

**Submission  
No 36**

## **INQUIRY INTO TOURISM IN LOCAL COMMUNITIES**

**Organisation:** City of Wagga Wagga

**Date received:** 1/07/2013

---

28 June 2013

To the General Purpose Standing Committee No. 3

### **Inquiry into Tourism in local communities.**

1. The value of tourism to NSW communities and the return on investment of Government grants and funds.

The City of Wagga Wagga has not applied for tourism grants or funding since 2004 when it applied for Australian Tourism Development Program (ATDP) funding to fund a new event, The National Horse Festival. This event ran for three – four years and the funding went to employ an event coordinator to manage the event, bring together entertainment programs, advertising and coordination of regular meetings of all the horse associations participating in this event. The value of tourism to the community was great as this event brought competitors from intra and interstate.

From a Regional Tourism perspective, State funding provided to Regional Tourism Organisations for many many years, has greatly assisted Local Government Areas promote their towns and cities. Without this funding regional NSW would not have been able to compete with other states such as Victoria, Queensland and Tasmania. Not only has this funding assisted in lifting the profile of regional NSW, it has also assisted in the development of product , events and brought huge economic benefits to those rural communities who have embraced and supported the tourism industry.

1. The value of tourism to regional, rural and coastal areas.

The value of tourism to the local economy in Wagga Wagga is 7 million for International Visitors, 125 million for domestic overnight visitors and 109 for domestic day visitors, the total value being \$241 million.

(These statistics are a three to four year average for International and National Travel to Local Government areas and were compiled in 2008 by Tourism Research Australia, [www.tra.australia.com](http://www.tra.australia.com))

Although \$241 million does appear to be a significant amount of money to be spent by visitors to Wagga Wagga, the cost to maintain infrastructure services and assets is ongoing and increases each year, putting stress on many Local Government Areas.

Statistics provided by Remplan, a company providing Area-Specific Data and Modeling for Economic Development and Planning, note that for each dollar spent by a visitor, it is expected that typically \$0.41 is spent on



accommodation and food services, \$0.16 on transport, postal and warehousing and \$0.12 on retail trade.

It would be great to have access to more up to date tourism statistics in 2013 and not rely on figures from Tourism Research Australia that are close to eight years old.

The value of tourism in regional areas does not gain the recognition it should, particularly from local residents and often local businesses. As an example, some accommodation operators do not feel they are involved in the tourism industry because their clients are corporate or salespeople. They do not accept, for example, that a corporate guest is a visitor, therefore contributes to the visitor economy.

Events are also the life blood of tourism in regional areas. Wagga Wagga boasts to be "An Eventful City". Events can range from conferences, seminars, sporting and cultural events, reunions, weddings etc. All bring new people to the city, often in multiple numbers for multiple nights. Events also have the ability of showcasing a city or town as a location for relocation.

2. The impacts of tourism on Local Government Areas, including:
  - a) Infrastructure services provision and asset management – These areas are impacted with additional traffic and demands on facilities such as sporting facilities that are maintained by local government
  - b) Social impacts – with an increase in population numbers (due to visitors), social impacts can occur such as anti social behaviour, however social impacts can be good if cultural and sporting events are improving skills and knowledge of both visitors and residents.
  - c) Unregulated tourism – this type of tourism can include inappropriate usage of natural reserves, waterways and walking trails. Without good planning for these attractions Local Government Areas could be responsible for major remediation of these facilities if not managed properly.
  - d) Employment opportunities – can be increased in Local Government Areas because of tourism. The TRA statistics for Wagga Wagga indicate that a total number of tourism business totals 1,482 with businesses ranging from non-employing businesses to medium to large businesses.

3. The marketing and regulation of tourism.

The marketing and regulation of tourism is currently going through some major changes in the state of NSW. Although Regional Tourism has received additional funding for marketing and promotion, criteria for funding has changed dramatically with minimum dollars available and the need for those dollars to be matched dollar for dollar. Destination Management Plans are currently being prepared and will

assist in identifying what marketing should be carried out, however Local Government will have additional work to do with many of these changes.

With the new funding now available for promotion of tourism destinations, the minimum amount of \$50,000.00 which must be matched dollar for dollar could be an impediment to a large number of businesses and local government wanting to apply for funding for various projects. In saying this, it could be positive in that it may encourage like minded businesses or Local Government Areas to work collaboratively to raise the funds required to match the State Government funding.

4. The utilisation of special rate variations to support local tourism initiatives.

The special rate variations have assisted in allowing our Council to support local tourism initiatives such as:

- a) Tourism Analysis Models to capture flow-on impacts for the local tourism economy, particularly relating to events.
- b) Advertising and marketing in various mediums such as brochures, magazines including Automobile, Airline In-flight Magazines, Caravan and Camping, City Branding of Highway Billboards, directional billboards (local), promotion of the city on two local truck canvasses which travel throughout the nation and participating and working with our local Regional Tourism Organisation to promote the Riverina. Airline magazines

Without the special rate variations we would not have been able to carry out a number of these marketing initiatives in the past four years.