrangements have been an ongoing challenge.**

**The purpose and roles of the RTAs within the model has been a common theme.**

**The introduction of ZMGs has made the regional tourism model more complicated.**

**LGA funding to some of the RTAs is now being questioned.**

### Summary of previous reviews undertaken in Tasmania

Regional tourism in Tasmania has been the subject of a number of reviews, dating back to 1990, as far as we can ascertain. Key observations from each are as follows

- 1990 DTRS review
  - Simply the existing structure by reducing the number of RTAs from 11 to 5
- 1994 DTRS Finney Whelan and Associates
  - Need to promote governance structures that can provide unity to the I, industry, remove parochialism and fragmentation
- 1995 DTRS Strategies for growth response
  - A new set of roles for the then Regional Gateway Associations were proposed
- 1997 Tourism 21 Joint Industry/ Government Plan
  - Rejected the proposed roles arising from the 1995 review on the basis they were too broad, not clearly defined and not adequately resourced
- 1998 Reed, MacKibben and Associates T21 Regional Review
  - Councils raised concerns that funding to RTAs was not adding value
  - Lack of understanding of RTA roles with no adequate agreements in place
  - RTA roles were further clarified
- 2002 Tourism Tasmania internal review
  - Lack of clarity regarding roles and responsibilities of the RTAs
  - Need for more clearly documented roles with adequate and well directed funding
- 2010 STCA review of Totally South
  - Lack of communication and clarity about roles
  - Variable council views about the value of tourism
  - Variable councils views about the value of funding the RTA
  - Introduction of ZMGs has increased confusion about roles and has lead to duplication

### Key findings relevant to this review

- Regional tourism structures, roles and funding arrangements has been an ongoing challenge
- Various models have been tried but none have been effectively bedded down for an extended period
- Clarity of roles and functions, especially for the RTAs appears to have been a common feature of all reviews
- Setting out roles in agreements is not necessarily a solution in isolation
- Adequate and directed funding for specific tasks would be beneficial

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## 5. Summary of survey results

## Approach and response

An Excel based survey tool was developed in collaboration with the Working Group.

This was distributed to 92 stakeholder organisations.

Twenty two useable responses were received. Returned surveys were:

- Mainly from LGAs and LTAs, albeit each stakeholder group was represented in the returns except for sector groups
- Mainly from the south, though returns from each region provided a reasonable coverage of the State

### Survey approach overview

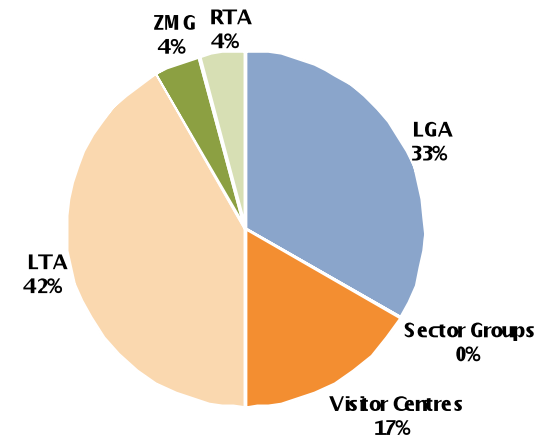
- The survey was designed to:
  - Capture the current situation regarding tourism in Tasmania, in particular the functions and activities and the way these are delivered
  - Identifying current funding arrangements, where this funding is being sourced and the functions on which the funding is expended
  - Any issues that stakeholders had with current arrangements, and,
  - Identifying future improvements
- The method of collecting this information was an Excel survey tool
  - The questions were developed and endorsed by the Working Group
  - The data collection tool was tested by the Working Group to confirm its suitability for completion by other stakeholders
- This was emailed to 92 stakeholders in the Tasmanian Tourism Industry.
- Stakeholders were allowed four weeks to complete the survey tool
- During this period, a number of prompts were made to encourage completion and return of the survey
- Notwithstanding the survey development process, some stakeholders had difficulty completing the survey, which may have affected the number of returns

### Survey response overview

Of the 92 surveys that were distributed, 24 responses were provided, a return of 26%. Only 22 of these have been used as two did not provide sufficient content.

The Graph below indicates the greatest number of responses came from LGAs and LTAs. Other groups of organisations such as ZMGs and RTAs have only provided one response each while Sector Groups have not responded.

Organizations responses as part of total received



The southern region received the greatest number of surveys at 37 and of these, 13 were returned - a response rate of 35%. This also accounts for 54% of all surveys that were received.

In the northern region, 28 surveys were sent out, and of those 4 were returned - a response rate of 14% which only represents 17% of all surveys that were returned.

In the north west region, 26 surveys were distributed, and of those 7 were returned - a response rate of 27% which represents 29% of all those received.

This spread of returned surveys indicates that the results will be more representative of perspectives held in the southern region.

## Part A: Roles and functions

Part A of the survey asked about the roles and functions undertaken by tourism industry stakeholders.

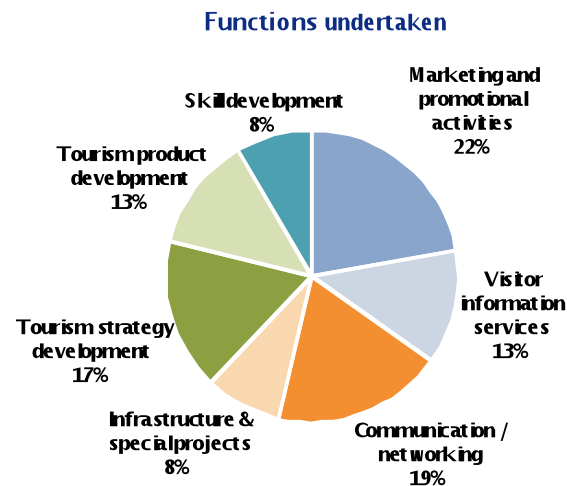
The quantitative data suggests more stakeholders undertake marketing/ promotions and communication/ networking.

Fewer stakeholders have a role in the other functions.

The qualitative analysis suggests that the focus on these functions is both a strength and a weakness. Comments indicate some duplication may be evident, which is impacting on resources.

### Functions – quantitative data

- Part A, Question 1 of the survey asked respondents to indicate the functions they perform, selected from a list of generic functions.
- The Chart below presents the aggregated data for all respondents. It shows marketing and promotional activities is the activity undertaken by more respondents, followed by communication/ networking and tourism strategy development
- Relatively fewer respondents indicated skill development and infrastructure development as functions they perform
- Appendix C provides further analysis of functions undertaken by the various stakeholder groups



### Functions – qualitative data

- Part A, Questions 2 and 3 asked about current functions and services that are working well and areas where there was scope for improvement.
- In terms of functions working well, the survey found:
  - Communication and networking with industry operators was working well for nearly half of respondents
  - Marketing and promotional activities was working well for a third of respondents
- The survey found these same areas rated most highly in terms of needing improvement, with comments alluding to:
  - The need for greater industry operator involvement
  - Some disconnect or fragmentation between organisations in the 'chain', and
  - Too many organisational layers.
- Access to appropriate skill and resources were also considered an issue.



## Part B: Funding arrangements

### Part B of the survey asked about the funding arrangements within the tourism industry stakeholders.

#### The survey found

- there is a combination of common and unique funding arrangements that combine to create a complex system
- Marketing and promotional activities account for nearly 50% of outlays
- The total funding received by respondents for tourism related functions amounted to over \$4 million

#### The qualitative analysis suggests

- Some cooperative funding models are working well
- More recurrent funding is required that is not tied to specific projects

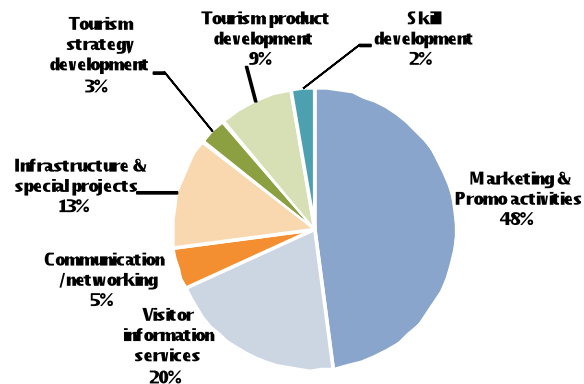
#### Funding arrangements – quantitative data

- Part B, Question 1 of the survey asked respondents to specify the sources of their funds
- The following flows of funds could be described as representing the more common funding arrangements:
  - ZMGs currently receive \$100,000 each from State and a further \$100,000 each from cooperative marketing initiatives
  - RTAs currently receive \$160,000 each from State and a further \$130,000 each from LGAs. This latter figure may vary between the regions
- The following flows of funds are examples of the more unique funding arrangements:
  - Some LGAs receive funding from the State government, from other Local Governments (presumably under some cooperative models) as well as from the Federal government and from tourism operators e.g. the Huon Valley LGA receives funding from all of these entities
  - Some TVINs receive funding from the State government, and may also attract additional funding from some LGAs, where they are owned and supported by both, e.g. the Tas Travel and Information Centre
  - Some LTAs receive funding from State, Local and Federal government, as well as RTAs and tourism operators for both membership and cooperative marketing. E.g. Heritage Highway receives local and state funding, as well as from operators.
- The survey returns indicated that for the 22 respondents, funding received for tourism related functions amounted to \$4.07 million in 2008/2009. This excludes some 'one-off' large payments that distort the data.
- Part B, Question 2 of the survey asked about the functions on which funding is expended. The results are shown in the Chart below.

#### Funding arrangements – qualitative data

- Part B, Questions 3 and 4 asked about elements of the current funding model that are working well and areas where there is scope for improvement
- In terms of elements of the funding model that are working well, respondents pointed to
  - Some effective cooperative marketing arrangements
  - The benefits of some specific purpose grants
- In terms of areas for improvement, respondents noted:
  - The need for more certain recurrent funding that is not project based, and
  - The overall adequacy of funding

Outlays on functions undertaken



# Part C: Human resources and relationships

**Part C of the survey asked about the human resources and stakeholder relationships in regional tourism.**

**For the 22 respondents the survey found:**

- There are approximately 65 paid staff, and
- Approximately 450 volunteers.

**The qualitative data suggests**

- Tourism Tasmania may need to improve its connections with industry
- The RTAs are in need of a clear role and purpose
- The ZMGs still need to be bedded down with a clear role and purpose

**There is some suggestion that there are too many groups/ layers and this is causing confusion**

### **Funding arrangements – quantitative data**

- Part C, Question 1 asked respondents to indicate the numbers of paid staff and volunteers
- The survey returns indicated that of 22 organisations that responded
  - approximately 65 paid staff are employed, mostly in the LGAs and TVINs
  - approximately 450 volunteers are utilised, mainly by the TVINs and LTAs

### **Funding arrangements – qualitative data**

- Part C, Questions 2 and 3 asked about elements of the current human resource model that are working well and areas where there is scope for improvement
- In terms of features that are working well, respondents pointed to
  - The value of the volunteer arrangements, and
  - The flexible employment arrangements, in respect to use of part-time and casual staff
- In terms of areas for improvement, respondents noted the need for additional resources to share the workloads and to reduce reliance on key people
- Part C, Question 4, asked respondents to rate the effectiveness of their relationship with other stakeholder groups as either needing improvement or working well
  - Tourism Tasmania, RTAs and ZMG received the lowest ratings with relatively more respondents indicating these relationships were in need of improvement
  - LGA received a relatively positive rating, with about two thirds of respondents indicating the relationship was working well
- The qualitative feedback in respect to these ratings indicated some isolated examples of effective relationships
- However, the two main themes to draw comment in respect to aspects of relationships needing improvement were
  - The need for improved connectedness and communication, and
  - The need for greater clarity of roles

- In relation to these observations, some respondents suggested that
  - Tourism Tasmania was too remote from most other stakeholder groups
  - Relationships with NTD and Totally South were problematic due to the uncertain direction of these organisations
  - The role of ZMGs was unclear

# Roles and functions

### Our analysis of roles and functions suggests

- Marketing and promotion is the function that more stakeholders devote effort towards
- Relatively less effort is devoted to
  - infrastructure development
  - skill development
  - visitor information
- There is scope to develop a more 'balanced' model that
  - Minimises duplication
  - Boosts effort in functions where there are gaps

### Observations

- Term of Reference #1 requires a mapping of the roles and functions required to develop and market tourism and map how these are currently being delivered in Tasmania. We have allocated the roles and functions used in the survey under the Destination Management framework. This represents the functions required to develop and market tourism at the local/regional level. See Appendix 5 for further depictions of this framework.
- The survey of regional tourism stakeholders suggests:
  - Considerable effort is devoted to marketing and promotional activities and communication/ networking
  - These functions are, in some respects working well, with some examples effective cooperative arrangements, but there are some offsetting weaknesses
  - Other weaknesses to emerge included skill development and infrastructure development
- The Table below maps the functions undertaken by tourism industry stakeholders, based on the number of respondents that indicated they undertake these function as some part of their overall role
  - The table suggests a disproportionate level of focus is given to marketing and promotional activities, with all stakeholders indicating they have a significant or partial role in this function
  - Conversely, infrastructure projects and skill development form a relatively smaller role in the functions delivered, indicating, scope for additional effort in these areas

Current Delivery of Functions						
Functions Required		RTA	ZMG	LGA	LTA	TVIN
Destination Management	Communication/ networking	Partial Role	Limited Role	Partial Role	Significant Role	Partial Role
	Strategy development	Partial Role	Significant Role	Partial Role	Partial Role	Partial Role
Destination Development	Infrastructure special projects	Partial Role	Limited Role	Partial Role	Limited Role	Partial Role
	Product development	Partial Role	Limited Role	Partial Role	Partial Role	Partial Role
	Skill development	Partial Role	Limited Role	Limited Role	Limited Role	Limited Role
Destination Marketing	Promotional & marketing activities	Partial Role	Significant Role	Partial Role	Significant Role	Partial Role
	Visitor information services	Limited Role	Limited Role	Partial Role	Partial Role	Significant Role

■ =Significant Role (20% +)  
■ =Partial Role (10% - 20%)  
■ =Limited Role (0 – 10%)

Potential Gaps (points to Infrastructure special projects, Product development, Skill development)  
Potential Gaps (points to Skill development)  
Potential Overlap (points to Promotional & marketing activities)

## Funding arrangements

**Our analysis of the funding regional tourism funding arrangements indicates:**

- There is a level of complexity to the current funding arrangements
- The current situation suggest total funds in the 'system' are likely to be in the range of \$7 million to \$29 million, and will probably be closer towards the lower end of this range

**This assessment of the funding in the 'system' is indicative, but illustrates the scale of financial resources within regional tourism that need to be more effectively invested.**

**Observations**

- Term of Reference #2 required a mapping of the funding arrangements.
- Respondents were asked to provide the current funding arrangements in their organisation, how much they received and from whom. This process found that:
  - The current flow of funds is characterised by some 'common' arrangements e.g. Tourism Tasmania funds all ZMGs and RTAs
  - There are some other unique more local funding arrangements e.g. some LGAs fund LTAs and TVICs
  - The combination of these common and unique funding models results in an overall 'system' that appears to be relatively complex, as outlined below
- To determine the current funding in the regional tourism 'system', funding flows provided in the survey have been grossed up by the total number of possible recipients in each stakeholder group.
  - Excessive outliers (very large one-offs) have been removed from the calculations
  - A sanity check with the Working Group removed other figures which are unexpected or unreliable.
- The output from this process represents a range from the lowest possible funding in the system to the highest
- This exercise results in a range from approximately \$7 million to \$29 million
- It is likely that the total current funding in the regional tourism system sits within this range, but in view of the industry structure and nature of respondents, is more likely to be towards the lower end of this range. Some large isolated sums of Federal Government funding that skew the results were eliminated, but need to be acknowledged as an important funding source for projects

# Functions and funding arrangements

**The survey results suggest**

- Communication, networking and strategy development requires time rather than funds
- Relatively less funding across all stakeholders is devoted to
  - Infrastructure development
  - Product development
  - Skill development
- Promotional and marketing activities attract a relatively higher percentage of outlays across all stakeholder groups
- There may be scope to refine the funding model to commit financial resources in a more balanced way across the functions required to develop regional tourism

**Observations**

- The Table below maps the functions undertaken by tourism industry stakeholders, based on the funding committed to the various functions
- The table indicates
  - Communication/ networking and strategy development attract relatively less funding, perhaps because these are more reliant on time than funds
  - Local Government is the only stakeholder group expending more than 20% of their tourism outlays on infrastructure. This would appear to be an appropriate role for Local Government, but there may be scope for additional funding to this area
  - The RTA provides relatively more funding to product development and skill development, but these functions attract relatively less expenditure from other stakeholders
  - Promotional and marketing activities appear to attract more expenditure from all stakeholders, perhaps indicating an over investment in this area and a risk of duplication

Functions Required		RTA	ZMG	LGA	LTA	TVIN
Destination Management	Communication/ networking	Minimal	Minimal	Minimal	Minimal	Minimal
	Strategy development	Minimal	Minimal	Minimal	Minimal	Minimal
Destination Development	Infrastructure special projects	Minimal	Minimal	Significant	Moderate	Moderate
	Product development	Significant	Minimal	Moderate	Minimal	Minimal
	Skill development	Significant	Minimal	Minimal	Minimal	Minimal
Destination Marketing	Promotional & marketing activities	Significant	Significant	Significant	Significant	Moderate
	Visitor information services	Moderate	Minimal	Significant	Moderate	Significant

■ =Significant % of outlays (20% +)  
■ =Moderate % of outlays (10% - 20%)  
■ =Minimal % of outlays (0 – 10%)



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## 6. Summary of Reference Group workshop

## Summary of Reference Group Workshop

# Objectives and approach

The workshop brought together 43 representatives with experience in regional tourism.

The focus of the workshop was to begin to clarify roles and responsibilities for functions where there is greater likelihood of overlap/ duplication or gaps in the delivery of functions:

- Visitor information provision
- Communication/ networking, and
- Marketing and promotions
- Skill development
- Product and experience development

### Background to workshop

- The workshop was convened to occur on 20<sup>th</sup> July. Some 43 regional tourism industry stakeholders committed to attend as listed in Appendix 6
- Prior to the workshop, each attendee was provided with an Executive Summary of the KPMG review report up to that point

### Objectives of workshop

- To share observations about the current approach to regional tourism
- To share a new conceptual approach to regional tourism founded on the Destination Management framework
- To highlight key areas of change to roles and responsibilities for selected functions in the Destination Management framework
- To confirm key issues, roles and responsibilities for discussion at the Regional Workshops

### Workshop break out session approach

- The Workshop commenced with a presentation of the review finding (by KPMG) and an overview of the Destination Management framework (by Tourism Tasmania)
- The Workshop then moved into the breakout session. The 40 or so representatives were allocated into 5 groups. Each group was allocated a Table Facilitator from the Working Group to manage the discussion
- Each group was allocated one function from the Destination Management framework
- The selected functions were those where there is a risk of duplication or a gap and there is a need for improved role clarity
- Functions at risk of overlap and duplication of roles and responsibilities were:
  - Visitor information provision
  - Communication/ networking, and
  - Promotion and advertising
- Functions where there may be potential gaps in roles and responsibilities were:
  - Workforce and skill development
  - Product and experience development

- The task of each group was to consider the background paper provided (refer to Appendix 6) and address the key questions of roles and responsibilities for the one function assigned to the group
  - What are the objectives of this function?
  - What roles and responsibilities flow?
  - Who is in the best position to fulfil those roles?
- A template and butchers paper was provided to guide the structure of discussion and presentation
- Each group presented their findings and there was opportunity for others to comment on the information presented
- The key points arising from those discussions are outlined later in this section
- The workshop concluded with an open forum to discuss common themes from the day, issues and ideas

# Summary of Reference Group Workshop

## Summary of outputs

### Highlights from the discussions included:

- Developing a visitor information strategy using contemporary communications channels
- Simplifying communications within the industry with Tourism Tasmania taking a lead coordination role
- Focusing the energy of RTAs on product and experience development (amongst other things) and leaving marketing to the ZMGs

### Visitor information provision

#### General discussion

- The existing Visitor Information network was the focus of the discussion
- State and Local Government has supported the TVIN, as has the industry, through the supply of marketing collateral
- Difficult to control social media
- There has been a change in visitor information channels to email and the web
- Visitors are generally now more well informed and less reliant on TVICs
- Travel periods have reduced, which may change the role/ positioning of the TVIN
- Difficult to please all stakeholders, hence leading to circumstances where stakeholders break out from the established systems
- Volunteerism has been important part of the TVICs

#### Ideas to improve the way forward

- Develop an information strategy and put in place an architecture that supports the strategy
- Review the ownership models of the TVICs
- Improve the commonality of systems and processes in the TVIN, even if the markets for each centre are different
- Improve coordination of website coverage
- Streamline the processes of joining up to the TVIN so that joining one TVIC brings membership of the TVIN
- Streamline the supply of information to consumers and operators
- Explore opportunities to make TVIC's operate as a "business" but recognise a role for Local Government where there is market failure

### Communication/ networking

#### General discussion

- Discussion was based on communication and networking within the industry
- Every stakeholder has a role in communication. The structure is organic and communication is not necessarily top-down or bottom-up, but rather, all-across
- There may be too many organisations involved in regional tourism

- There are multiple databases and membership models within regional tourism industry stakeholders that could be consolidated
- Discussion led to the creation a diagram that depicts the flow of communication using more formal links and clearer roles
- Need information flow to be two-way with a consumer focus
- Need a single information portal for operators and consumers

#### Ideas to improve the way forward (roles and responsibilities)

- Tourism Tasmanian to provide leadership and an integrated approach to communication and networking
- TICT to be working cooperatively with Tourism Tasmania
- RTAs to provide a linking role with ZMGs, TVICs and LTAs.
- Local Government to also link with the RTAs

### Product and experience development

#### General discussion

- Frustration that developers of products/ experiences are shuffled around multiple State Government agencies
- Large projects should have a State Government involvement, whereas smaller projects can be dealt with at a local level
- Sometimes proposals don't get to the right people at the local level
- There is a degree of competitive tension between councils in any region, with each looking to promote their local interests
- RTAs should be a facilitator of business development and have no further role in marketing now that ZMGs are in place

#### Ideas to improve the way forward (roles and responsibilities)

- Tourism Tasmania to provide research and information and act as a facilitator for 'State' level projects
- RTAs to link developers with tourism needs/ projects in the region, in consultation with relevant Councils
- LTAs and ZMG should have no involvement in product and experience development



# Summary of Reference Group Workshop

## Summary of outputs

### Highlights from the discussions included:

- Some improved clarity of roles in promotion and advertising, using a scoring approach to indicate the extent of involvement
- Recognition of the global/national and local challenges presented by skill shortages and an enhanced role for some stakeholder groups, RTAs and LTAs to work on this issue

The open forum discussions indicated broad industry acceptance of the need for structural reform as well as improved role clarity. The forum endorsed the need for Tourism Tasmania to take a lead role to progress these reforms.

### Promotion and advertising

#### General discussion

- The objectives as set out in Appendix 6 for promotion and advertising were endorsed
- There is a need for greater clarity in roles and responsibilities in respect to ZMGs and RTAs in relation to interstate and intrastate marketing
- The greatest lack of clarity is in relation to intrastate marketing
- Industry and local government are unclear about the ZMG and RTA roles and responsibilities
- Need to commit to long term planning for the brand without changing. Tourism New Zealand is a good example of a long term commitment to brand
- The group looked at roles and responsibilities for stakeholders using a scoring system ranging from high primary responsibility (1) through to a no responsibility (7). This is reproduced in summary form below

#### Ideas to improve the way forward (roles and responsibilities)

	Fed	State	Local	RTA	ZMG	Sector groups	TVIC	Industry
Internat.	1	2	7		6	5	7	6
interstate	4	1	6		2	3	7	4
Intrastate	7	4	2	4	4			

### Workforce and skill development

#### General discussion

- There are national and global challenges in this area and this workshop will not solve this issue
- Several challenges – who takes ownership; developing an understanding of the meaning of tourism from a workforce and skills perspective; disconnect between the providers and training resources and the ability of people to take up the training; cannot get enough staff in the regions; retention – lack of career opportunities; seasonality of the industry in Tasmania

- Federal and Voyagers move staff around remote areas according to seasons
- Need professional development and networking opportunities for tourism professionals

#### Ideas to improve the way forward (roles and responsibilities)

- TCCI, RTAs and LTAs to provide advocacy to State and Federal bodies
- Councils and Skills Tasmania to work on community engagement
- LTAs, especially those that are working well could provide a model of a professional membership organisation with roles in skill development, leverage relationships and partnerships (e.g. business enterprise centres)

#### Open forum summary

- The workshop concluded with an open forum to share the key issues and ideas arising from the discussions on the day. Key points to arise included the following:
  - There is an appetite for change in order to simplify the structure of regional tourism
  - There is also a need to continue to clarify roles and responsibilities of stakeholders in the structure
  - The roles of ZMGs and RTAs in marketing is an immediate issue, with an initial focus on intrastate marketing.
  - The roles of ZMGs is clearer as they were recently established with a purpose whereas the roles of RTAs is now less clear
  - The industry is supportive of Tourism Tasmania providing the leadership to implement change
  - There is a need to streamline information and communication flows within the industry
  - Current reforms with the TVIN need to be progressed having regard to external demand trends for destination information and the need to maintain the financial viability of centres
  - Touring trails should be better linked to zones

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## 7. Emerging conclusions

## Key themes and observations

### The review has drawn out several themes

- There are at least 86 organisations currently supporting regional tourism in Tasmania
- Regional reviews in other States have drawn out the need for simplified structures and a balanced focus on many functions
- The survey has tended to suggest the current Tasmanian regional tourism arrangements need reform with a focus on greater role clarity
- The Reference group supports the need for reform, leadership and clarity of roles and responsibilities

### The existing approach to regional tourism is in need of further reform

### Existing regional tourism structure

- The current approach to developing the regional tourism industry involves five layers in the 'structure' and at least 86 local organisations (not including some State and Federal bodies) - 3 Regional Tourism Associations, 5 Zone Marketing Groups, 29 Local Governments, 28 Local Tourism Associations and 21 Visitor Information Centres
- There are too many layers and too many organisations in some layers in the current regional tourism structure, resulting in duplication, wasted effort and inefficiency.

### Regional tourism reforms in other States and Tasmania

- The reform of regional tourism in other states has sought to develop uniform models for regional tourism, based on the need to:
  - reduce the number of layers in governance
  - define infrastructure requirements
  - define product development requirements
  - improve industry skills, and
  - deliver consistent communications from the State Government to industry
- The Tasmanian regional tourism landscape has been the subject of a seven reviews over the last 20 years, yet many of the issues appear to remain

### Survey highlights

- The survey has highlighted some elements of the model that are working well such as local cooperation between organisations, high levels of commitment and volunteerism
- However, many stakeholders have used the survey to point to overlapping roles, lack of role clarity and duplication
- Using a simplified Destination Management framework, it would appear that the current approach to regional tourism:
  - is too focused on regional marketing and promotion
  - is relatively less focused on other elements of the destination management framework, notably, some functions in destination development i.e. skill development, infrastructure development and product/ experience development
- Interestingly, these same areas of duplication and gaps also feature in the findings from reviews in other States.

### Reference Group Workshop

- There was general acceptance that the depiction of regional tourism industry stakeholders as shown in Section 3 suggested there are too many layers and organisations involved in regional tourism and there is a need for change
- This industry structure was a factor contributing to a lack of clarity in relation to roles and responsibilities, resulting in overlap/ duplication in some functions and gaps in other functions
- The focus of uncertainty currently centres around the roles and responsibility of RTAs and ZMGs, since the latter are a relatively recent initiative that have not yet been embedded into, and synchronised with other stakeholders in industry
- The nature of the destination and the industry in Tasmania suggests that solutions may need to be tailored for different locations/ regions
- The industry is calling for leadership to get on with making the necessary reforms and this could start with options or proposals being put to industry stakeholders for further discussion

# Elements of the way forward

We are proposing some important elements of a way forward for regional tourism centred around:

- Simplifying the stakeholder industry structure
- Promulgating the Destination Management framework
- Continuing to clarify roles and functions
- Revising some current boundaries/ jurisdictions
- Streamlining industry membership models
- Revisiting the cost/ benefit of the current TVIN model
- Simplify current funding arrangements with inbuilt performance measures

**These measures demand decisive leadership. The industry has signaled its support for change.**

- **This review of regional tourism in Tasmania is the first step in a process that should lead to significant change in the structure, roles and responsibilities of stakeholders in the industry. Whilst this review has not been exhaustive in its depth and breadth of consultation and research, the following proposals have emerged as key elements of the way forward**
  1. Pursue structural reform to reduce the number of organisations involved in delivering regional and local tourism services throughout Tasmania in order to remove duplication, improve efficiency and achieve some economies from scale
  2. Review boundaries/ borders involving RTAs, ZMGs, LTAs, touring routes and Local Government since overlap and uncertainty around these jurisdictions these can be an impediment to collaboration
  3. Revisit regional tourism funding arrangements with a view to aggregating larger pools of funds to a lesser number of effective and well resourced entities
  4. Implement effective funding agreements with appropriate performance measures to leverage accountability and stakeholder commitment
  5. Embrace and promulgate the Destination Management Framework as a model that captures the functions needed to manage, develop and market regional tourism
  6. Continue to clarify roles and responsibilities for the key functions as set out in the Destination Management Framework with a focus on:
    - reducing duplication in marketing/ promotion and communication/ networking
    - building capacity and funding in infrastructure development, product and experience development and workforce and skill development
  7. Recognise that while clarity around roles and responsibilities is required, differing capacity and organisational structures will mean that flexibility in the final model is required across Tasmania
  8. Revisit the existing model for the provision of on the ground visitor information in light of the impact of digital information applications
  9. Identify streamlined membership models within the various stakeholder groups that offer value to industry members and create connections between the organisations
  10. Empower Tourism Tasmania to provide leadership and make the necessary reforms, notwithstanding the need for some level of positive engagement with constituent organisations in the decision making process
  11. Develop more structured and consistent two-way communications within the industry with Tourism Tasmania at the centre of that network