

INQUIRY INTO TOURISM IN LOCAL COMMUNITIES

Organisation: The Long Paddock

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General Standing Committee 3

Tourism in local Communities

Submission by The Long Paddock - Cobb Highway Touring Route

About the Long Paddock - Cobb Highway Touring Route

The Long Paddock – Cobb Highway Touring Route is managed by the Long Paddock Committee (LPC), it was established in 1999 by five joining shires of Murray, Denilquin, Conargo, Hay and Central Darling.

Each shire makes a financial contribution of \$5000 per year to develop and market the route, which follows the Cobb Highway from Echuca Moama on the Victorian Boarder to Wilcannia in the states north.

The funds are used to pay for:

- Project Manager (1 day per week) who manages all aspects of the project including funding, marketing and maintenance.
- Maintenance of digital presence including website, facebook
- Marketing - including advertising
- Promotion - including the distribution of brochures and attendance at trade shows.

The LPC have been able to leverage these funds to secure an additional \$675 000 in funding over the past eight years.

These funds have been used as follows:

- Design, production and installation of 47 information panels along the 610 km of the route

- Design production and installation of roadside signage at 22 Visitor sites along the route
- Design, production and installation of 11 large scale sculptures
- Design, production and distribution of a 42 page colour brochure
- Design, production and management of digital presence including website, App and social media
- Design, production and distribution of a 45 minute DVD
- Design, production and installation of 5 roadside furniture “sculptures”
- Marketing of the route including attendance at Caravan and Camping Shows, national TV coverage and digital media campaigns.

The LPC has been able to successfully establish a brand in the touring route market and contributes to the visitor economy worth an estimated \$320 million to the region.

Value of Tourism to Regional Communities

Every business in rural and regional communities are involved in tourism. From the news agency to the tyre shop, all businesses have a stake in the tourism sector. When tourism numbers are high the whole community benefits and conversely when tourism numbers decline the impact is immediate on the whole community.

From 2002 – 2010 this region experienced the worst drought in history. For a region highly dependent on the agricultural sector for its economic viability, the drought provided a real challenge both a socially and economically for our towns and villages. The tourism sector proved vital to the very survival of many of our more rural communities. It is widely accepted that without the strength of the tourism sector the impacts of the drought would have been greater across the whole region.

Funding that was made available for tourism infrastructure projects, specifically in drought affected areas, had an immediate positive impact on the economic stability of the region through increased tourism numbers. This recognized the value of the industry as a buffer against the seasonal viability of the agricultural sector.

Without the critical mass of population found in coastal and urban areas, rate bases are constantly under pressure to provide basic infrastructure needs. Tourism funding, in the past, has enabled smaller LGA's to fund tourism developments that also serve the community. Tourism provides an outside source of income, boosting local economies.

The tourism sector provides job opportunities from entry level hospitality and retail to economic development and private consultancies. For every \$1 million dollars spent, 7 jobs are created or retained. With over \$300 million spent on overnight tourism in 2012, this is the equivalent of over 2000 jobs created and retained across a region.

For our more rural LGA's, whose only other industry is agriculture, the tourism sector provides an economic stability against seasonal conditions.

The impacts of tourism on Local Government Areas, including:

(a) infrastructure services provision and asset management

The Long Paddock has been able to invest significant funds into the development of tourism in our five LGA's because of the in kind support of our LGA's. Each LGA has secured physical assets of between \$70 000 and \$90 000 from their involvement with The Long Paddock. The LGA's have taken on the ongoing maintenance of the major physical assets.

It would be fair to say that most major infrastructure developments within the tourism sector in regional Australia are both funded and maintained by LGA's.

While the Long Paddock is designed to be a low maintenance asset, it cannot exist without the myriad of other tourist infrastructure necessary to maintain visitation levels. This includes roads, toilets, signage, camping areas, boat ramps and visitor information centres just to name a few. These are all costs centres for our LGA's with no real options for cost recovery. The importance of maintaining these assets cannot be underestimated. At the 2013 Melbourne Caravan and Camping Show our staff were told on a number of occasions that many visitors will judge the town based on the public toilets – and will move on if they are not up to standard.

A major tourism segment for this region is sport based tourism. Major regional competitions are held in these areas and bring with them family and supporters for a number of days. This provides a economic boost to the regional economies but also requires the development of sporting facilities to meet these standards. There is an obvious benefit to the local community in the maintenance and development of good sporting facilities.

A declining population in all but one of our LGA's puts further pressure on the LGA's to provide and maintain visitor facilities with a declining rate base. Visitors will still visit towns with small populations but only if they have appropriate facilities and attractions.

There is a general understanding that major visitor attractions in regional and rural areas require the financial support of local councils. This is an economic strain on the finances of LGA's but also a necessary investment into the tourism experience available.

The tourism industry provides opportunities for local business to expand and meet the needs of

(b) social impacts

In rural and regional Australia, the economic viability of areas is directly tied to the social well being of communities. Investment by LGA's in visitor facilities provides a social benefit

to the wider community. For tourism to be sustainable, it is most effective if its development is in line with the needs of the local community.

Tourism provides more interesting things to do in a region. While attractions and events may be designed to attract visitors to the region, local communities also access/attend attractions and events. This provides for a more enjoyable living environment. The Long Paddock has found that by interpreting local history, local communities have felt a sense of ownership over the tourism product.

Tourism promotes the development and better maintenance of public facilities such as roads, parks, sporting facilities, and / or public transport.

Unlike other industries, which often attract negative publicity, tourism showcases regions in a positive light. This helps to promote a better opinion of our region and encourages future tourism and/or business investment.

Tourism and the increasing sophistication of visitors means there is are better shopping, dining, and /or recreational opportunities in the region. A good example of this is that even in our smallest villages,, with population of just 45 you can still get a cappuccino.

There is a general acceptance that Tourism is good for the economy because the money that visitors spend when they come to the region helps stimulate the economy, stimulates employment opportunities and is good for local business.

Tourism makes local residents feel more proud of their town and makes them feel good about themselves and their community. This was evident in the passion of local communities around the representation of their history in The Long Paddock Sculptures. The sentiment was that the sculptures were a representation of themselves and therefore must be authentic.

The tourism sector provides valuable social benefits to the communities. The development of significant tourism assets are a source of pride for the local community. For example the large scale public artworks are appreciated by both the local community and visitors.

In our smaller communities, visitors are quite obvious. Seeing visitors appreciating local assets (both natural and manmade), spending in local shops and their general presence is boost for the confidence of the town. This is particularly true of major events where the economic impact of large visitor numbers is immediately evident. Events provide an opportunity for the community to socialise and connect.

The marketing and regulation of tourism

The Long Paddock is a unique initiative amongst LGA's in NSW. The Long Paddock evolved because of the lack of opportunities provided to our five shires by the structure of State funded regional tourism.

With the exception of the Murray Shire, our shires are relatively small and geographically isolated. The shire each sit on the boundary of the Regional Tourism Organisations. The representation by the RTO's was minimal, with marketing campaigns almost always focused on the larger regional centres.

The RTO's are based on a physical region that makes no sense to visitors and are not indicative of how visitors move across the state. For this reason the marketing campaigns have not been of any benefit to our member shires.

As our own conglomerate of shires we are able to control our marketing and brand for a region, connected both psychically and by a shared history. The result is an authentic story that resonates with our visitor market.

Unfortunately with the total operational budget of just \$25 000 per year The Long Paddock is limited in its ability to market to a wider audience. However rather than take a scatter gun approach , as has been the practice of the RTO's, the Long Paddock has targeted the caravan and camping market with great success.

It has been our experience that the majority of marketing aimed at increasing tourism in NSW is always based around Sydney and the coast. The Long Paddock is not only competing against these markets but against all the other opportunities for people to spend their leisure dollar. While this is not insurmountable it is an extremely difficult task for smaller organisations in rural areas.

Other related matters.

Funding

In order for our organisation to continue we need to ensure we have a base level of operational funding. We have the commitment of our local shires to fund this aspect of the project. Our greatest challenge now is in being able to secure additional funding.

Changes to every funding program, at both a state and federal level, means organisations such as ours now need to match, dollar for dollar, all funding opportunities. The base level for these projects is \$50 000. With a declining rate base and increasing costs, it is nearly impossible for our shires to contribute an additional \$10 000 to projects. For most of our shires their total Tourism Budget is \$50 000 per annum.

It is our belief that the new funding arrangements will prevent many LPGA's in rural and regional NSW from being able to develop tourism to meet the changing needs of the market and secure economic viability for the their communities.

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