# INQUIRY INTO TOURISM IN LOCAL COMMUNITIES

Organisation: Riverina Regional Tourism

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PO Box 50 Marrar NSW 2652 M: 0427 630 349 F: 02 6927 2877

eo@riverinatourism.com.au www.riverinatourism.com.au

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# RE: RESPONSE TO NSW GOVERNMENT INQUIRY INTO TOURISM IN LOCAL COMMUNITIES

#### **Background**

The General Purpose Standing Committee number 3 has been asked to inquire and report into the value and impacts of tourism on local communities, and in particular focusing on -

- The value of tourism to New South Wales Communities and the return on investment of 1) Government grants and funds;
- The value of tourism to regional, rural and coastal communities; 2)
- 3) The impacts of tourism on Local Government Areas, including –
  - Infrastructure service supervision and asset management a)
  - Social impacts b)
  - Unregulated tourism c)
  - d) **Employment opportunities**
- The marketing and regulation of tourism 4)
- 5) The utilisation of special rate variations to support local tourism initiatives
- 6) Any other related matter

### **About Riverina Regional Tourism**

Riverina Regional Tourism (RRT) is one of 13 Regional Tourism Organisations in NSW and is recognised as the peak Regional Tourism Organisation in the Riverina. The key role of the organisation is as a tourism marketing body for the Riverina.

The role of Riverina Regional Tourism includes:

- Providing regional tourism marketing and promotion
- Working in a united manner to increase tourism numbers and yield
- Facilitating product development
- Providing leadership and guidance for the regional tourism industry
- Linking with industry to ensure the region is able to deliver on the promise
- Managing Riverina branding

RRT is a member-based organisation consisting of membership from 18 Local Government Areas (LGA) within the Riverina.

LGA's that are members of RRT include Shires of:

- Carrathool
- Cootamundra
- Coolamon
- Griffith
- Gundagai
- Hay
- Iunee
- Leeton
- Lockhart
- Narrandera
- Temora
- Wagga Wagga
- Deniliquin
- Bland
- **Jerilderie**
- Conargo
- Murrumbidgee
- Urana

The organisation operates from a Board of nine skills-based Directors from across the region and an Executive Officer.

# Response

Riverina Regional Tourism is preparing a submission to the inquiry on behalf of its 18 Local Government Members.

1) The value of tourism to New South Wales Communities and the return on investment of **Government grants and funds** 

Riverina, being of large area, with mostly small rural Councils, and relatively small tourism businesses, cannot be expected to generate the same revenues as larger tourism regions.

The NSW Government is to be commended on the increased funding for Tourism in NSW particularly the Regional Visitor Economy Fund. The Quarantined Funds for Regional Tourism is also a positive recognition of the capacity of Regional Tourism Organisations to grow and develop visitation.

One aspect of the program which should be reviewed is the minimum funding **requirement of \$50,000**. Not all regions are the same and in the case of the Riverina member Councils and industry do not have the capacity in many instances to match this funding limit of \$50,000 which will inhibit clusters within the region addressing different needs of their respective Destination Management Plans

Riverina has immense opportunities as visitor and tourism destinations, however with the limited funding and difficulty in accessing it we are not realising these opportunities. With a focus on product and industry development funding directed into our region their will be great ROI figures for all levels of government and industry.

#### 2) The value of tourism to regional, rural and coastal communities

These communities tourism is not a stand alone economic driver; it is intertwined with lifestyle, livability and economic development. Tourism is often the first point if contact that an individual has with the local community, and presents an opportunity to showcase the community as a place to live and invest. If we do a good job with tourism, we can see flow on effects for other local economies.

Tourism plays a vital role in rural communities when other industries such as agriculture or mining are in a low period. The Deniliquin Ute Muster which attracts 20,000 visitors is a good example of economic benefit.

Tourism injects new dollars in communities.

Events are great tourism drivers.

### 3) The impacts of tourism on Local Government Areas, including -

#### a) Infrastructure service supervision and asset management

The Development of Destination management Plans will identify areas where infrastructure development is necessary to build visitation in the local and regional economy. The availability of funds from the Regional Visitor Economy Fund will assist in addressing this need

#### b) **Employment opportunities**

Tourism is a vital employment source for local communities. The benefits range from accommodation, cafes and restaurants, vehicle repair outlets and general retail.

#### 4) The marketing and regulation of tourism

As earlier mentioned the minimum funding level of \$50,000 under the recent Regional Visitor Economy Fund will limit the effectiveness of marketing campaigns as the areas within the regions three Destination Management Plans will not have the capacity to match the minimum requirement in each of their areas and will have to comprise on combined campaigns.

It is important that the Regional Tourism Organisations retain their entity and funding as they have the capacity to reflect the real priorities and needs of their operators and Local government areas. State managed campaigns do not always reflect understanding of regional needs priorities and timing.

# 5) The utilisation of special rate variations to support local tourism initiatives

Whilst the regions raise funds from Local Government and operators our member Councils generally do not support the use of special rate variations.

#### 6) Any other related matter

Duration of Reviews- Our Board would raise the need for future reviews into the Visitor Economy to be completed in a timely manner. The Visitor Economy Task Force took far too long to release a report and left Regional Tourism in "limbo". The deadline of an interim report by February 2012 did not occur and the final report programmed for June 2012 was not released until August 2012. Future reviews should be conducted within committed dates.

Our Board thanks the Committee for the opportunity to make a submission. Please do not hesitate to call me on should you wish to discuss this further.

Kind regards,

Ken Murphy Chair Riverina Regional Tourism