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TOURISM AS A DRIVER FOR REGIONAL GROWTH AND DIVERSIFICATION

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ABSTRACT

Tourism is a growth industry across most of Australia's rangelands. In some regions income from tourism outweighs income from traditional primary industries. However, tourism is not a silver bullet. Economic benefits are often off-set by social, cultural and environmental costs, and are distributed unevenly through communities. To achieve net benefits from tourism for communities, tourism needs to be planned and managed strategically. This paper outlines case studies in the Carpentaria Shire in north-west Queensland and in central Australia where research actively supports knowledge-based tourism development.

INTRODUCTION

Communities in Australia's rangelands have historically depended upon natural resources for income and employment. Specifically grazing and mining have been pillars of rangeland economies. More recently, tourism has emerged as another nature-based industry, as numbers of domestic and international visitors who travel to outback destinations increase. Tourism is in-principle complementary to other uses of the rangelands and offers great opportunities for diversification. Examples of on-farm tourism, mining tourism, conservation tourism and indigenous tourism abound across the outback (e.g. <http://www.ntholidays.com.au>). In some regions, such as central Australia, tourism is the major driver of economic development.

Tourism is generally promoted as a source of employment, revenue, additional tax receipts, foreign exchange benefits and enhanced community infrastructure. Yet while there are some clear benefits from an expanded tourism industry in remote regions, there are also some costs – primarily because tourism is dependent on and is a major user of natural resources and biodiversity. This is particularly true in the savannas, where rapidly increasing visitor numbers are straining resources, the environment, infrastructure, local services and the communities themselves.

Tourism, to be sustainable long-term, needs to generate net benefits for tourists, tourist businesses and host communities alike. This requires careful planning and management at all levels, including business, regional and national. This paper integrates and reports on two research projects, located in Carpentaria Shire in north-west Queensland and in central Australia, which are supporting rangelands tourism planning and management at the regional and business level.

STUDY BACKGROUND

Rangelands offer visitors an essentially nature-based tourist experience. Sustainable nature-based tourism requires that (1) the integrity of the natural environment is maintained and (2) all agents in the system generate net benefits: tourists, tourist businesses and host communities. To achieve sustainability, tourism planning and destination management need to build on a dynamic and integrated appreciation of tourism as a system, combining different stakeholder perspectives (Ko 2001). Furthermore, research aimed at developing that understanding must be integrated in relevant decision making processes.

The appreciation of tourism as a dynamic and integrated system with economic, social and environmental descriptors is central to both case studies. Although their analytical approaches and

data gathering efforts are customized to address somewhat different questions, both depend on close engagement with their stakeholders.

Carpentaria Shire case study

The critical issue was to explore how the tourism market can be changed to maximise net benefits to the host community. Net benefits represent the total impact of tourism after integration of economic, social and environmental benefits and costs, which arise from the multiple interactions of tourists with a host community and region, and taking into consideration how those are distributed.

A systems approach to tourism was developed and applied (Greiner *et al.* 2003). The purpose of the systems model was to define, explain, and describe relationships among key variables. It served as a roadmap for data collection and interpretation for regional planners and managers who seek to develop tourism sustainably. The project completed five different surveys, collecting data on diverse socio-economic aspects of tourism in the region (Table 1).

Table 1: Summary description of survey methodologies

	Visitor survey	Community survey	Business survey	Consumer survey	Grazier interviews
Survey target	Tourists	Residents	Business managers	Shoppers (tourist and residents)	Graziers who diversify into tourism
Scope	Socio-economic profile, expectations, activities, preferences	Perceived economic, social and environmental benefits & costs of tourism	Employment, business income and expenses, location of transactions	Expenditure on groceries	Business profile, expectations, strategies, management issues
Sample size	510 travel parties (1400 tourists)	87 residents	24 businesses	128 total; 71 residents 57 tourists	6 pastoral lessees / managers

The research adopted a participatory action research approach with a high level of engagement of stakeholders – local government, tourist industry, community and planning bodies. Liaison was achieved through (1) consultation in the definition of research questions and project specification, (2) involvement in the data collection process, (3) regular interactions as well as briefings, presentations and discussions, (4) media coverage of the project and (5) collaboration in formulating the planning and management implications of the research outcomes.

Central Australian case study

A participatory action research approach was adopted for the central Australian study too. The objective was to develop the region's understanding of the tourism industry as a system and, using systems thinking methodologies, to enhance the region's capacity to respond to and plan for change. The purpose was to help the community identify options and strategies for increasing the benefits of tourism and devise practical tools and techniques that would help the region explore investment scenarios.

The first stage of the study engaged the central Australian community in workshops which captured their view of the industry in its regional context, showing how key issues were interconnected and what strategies might be applied to bring about change. From these, preliminary systems models were developed and populated with existing data. Application of the models demonstrated their potential as tools for testing investment scenarios. Subsequent scenario evaluation workshops enabled participants to run a number of scenarios in the model of their choice, exploring focused, diversified, lumped and staged investment strategies. Characteristics of the central Australian region are provided in Table 2.

RESULTS

Carpentaria Shire case study

Based on the surveys, there are an estimated 15,000 visitors per annum staying in commercial accommodation places in Normanton and Karumba (Greiner *et al.* 2004). Mean duration of stay is 20 days and estimated visitor nights total 300,000. Tourists come to Carpentaria Shire predominantly to fish and because of the mild winter weather (Greiner *et al.* 2003). Tourism is highly seasonal. The visitor market is almost exclusively domestic. Key tourist segments are retirees from southern states and 'groups of relatives and friends' and 'families' from north Queensland (Greiner *et al.* 2004). They are on low incomes (Stoeckl *et al.* 2004). Daily spending is low – of the order of $\frac{1}{4}$ and $\frac{1}{2}$ of mean daily spending of overnight visitors to Queensland – yet they extract substantial natural resources from the region through fishing (Greiner *et al.* 2004).

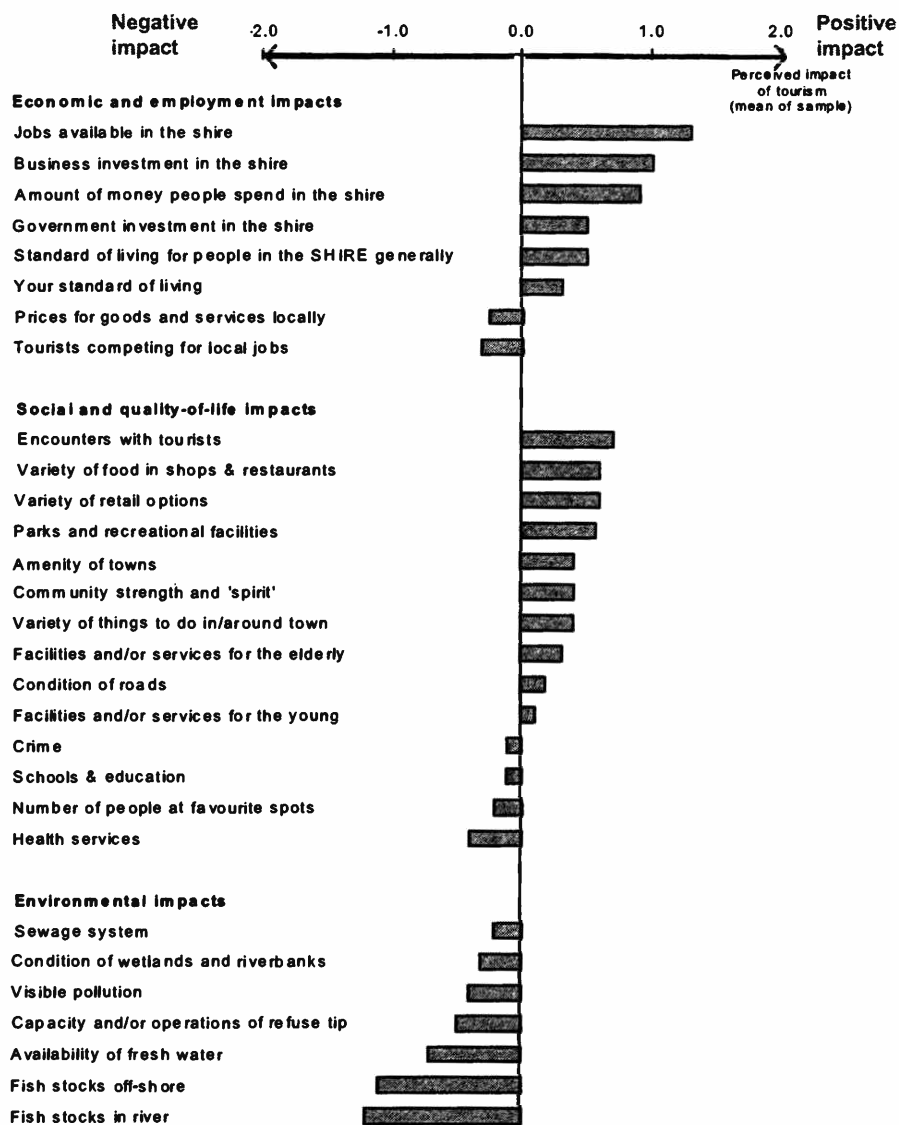


Figure 1. Impacts of tourism perceived by the community of Carpentaria Shire; means of total responses (Greiner *et al.* 2004; note: -2 highly negative, -1 slightly negative, 0 no impact, +1 slightly positive, +2 highly positive).

Tourist spending is approximately \$11.3 million and total economic impact is up to 25% larger than this. There are 180 persons employed in tourism – approximately 10% of the workforce or 15.9% of employment in the Shire – of which 7% are Aboriginal (Greiner *et al.* 2004).

The employment and investment benefits generated by tourism are clearly recognized by the host community (Fig. 1). Social impact is also largely seen as positive. However, these benefits currently come at perceived high to very high environmental costs. Despite this, 79% of respondents think that the benefits of tourism outweigh the costs. A detailed analysis of the responses detects very little variation of perception between different sectors of the community – across ethnic, age, professional or other social groups. People in Karumba, the main tourist place, perceive more negative impacts specifically in the lifestyle domain (Greiner *et al.* 2004).

Central Australian case study

Two models were developed, one addressing the different investment strategies that could be implemented in central Australia, and the second aimed at a more in-depth examination of the influence of market mix on the region. The first allowed users to explore the effects of investing in different combinations of five strategies (Fig. 2) while the second explored the impact of increasing visitor numbers on the market mix and tourism revenue. In scenario workshops most participants were keen on combining a number of investment strategies (focused, diversified, lumped and/or staged) to achieve smooth, sustained growth curves in tourism revenue and visitor numbers. Participants were also encouraged to reflect upon previous projects in the region, and assess them in terms of the investment strategy employed.

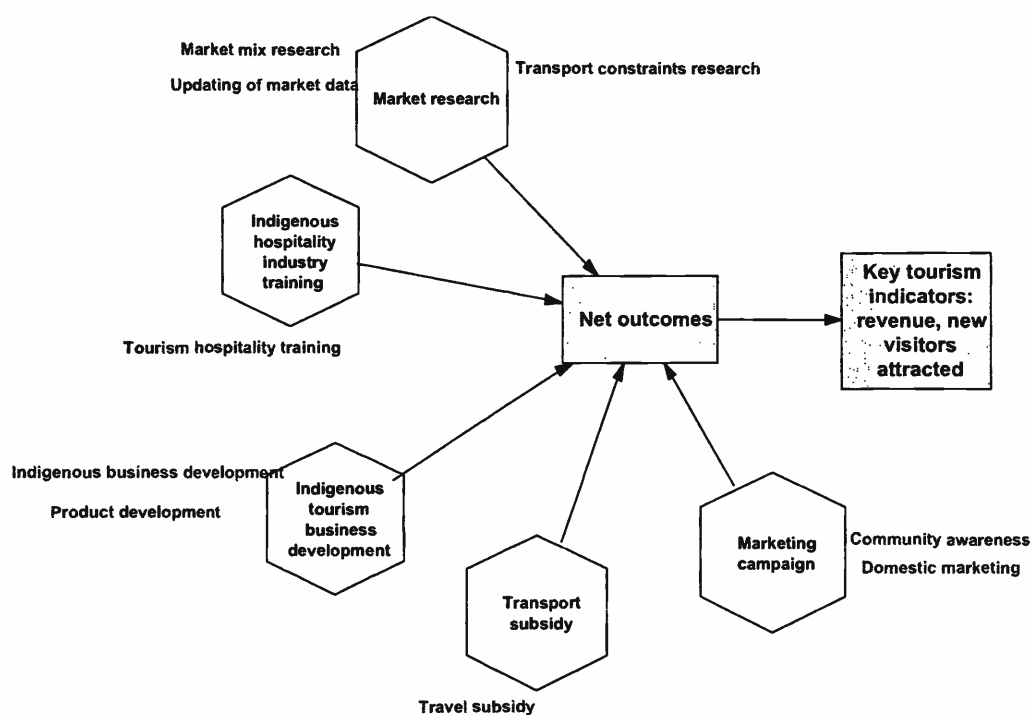


Figure 2. Components of the investment model: the ‘gaming variables’ are identified beside each sub-model and are those which the user can modify (invest in) in the course of running scenarios.

These models were limited to demonstration value, and had no real predictive power. Some areas of the investment model, e.g. indigenous training and business development, were particularly deficient in data. A second stage of this study will refine the preliminary investment models and develop an information system in collaboration with the tourism industry, government agencies and the wider community. Real-time data obtained through visitor surveys will provide information on visitor

attributes, spending patterns and seasonality. This will enable realistic scenario testing of investment strategies for tourism in the central Australian region, so that the flow-on implications of different strategies can be recognized before implementation is attempted.

DISCUSSION

This paper develops understanding of tourism as a dynamic and multi-faceted system for two rangeland regions, which are very different. Those differences are summarized in Table 2.

Table 2: Summary description of tourist destinations: Carpentaria Shire and Central Australia.

	Carpentaria Shire	Central Australia
Size of region	69,000 sq km	546,000 sq km
Population (total, % indigenous)	4,000 60% indigenous	40,000 30% indigenous
Distance from nearest capital city	2,300 km (Brisbane)	1,500 km (Adelaide, Darwin)
Number of tourist businesses	27 (Normanton and Karumba only)	Approximately 150 (accommodation, B&Bs, caravan parks, galleries and tours)
Persons employed in tourism (% employment)	180 15.9% of regional employment	Not readily available
Value of tourism (pa)	Between \$11.3 and 14.4 million	Direct visitor expenditure \$404.5 million
Indigenous involvement in tourism	Very marginal; No indigenous tourist businesses; 7% of tourism workforce	Less than 5 owner-operated indigenous tourist businesses. Other information not readily available
Tourist market	97% domestic Retirees, couples, families, groups of friends	56% domestic, 44% international; Backpackers 8%, adventure travellers 22%, budget travellers 31%, nature-based travellers 16%, luxury travellers 13%
Seasonality	Peak season: June-September Off-season: October-March	Quarter ending September 34%, December 24%, March 17%, June 25%
Duration of stay	Mean: 20 days; retirees 77 days; singles 7 days	Mean: 3.1 days; e.g. visiting friends and relatives 6.7 days, business 3.6 days
Attractions	Fishing, weather	See icons (e.g. Uluru, Watarrka), outback experience, wildlife, World Heritage sites, adventures, Aboriginal culture, weather
Destination	Small part of 'Tropical North Queensland' and 'Outback Queensland' tourist destinations and NW-Qld tourist region; Integrated in 'Savannahway'	Central Australia (domestic market); or Uluru alone (international market)
Planning	Done from Brisbane (Tourism Queensland, Qld Gvt (e.g. NW-Qld tourism strategy) or Cairns (Gulf Savannah Development) Normanton: local initiatives slowly emerging: local museum/tourist information centre, environment centre	NT-wide: NT govt through NT Tourist Commission. Regionally: instigated by local industry/community and supported by NT government strategies e.g. Alice-in-Ten, and agencies e.g. NTTC

At the regional scale, tourism and options for tourism development need to be considered in a broader economic, community and environmental context. Data and understanding of relationships, which characterize the specific regional system, are required. Standard data collections such as the international and national tourism surveys provide good information on general trends and numbers, but are too generic to answer region-specific questions. Inevitably, regions need to design, conduct – and repeat – their own data collections to gain detailed insights into their specific tourist market, community perceptions and concerns, and business conditions and issues.

Grazing is the predominant land use across rangelands and an increasing number of graziers, too, are seeking to diversify into tourism. The reasons are manifold, ranging from income generation and risk

management to overcoming social isolation. Yet tourism is no silver bullet at the business level either. Significant challenges arise for business planning and management if the venture is to be long-term sustainable. Impediments to farm-based tourism include leasehold land conditions, accessibility, size of potential market, and interference with prime grazing enterprise.

Many rangeland regions are 'peripheral' (Hohl and Tisdell 1995), as is the case for Carpentaria Shire. This brings specific challenges in terms of changing product, attracting different/more diverse tourist markets, adding secondary benefits (from money re-spent locally) and combating seasonality of visitation. Even where regions like central Australia are major destinations in themselves, similar challenges arise, especially when powerful market shocks like SARS and September 11 lead to sudden declines in particular market segments: strategies to ensure a diversified customer base and product are crucial.

For the learnings from research to be adopted into decision making, it is paramount that researchers liaise closely with tourism stakeholders. The extent of such interactions extends from formulating the key issues and questions to developing conclusions for investment, planning and management.

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