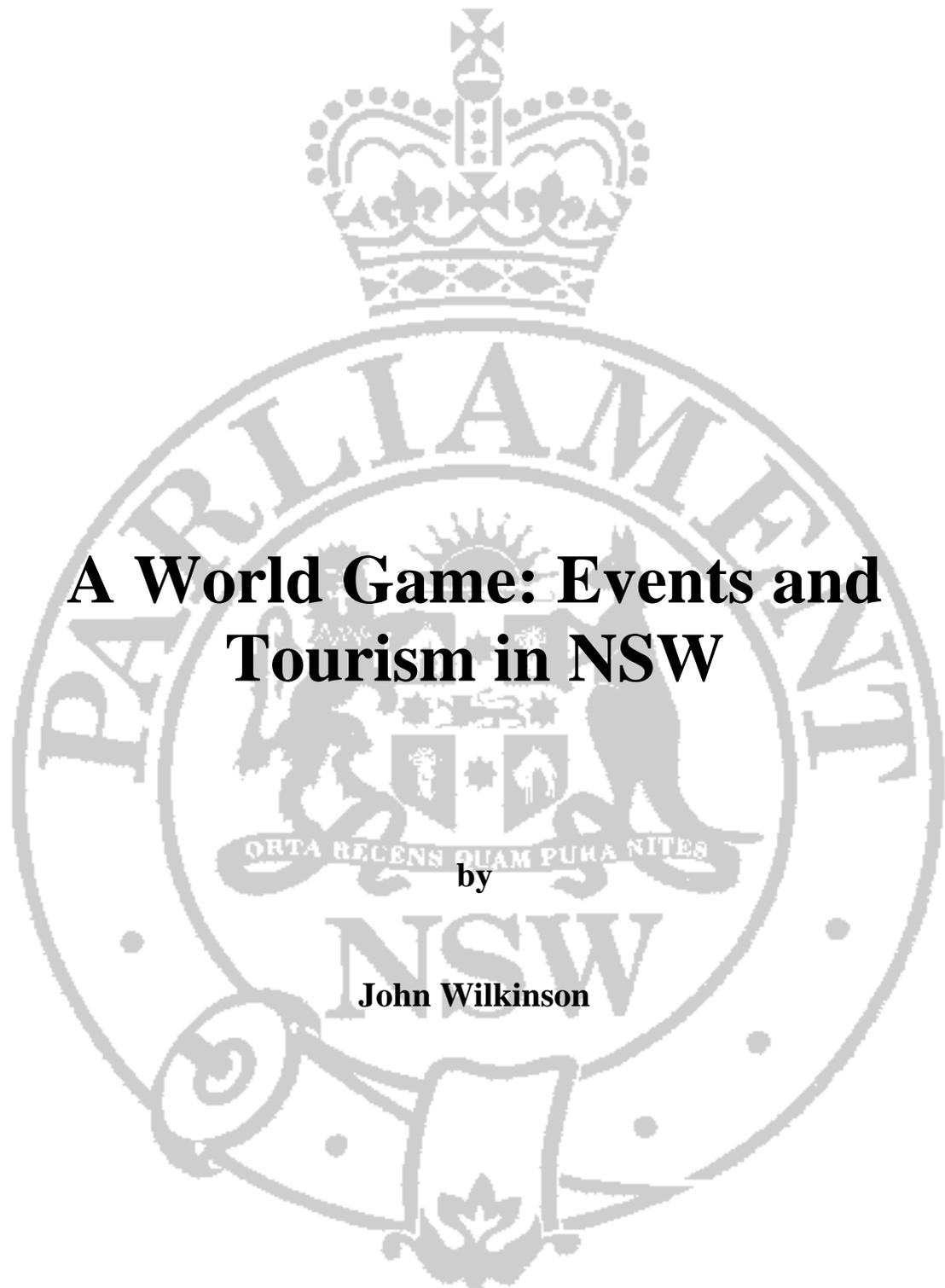


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**A World Game: Events and
Tourism in NSW**

by

John Wilkinson

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A World Game: Events and Tourism in NSW

by

John Wilkinson

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EXECUTIVE SUMMARY

In recent years the overall number of people, engaging in tourist activity, in Australia and in NSW, has declined. While the number of inbound tourists has slightly increased, the number of Australians, locally participating in tourist activity, has decreased (pp.16-20, 22)

The contribution of tourism, to the economy, has similarly decreased (pp.3-5)

There is a small, but significant, number of people engaged in tourism-related employment: particularly in certain regional areas of NSW (pp.5-8)

Overseas tourist visits to Australia (and NSW) have been increasing slightly, but Australia's share of total overseas travel has been declining (pp.21-22)

Overseas tourists, while a much smaller proportion of tourist numbers in Australia, individually spend much more than domestic tourists (pp.10-11)

Events (in recent years) have been seen as a means to both boosting tourist activity overall and attracting increasing numbers of higher-spending overseas tourists ((pp.11-16)

John O'Neill (CEO of the Australian Rugby Union from 1995-2003) produced three reviews, earlier in 2008, with significant observations for events and tourism in NSW (pp.27-30)

The Rees government, in its mini-budget, has announced new funding initiatives for tourism in New South Wales (p.30)

Asian countries have the potential to become the source of a faster growing number of inbound tourists (pp.23-27)

Asian football popularity has the potential to enhance the success of a World Cup staged in Australia (pp.31-38)

1.INTRODUCTION

In the opening years of the twenty-first century, a significant debate has occurred over the development of major tourist events in New South Wales compared with the progress of tourist events in Victoria. NSW has been said to have fallen behind Victoria, in terms of the number of major tourist events hosted by the latter. A recent review of tourism in New South Wales, prepared by John O'Neill, has conceded that "Since the 1999-2000 financial year, New South Wales share of the total Australian visitor market has fall from 32.7 per cent to 32.1 per cent". In response to a perception that "in. . .tourism. . .New South Wales has fared worse than the rest of Australia", the Iemma government (following its re-election in early 2007) established the New South Wales Events Corporation with a brief "to acquire and nurture events. . .that will make a major contribution to Sydney".¹

This briefing paper looks at the position of tourism in the state, and from where future growth in tourism might derive.

2. MAIN SOURCES OF TOURISTS TO AUSTRALIA AND NSW: DOMESTIC AND OVERSEAS

(a)Australia

Domestic

Domestic tourism contributes, by far, the greatest proportion of the revenue earned from tourist expenditure. According to a report prepared by Tourism Research Australia, around "three quarters of tourism GDP was attributable to domestic tourism."² Estimated expenditure by domestic tourists, in financial year 2006-07, was as follows:

Domestic Visitors, and Expenditure, in Australia (Estimated): 2007-2008³

Number of Domestic Tourists	72.2 million
Expenditure by Domestic Tourists	\$44.6 billion

¹ John O'Neill, *Review into Tourism in New South Wales: Final Report* (Sydney, 2008), pp.2,13.

² Tourism Research Australia, *Changing Consumer Behaviour: Impact on the Australian Domestic Tourism Market* (Tourism Research Canberra, Canberra, 2007), p.1.

³ Tourism Research Australia, *Travel by Australians (Quarterly Results of the National Visitor Survey): June 2008* (Tourism Research, Australia, 2008), p.30

International

Overseas tourists, correspondingly, account for the other 25% of revenue earned from tourism. In financial year 2006-07, consumption derived from international tourists was as follows:

Overseas Tourists Visiting Australia and Expenditure (Estimated): 2007-2008⁴

Number of Overseas Tourists	5.2 million
Consumption by Overseas Tourists	\$16 billion

(b)New South Wales*Domestic*

Domestic tourists (as in the case of the nation as a whole) are the mainstay of NSW tourism. The most recent figures for the number of trips made by Australian tourists in New South Wales, and their spending, are as follows:

Domestic Tourist Trips and Consumption, in NSW (Estimated): 2006-2007⁵

Number of Trips by Domestic Tourists	24.6 million
Consumption by Domestic Tourists	\$19.5 billion (approx.)

International

Sydney is the principal point of arrival for over half of all overseas travellers visiting Australia. In 2004, for example, 55.5% of all overseas visitors arrived at Sydney first.⁶ The figures for the number of trips made by overseas tourists to New South Wales, and their spending, are as follows:

⁴ Tourism Research Australia, *International Visitors to Australia (Quarterly Results of the National Visitor Survey): June 2008* (Tourism Research, Australia, 2008), p.10

⁵ Australian Bureau of Statistics, *Australian National Accounts: Tourism Satellite Account 2006-2007*, ABS Catalogue 5249.0 (Australian Bureau of Statistics, Canberra, 2006), pp.3,27.

⁶ Liz Fredline and Leo Jago, *State of the Tourism Industry 2005* (Co-operative Research Centre for Sustainable Tourism, Gold Coast, 2005), p.2.

Overseas Visitors to New South Wales and Consumption (Estimated): 2006-2007⁷

Overseas Visitors	2.6 million
Consumption by Overseas Visitors	\$7.5 billion (approx.)

Britain has traditionally been the predominant source of overseas visitors to Australia. The major sources of overseas tourists, to NSW, can be itemised as follows:

Overseas Visitors to NSW (By Major Sources of Arrivals): 2007⁸

Britain	406,600
New Zealand	381,300
USA	288,300
China	269,100
Japan	222,900
Korea	199,800
Germany	100,900
Singapore	72,400
Malaysia	40,900
TOTAL ALL OVERSEAS VISITORS TO NSW	2.8 million

3. TOURISM'S CONTRIBUTION TO GDP: AUSTRALIA AND NSW**(a) Australia**

In the case of the nation as a whole, tourism constitutes about 4% of Gross Domestic Product (GDP). The figures for Australia, as a whole, are accordingly:

Tourism's Share of Australian Gross Domestic Product: 2006-2007⁹

Tourism's Contribution to Australian GDP	\$38.8 billion
Total Australian GDP	\$1,046 billion
Tourism's Percentage Contribution to Australian GDP	3.7%

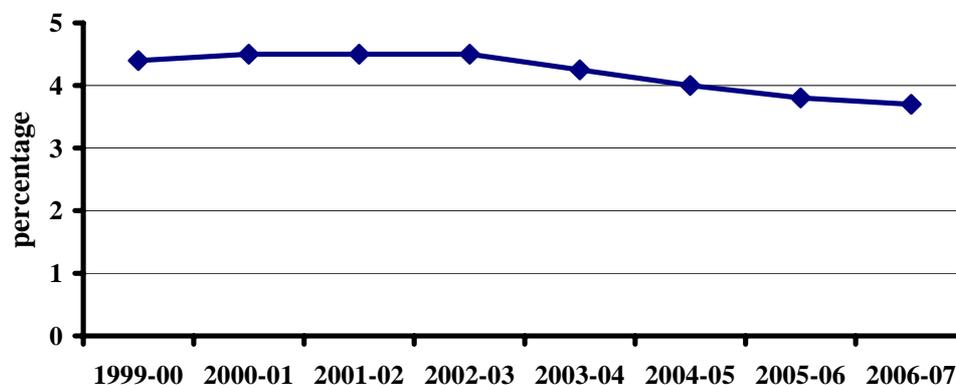
⁷ Australian Bureau of Statistics, *Australian National Accounts: Tourism Satellite Account 2006-2007*, ABS Catalogue 5249.0, pp.3,27.

⁸ See *International Visitors Survey* statistics available on the website of Tourism NSW at <http://www.corporate.tourism.nsw.gov.au>

⁹ Australian Bureau of Statistics, *Australian National Accounts: Tourism Satellite Account 2006-2007*, ABS Catalogue 5249.0, p.5; Australian Bureau of Statistics, *Australian National Accounts: State Accounts*, ABS Catalogue 5220.0 (Australian Bureau of Statistics, Canberra, 2007, p.12.

Tourism's contribution to gross domestic product has, however, been slowly declining. This can be seen in the graph below:

Tourism's Share of Australian GDP: 1999-2000 to 2006-2007¹⁰



(b) New South Wales

Tourism's contribution to NSW Gross State Product (GSP) is likewise around 4%. The figures for New South Wales areas follows:

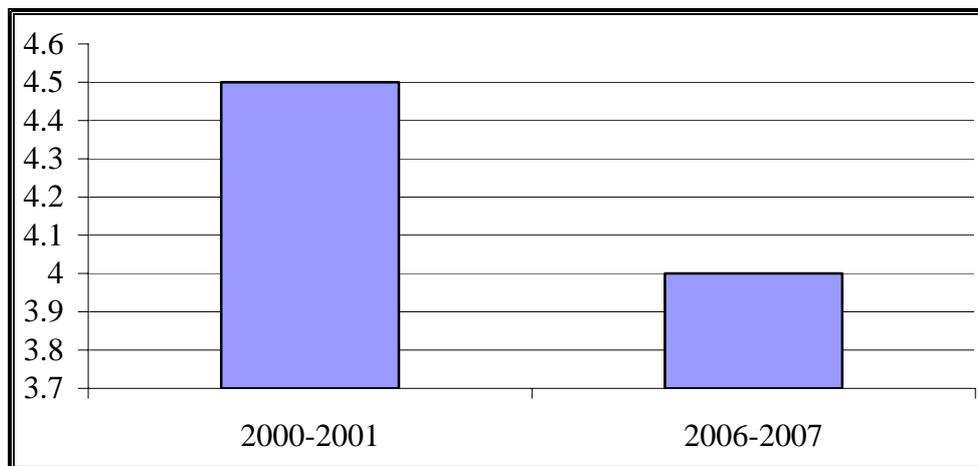
Tourism's Share of NSW Gross State Product: 2006-2007¹¹

Tourism's Contribution to NSW GSP	\$13.3 billion
Total NSW Gross State Product	\$335.1 billion
Tourism's Percentage Contribution to Australian GDP	4%

Similarly tourism's contribution, to gross state product, has been gradually declining, as illustrated in the accompanying graph:

¹⁰ Tourism and Transport Forum, *Submission to the Review of Export Policies and Programs* (Tourism and Transport Forum, Sydney, 2008). The federal minister for tourism (Martin Ferguson) remarked, at the launch of the film *Australia*, that "Australia's tourism industry is currently facing a difficult period." See Lauren Wilson, "Tourism Hopes Ride on Red Carpet" in *The Australian*, 19 November 2008, p.5.

¹¹ Larry Dwyer, Peter Forsyth, Thiep Ho, Serajul Hoque, Daniel Pambudi and Ray Spurr, *Tourism Satellite Account NSW: 2006-2007* (Centre for Tourism Policy Studies UNSW and Department of Economics Monash University, 2008), p.viii; Australian Bureau of Statistics, *Australian National Accounts: State Accounts*, ABS Catalogue 5220.0, p.12.

Tourism's Contribution to NSW GSP: 2000-2001 to 2006-2007¹²**4.EMPLOYMENT IN TOURISM****(a)Employment in Tourism: Australia**

In Australia as a whole, tourism accounts for the employment of about 483,000 people: about 4.7% of a total of around 10.3 million employed people.¹³ The main areas of employment, and the number of employed people, are detailed below:

¹² Larry Dwyer, Peter Forsyth, Thiep Ho and Ray Spurr, *Tourism Satellite Account NSW: 2000-2001* (Centre for Tourism Policy Studies UNSW and Department of Economics Monash University, 2003), p.8; Larry Dwyer, Peter Forsyth, Thiep Ho, Serajul Hoque, Daniel Pambudi and Ray Spurr, *Tourism Satellite Account NSW: 2006-2007*, p.viii.

¹³ Australian Bureau of Statistics, *Australian National Accounts: Tourism Satellite Account 2006-2007*, ABS Catalogue 5249.0, p.27.

People Employed in Tourism (Australia): 2006-07¹⁴

Retail	120,100
Accommodation	71,400
Cafes and Restaurants	51,400
Education	34,200
Air and Water Transport	33,500
Manufacturing	31,800
Road Transport and Motor Vehicle Hiring	25,500
Clubs, Pubs, Taverns and Bars	24,000
Travel Agency and Tour Operator Services	21,800
Other Entertainment Services	13,600
Libraries, Museums and the Arts	9,800
Rail Transport	3,000
Casinos and other Gambling Services	1,800
Other Tourism Industries	41,000
TOTAL ALL PEOPLE EMPLOYED IN TOURISM (AUSTRALIA)	482,800

(b)Employment in Tourism: New South Wales

A slighter lower percentage of people are employed in tourism, in New South Wales, than in Australia as a whole: about 4.2% of all people employed in NSW. In 2006-07 the following numbers of people were employed in areas of activity directly related to tourism:

¹⁴ Ibid.

People Employed in Tourism (New South Wales): 2006-07¹⁵

Retail	38,160
Accommodation	22,903
Air and Water Transport	17,337
Cafes and Restaurants	16,006
Education	11,958
Manufacturing	10,103
Road Transport and Motor Vehicle Hiring	7,912
Clubs, Pubs, Taverns and Bars	7,474
Travel Agency and Tour Operator Services	5,331
Other Entertainment Services	3,691
Libraries, Museums and the Arts	2,660
Rail Transport	1,022
Casinos and other Gambling Services	455
Other Tourism Industries	12,791
TOTAL ALL PEOPLE EMPLOYED IN TOURISM (NSW)	157,802

(c)Regional New South Wales

Tourism is an important generator of employment in at least two or three regions of NSW that are, themselves, significantly dependent on tourism. The number of people employed in the regions, in tourism-related occupations, are as follows:

¹⁵ Tourism NSW and Sustainable Tourism Co-operative Research Centre, *Tourism Satellite Account: New South Wales 2006-07*, p.37.

People Employed in Tourism-Related Occupations in Regional NSW: 2004-05¹⁶

<i>Region</i>	<i>People in Tourism-Related Occupations</i>	<i>Total All Employed People in Region</i>	<i>Tourism Employed As a Percentage of All Employed in Region</i>
Snowy Mountains	2,406	17,432	13.8%
South Coast	4,649	58,463	7.95%
(Mid) North Coast	9,243	125,637	7.36%
Northern Rivers	7,223	106,052	6.81%
The Murray	2,898	49,565	5.85%
Illawarra	6,510	123,352	5.28%
Capital Country	4,058	77,174	5.26%
Outback NSW	1,325	25,180	5.26%
Hunter	11,893	226,826	5.24%
Central Coast	6,939	132,664	5.23%
Blue Mountains	2,714	52,584	5.16%
Central NSW	5,928	118,717	4.99%
Riverina	3,536	70,981	4.98%
New England	4,176	84,638	4.93%

5.CONTRASTING COMPOSITION OF TOURISM: SYDNEY AND REGIONAL NSW

(a)Sydney

There is a significant difference between the composition of tourists arriving in Sydney, and composition of tourists visiting regional New South Wales. Amongst the tourists that visit Sydney, overseas visitors form a high proportion of the total. This is indicated in the figures below:

Holiday or Leisure Visitor Nights Spent in Sydney (by Composition of Tourists): 2007-08¹⁷

Overseas Visitors	48.1 million (68%)
Domestic Visitors	21.5 million (32%)

¹⁶ John O'Neill, *Review into Tourism in New South Wales: Final Report*, p.44.

¹⁷ Tourism Research Australia, *International Visitors to Australia (Quarterly Results of the National Visitor Survey): June 2008* p.24; Tourism Research Australia, *Travel by Australians (Quarterly Results of the National Visitor Survey): June 2008*, p.30.

(b)Regional New South Wales

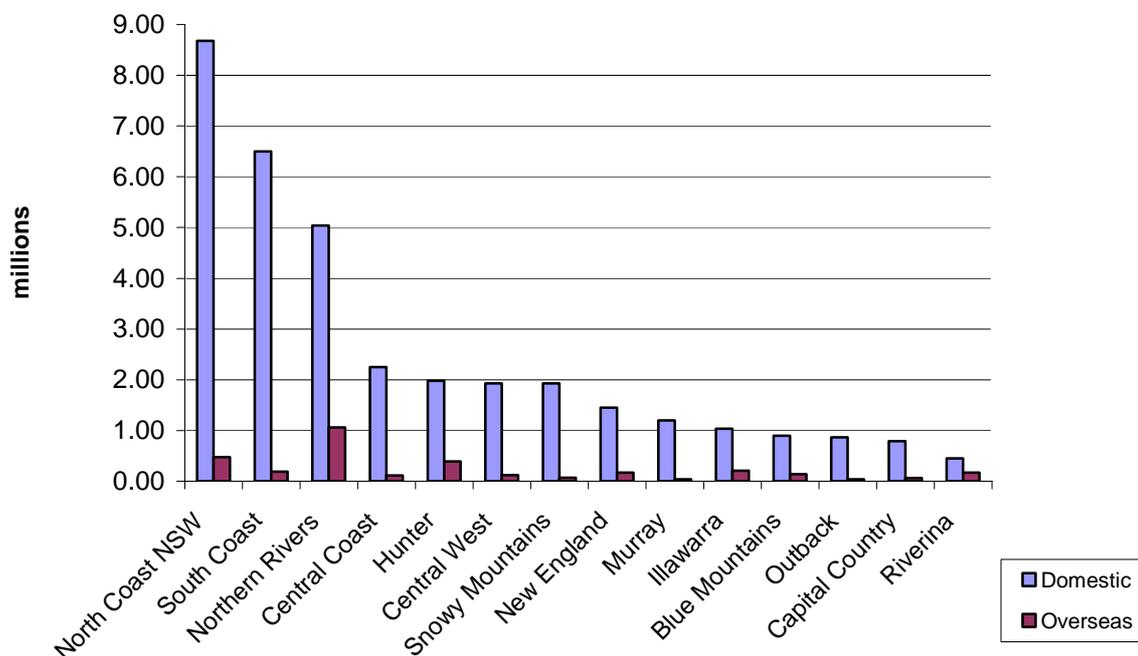
In regional NSW, by contrast with Sydney, a definite majority of visitors are domestic tourists. Figures compiled by Tourism Research Australia show a clear distinction, in regional tourism, between visitors from other parts of Australia and visitors from overseas, as illustrated in the accompanying table and graph:

Holiday or Leisure Visitor Nights Spent in Regional NSW (by Composition of Tourists): 2006-07¹⁸

	<i>Nights Spent by Domestic Tourists</i>	<i>Nights Spent by Overseas Tourists</i>
North Coast NSW	8.68 million	480,000
South Coast	6.5 million	190,000
Northern Rivers/Tropical NSW	5.04 million	1.06 million
Central Coast	2.25 million	110,000
Hunter	1.98 million	390,000
Central West NSW	1.93 million	120,000
Snowy Mountains	1.93 million	70,000
New England/North West NSW	1.45 million	170,000
The Murray	1.2 million	40,000
Illawarra	1.04 million	210,000
Blue Mountains	910,000	140,000
Outback	870,000	40,000
Capital Country	790,000	60,000
Riverina	450,000	170,000

¹⁸ Tourism Research Australia, *Regional Tourism Profiles*.

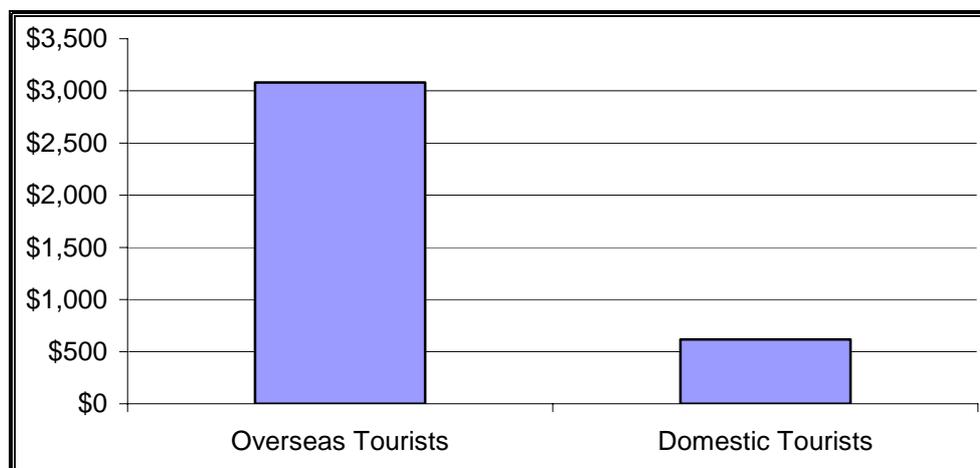
Holiday or Leisure Visitor Nights Spent in Regional NSW (by Composition of Tourists): 2006-07



6. BOOSTING TOURISM (THROUGH SPORTING AND BUSINESS EVENTS) TO ATTRACT DOMESTIC TOURISTS AND HIGHER-SPENDING OVERSEAS TOURISTS

(a) International and Domestic Tourist Expenditure

Although the greatest proportion of expenditure in tourism is spending by domestic tourists, overseas tourists (individually) spend much more than their domestic counterparts. This can be seen in the graph below:

International and Domestic Tourist Expenditure (per Tourist): 2007-2008¹⁹**(b) Previous Measures by Other State Governments to Boost Tourism by Attracting Events: 1980s and 1990s**

During the 1980s and the 1990s, state governments came to the conclusion that attracting major events would provide a boost to tourism and, in particular, could prove instrumental in attracting higher-spending overseas tourists. In 1986 the Western Australian government (led by Brian Burke) established EventsCorp (to capitalise on the staging of the Americas Cup). Three years later the Ahern government, in Queensland, created the Queensland Events Corporation (to take advantage of the 1988 World Expo). In 1992 the then premier of Victoria (Jeff Kennett) established the Victorian Major Events Company.²⁰

(c) NSW State Government's Initiatives to Attract Major Events

In 1969, the Askin government established the Sydney Convention and Visitors Bureau (SCVB) as a (not-for-profit) joint venture between the state government and the tourism industry in New South Wales. The purpose of the SCVB was to identify, and secure bids for, business events to be held in Sydney. Currently the SCVB has a membership base of more than 300 providers of convention centres, exhibition venues, hotels, restaurants and the like.²¹

¹⁹ Derived from the expenditure figures on p.2 above.

²⁰ Robyn Stokes, *Inter-Organisational Relationships for Events Tourism Strategy Making in Australian States and Territories* (PhD Thesis, Griffith University, 2003), pp.25-28.

²¹ John O'Neill, *Review into a Possible Events Corporation for New South Wales* (Sydney, 2007), p.30.

In 1993 (one year after Jeff Kennett established the Victorian Major Events Company) the premier of New South Wales (John Fahey) established Special Events NSW Limited. A year after gaining office (in the 1995 elections), the Carr government (in New South Wales) decided to abolish Special Events NSW Limited. However the same government subsequently proceeded to establish a Major Events Unit within Tourism NSW (the state's tourism body). In 1997, however, the Carr government set up a Major Sporting Events Unit within the premier's department.²² Between 1999 and 2000, Tourism NSW supported 23 major events including the Bledisloe Cup and the Greg Norman International golf tournament.²³ In 2000 (the year that the Olympic Games were held in Sydney), the Carr government replaced the Major Sporting Events Unit with a New South Wales Major Events Board: to be supported by the Major Events Unit in Tourism NSW. In financial year 2006-07 the Major Events Unit had a budget of \$6.4 million.²⁴

(d) Contribution of Events in Attracting Domestic and Overseas Tourists

Business Events

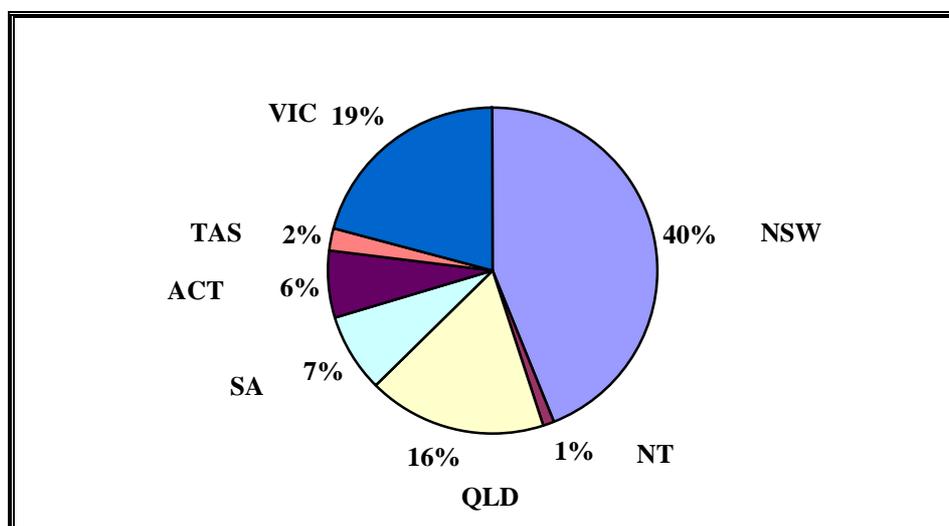
As well as sporting events having the capacity to attract tourists, many visitors travel to destinations for business events: conferences and meetings. In the early years of the this century, New South Wales had the major share of business events tourism as illustrated in the accompanying chart:

²² John O'Neill, *Review into a Possible Events Corporation for New South Wales*, pp.15,57.

²³ Tourism NSW, *Chairman's Report to the Minister for Tourism: Activities and Achievements of Tourism New South Wales 1995-1998* (Tourism NSW, Sydney, 1999), pp.6-7.

²⁴ John O'Neill, *Review into a Possible Events Corporation for New South Wales* (Sydney, 2007), pp.15-16,57.

Breakdown of the Business Events (Tourism) Sector in Australia by Percentages of Participants: 2002-03²⁵



Composition of Tourism Spending at Business Events

In keeping with the trends outlined above, domestic attendance is still the biggest component of participation at business events. The review into the establishment of an events corporation in New South Wales (conducted by John O'Neill and his colleagues) produced the following figures for spending at business events in Australia:

Composition of Expenditure by Participants Attending Business Events in Australia: 2003²⁶

Domestic Participants	90%
International Participants	10%

Sporting Events

1989 Australian Open Tennis Tournament

Sporting events appear to have the capacity to attract not only large numbers of domestic tourists but also a significant number of overseas visitors. Initially sporting events seem to have attracted mainly domestic tourists. One of the most successful events in Australia, in

²⁵ Margaret Deery, Larry Dwyer, Liz Fredline and Leo Jago, *The National Business Events Study: An Evaluation of the Australian Business Events Sector* (Co-operative Research Centre for Sustainable Tourism, Canberra, 2003), executive summary p.8.

²⁶ John O'Neill, *Review into a Possible Events Corporation for New South Wales*, p.27.

terms of attracting domestic tourists, is the Australian Open Tennis Tournament (held in Melbourne). In 1991, Brendan Downey undertook a study of the attendance figures, television audience and revenue generated by the 1989 Australian Open. Downey's calculations were as follows:

Australian Open Tennis Tournament: Outcomes (1989)²⁷

Television Audience (Worldwide)	500 million
Number of Spectators	288,000
Jobs Created Throughout Victoria	1,571
Casual Staff Employed at the Tournament	800
Interstate Tourists	1,000
Overseas Tourists	500

As far as expenditure by spectators and visitors was concerned, Downey produced the following estimates for consumption connected with the tournament:

Australian Open Tennis Tournament: Consumption (1989)²⁸

Tickets	\$4,235,668
Accommodation	\$4,142,223
Transport	\$4,014,720
Restaurants	\$3,498,094
Drinks	\$3,448,404
Personal (and other types of) Services	\$452,160
Souvenirs	\$86,739
TOTAL	\$19,878,008

2003 Rugby World Cup

By the beginning of the twenty-first century, sporting events in Australia had begun to attract greater numbers of higher-spending overseas tourists. In 2003, Australia hosted the Rugby World Cup (RWC). The total tournament consisted of 48 matches staged in 11 venues across Australia. The outcomes and expenditure of the RWC, as estimated by URS Finance and Economics, were as follows:

²⁷ Brendan Downey, *The Tourism Impact on Victoria of its Special Sporting Events including Case Studies of the 1989 Bells Beach Easter Surf Carnival and the 1989 Ford Australian Open* (MBA Thesis, Victoria University of Technology, 1991), pp.43,80,84.

²⁸ *Ibid.*, p.80.

Rugby World Cup: Outcomes (2003)²⁹

Television Audience (Worldwide)	3.4 billion
Australian Spectators	1,735,000
Overseas Tourists	65,000
Jobs Created	4,476

Rugby World Cup: Consumption (2003)³⁰

Expenditure by International Visitors	\$347.4 million
Expenditure by Australian Spectators (Attending Matches Interstate)	\$142.6 million
Ticket Purchases by Australian Spectators	\$136.6 million
Ticket Purchases by Overseas Spectators	\$63 million
Expenditure per Overseas Visitor	\$5,344

2006-2007 Ashes series/One Day International Cricket Series

Just under two years ago, a round of the Ashes contest and an accompanying one international cricket series (between Australia, England and New Zealand) were staged in Australia. In mid-2007, URS Australia prepared a report, for Cricket Australia, which attempted to itemise the benefits to Australia of both events. The calculations, derived by URS, were as follows:

2006-2007 Ashes series/One Day International Cricket Series: Outcomes³¹

Australian Spectators	1,201,940
Overseas Tourists	37,000
Tickets Sold to Australians	568,482
Tickets Sold to Overseas Visitors	244,914
Jobs Created	793

²⁹ URS Finance and Economics, *Economic Impact of the Rugby World Cup 2003 on the Australian Economy – Post Analysis* (URS Finance and Economics, Sydney, 2004), pp.ES-1, ES-3, 3-9.

³⁰ *Ibid.*, pp.3-7, 3-8, 3-13, 3-21.

³¹ URS Australia Pty Ltd, *Economic Impact of the 2006/07 3 Mobile Ashes Test and Commonwealth Bank One Day International Series on the Australian Economy* (URS Australia Pty Ltd, Sydney, 2007), pp.ES-1 – ES-2, 26.

2006-2007 Ashes series/One Day International Cricket Series: Expenditure³²

Expenditure by International Visitors	\$250 million
Expenditure by Australians	\$34 million
Expenditure per Overseas Visitor	\$10,425

7.FLUCTUATIONS IN DOMESTIC/INTERNATIONAL TOURIST ACTIVITY IN NEW SOUTH WALES

(a) Domestic Tourism

New South Wales

In recent years there has been a significant decline in the number of visits, to New South Wales, by domestic tourists. Since 1998 there has been a 12% decline in the number of nights spent, in NSW, by domestic visitors. This is demonstrated in the accompanying table (from figures in the *Forecast* publication of Tourism Research Australia):

Domestic Visitor Nights in New South Wales (by Category): 1998-2007³³

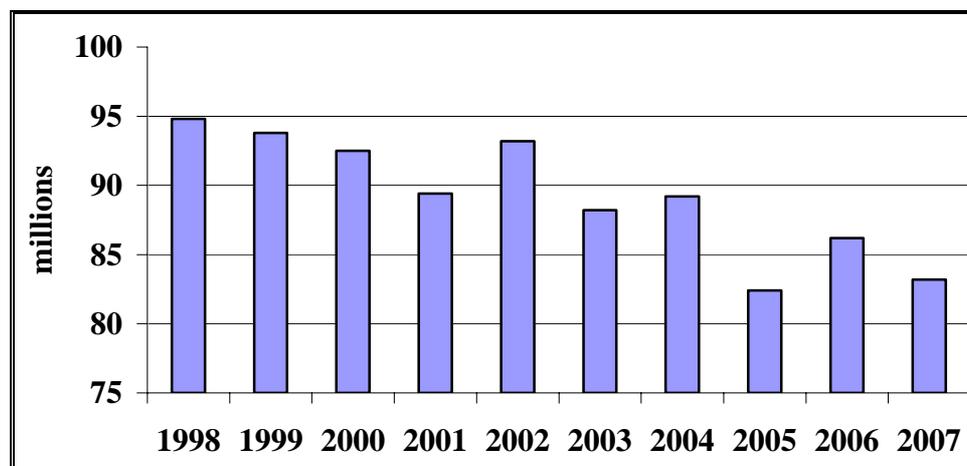
	<i>Holiday</i>	<i>Visit Friends/Relations</i>	<i>Business</i>	<i>Other</i>	<i>Total</i>
1998	45,746,000	30,345,000	13,679,000	5,092,000	94,862,000
1999	43,832,000	31,160,000	13,314,000	5,561,000	93,866,000
2000	45,908,000	28,415,000	13,171,000	5,065,000	92,559,000
2001	41,524,000	29,973,000	12,803,000	5,147,000	89,447,000
2002	42,516,000	32,468,000	13,227,000	5,058,000	93,269,000
2003	39,771,000	31,042,000	12,925,000	4,451,000	88,188,000
2004	38,574,000	34,022,000	11,572,000	5,010,000	89,179,000
2005	37,437,000	28,486,000	11,426,000	5,101,000	82,450,000
2006	40,642,000	30,267,000	10,734,000	4,554,000	86,197,000
2007	40,444,000	27,881,000	10,387,000	4,464,000	83,176,000

The progress of the decline, in domestic visitor nights, can be seen more clearly in a graph of total domestic visitors nights 1998-2007:

³² Ibid., pp.29,35.

³³ Tourism Research Australia, *Forecast: 2008 Issue 1* (Tourism Research Australia, Canberra, 2008), p.87.

Domestic Visitor Nights Spent in New South Wales: 1998-2007



This trend appears set to continue for this year, and for several years ahead. Roman Ahmed, and his colleagues, provided the following estimates for growth/decline in domestic tourism, in the Australian states and territories, between 2007 and 2008:

Forecast Average Rate of Growth/Decline in Australian Domestic Tourism: 2007-2008³⁴

South Australia	2.7%
Queensland	1.07%
Northern Territory	0.15%
Victoria	0.06%
Western Australia	0%
Tasmania	-1.15%
New South Wales	-2.29%

Tourism Research Australia, in its publication *Forecast*, has predicted an even greater decline in domestic visitor numbers to NSW at least until 2017. TRA's forecast statistics, for 2008-2017, are as follows:

³⁴ Roman Ahmed, George Athanasopoulos and Rob Hyndman, *Hierarchical Forecasts for Australian Domestic Tourism* (Department of Econometrics and Business Statistics, Monash University, Melbourne, 2007), p.16.

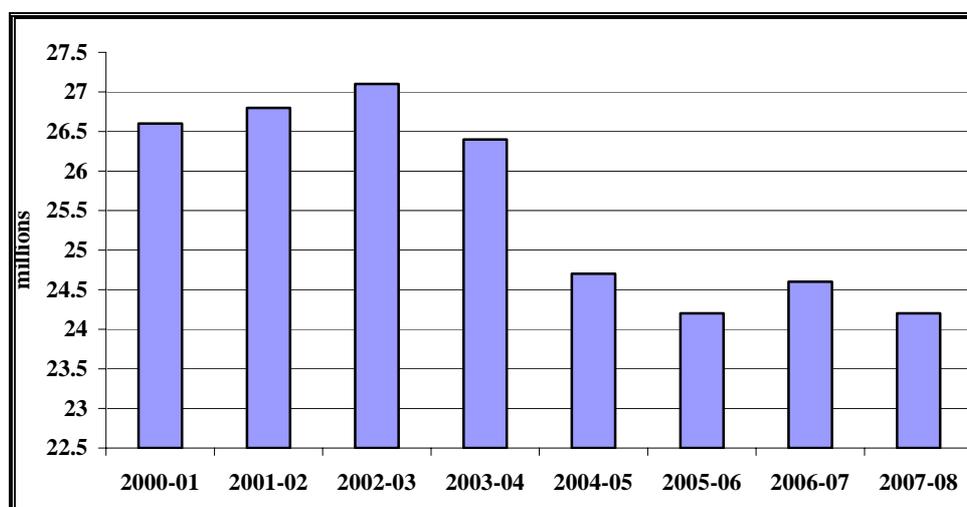
Tourism Research Australia Forecast: Domestic Visitor Nights in NSW (2008-17)³⁵

2008	80,581,000
2009	78,306,000
2010	78,310,000
2011	78,710,000
2012	79,029,000
2013	79,357,000
2014	79,724,000
2015	80,106,000
2016	80,460,000
2017	80,817,000

Sydney

In the case of Sydney, there has been a similar decline in the number of domestic visitors: from just over 27 million in 2002-03 to just over 24 million in 2007-08. This is illustrated by the graph below:

Domestic Visitors to Sydney: 2000-01 to 2006-07³⁶



Regional New South Wales

There has been a corresponding decline in holiday (or leisure) visitor nights spent by tourists in several regional areas of the state. This can be seen in the contrasting sets of figures for 2001/02 and 2006/07, as provided in the table and graph below:

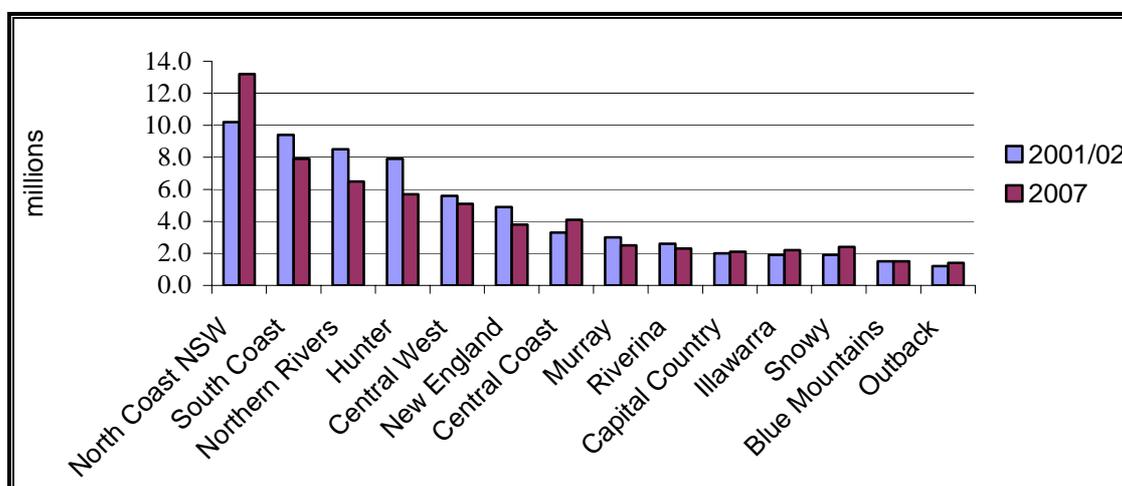
³⁵ Tourism Research Australia, *Forecast: 2008 Issue 1*, *ibid.*

³⁶ See NSW Tourism, *Sydney Tourism Statistics* (NSW Tourism, Sydney, 2008).

Nights Spent by Domestic Visitors in the Regions of NSW: 2001/02 – 2007³⁷

	2001-02	2007
(Mid) North Coast NSW	10,208,000	13,206,000
South Coast	9,420,000	7,968,000
Northern Rivers/Tropical NSW	8,541,000	6,560,000
Hunter	7,997,000	5,694,000
Central West NSW	5,692,000	5,152,000
New England/North West NSW	4,058,000	3,872,000
Central Coast	3,283,000	4,094,000
The Murray	3,030,000	2,538,000
Riverina	2,676,000	2,349,000
Capital Country	2,008,000	2,116,000
Illawarra	1,993,000	2,268,000
Snowy Mountains	1,938,000	2,470,000
Blue Mountains	1,535,000	1,530,000
Outback	1,175,000	1,472,000

Changes in the Nights Spent by Domestic Visitors in Regions of NSW: 2001/02 – 2006/07³⁸



³⁷ See *New South Wales Tourism Profile: Year End June 2002* (Tourism NSW, Sydney, 2003), p.10; Tourism Research Australia, *Regional Tourism Profiles 2007: New South Wales* (Tourism Research Australia, Canberra, 2008).

³⁸ See *New South Wales Tourism Profile: Year End June 2002* (Tourism NSW, Sydney, 2003), p.10; Tourism Research Australia, *Regional Tourism Profiles 2007: New South Wales* (Tourism Research Australia, Canberra, 2008).

Domestic Tourists and Sports Events: NSW

During the opening years of the twenty-first century there has been a noticeable decline in visitors attending major sports events in NSW, compared to an increase in people attending similar events in other states. This can be seen in the table below:

**Growth Rate in Domestic Visitor Nights (Attendees at Major Sporting Events):
NSW v. Rest of Australia (2002-06)³⁹**

Rest of Australia	5%
New South Wales	-1%

Business Events in Sydney

There has been a decline, of a similar nature, in the number of business events held in Sydney, as illustrated accordingly:

Business Association Meetings Held in Sydney: 2000/2004⁴⁰

2000	58
2004	34

(b)International Tourists*Overall Decline in Australia's Share of International Tourism*

Even though the number of overseas visitors to Australia has been increasing (after declining in temporarily 2003), Australia's share of overseas travelers has been very gradually declining, as illustrated in the table below:

³⁹ John O'Neill, *Review into a Possible Events Corporation for New South Wales*, p.18.

⁴⁰ John O'Neill, *Review into a Possible Events Corporation for New South Wales*, p.34.

Overseas Visitors to Australia (as a Percentage of All Travelers Overseas): 1998-2006⁴¹

	<i>Visitors to Australia</i>	<i>World Tourist Arrivals (Total)</i>	<i>Australian Percentage</i>
1998	4.2 million	611 million	0.7%
1999	4.4 million	634 million	0.72%
2000	4.9 million	682 million	0.71%
2001	4.8 million	682 million	0.69%
2002	4.8 million	702 million	0.69%
2003	4.7 million	691 million	0.69%
2004	5.2 million	761 million	0.69%
2005	5.5 million	803 million	0.65%
2006	5.5 million	846 million	0.63%

Decline in International Tourists Visiting Business Events in NSW

The number of international visitors arriving for business events has declined. This is highlighted in the accompanying table:

Overseas Visitors' Nights Spent at Business Events: NSW Proportion of Australian Total (1999-2006)⁴²

1999	43%
2006	32%

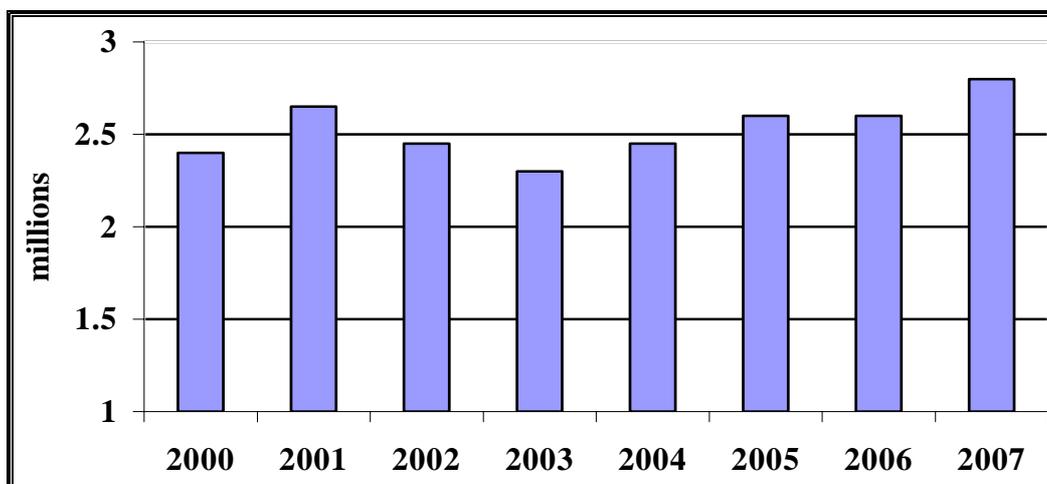
Increase in Sydney's Share of International Visitors

Contrary to the decline in the number of domestic tourists coming to Sydney, the number of international visitors has slightly increased. This can be seen in the contrast between the figures for 2003 and 2007:

⁴¹ See Australian Bureau of Statistics, *Year Book Australia: 2006* (Australian Bureau of Statistics, Canberra, 2006), p.530; Department of Resources, Energy and Tourism, *Australian Tourism: State of the Industry Report* (Department of Resources, Energy and Tourism, Canberra, 2008), attachment 1; United Nations World Tourism Organisation, *UNWTO World Tourism Barometer*, vol.6, no.1, January 2008; Tourism and Transport Forum, *Submission to the Independent Review of Export Policies and Programs*, May 2008.

⁴² John O'Neill, *Review into Sydney Convention and Exhibition Space* (Sydney, 2007), p.16.

International Visitors to Sydney: 2000-2007⁴³



8.CONTRIBUTING FACTORS IN THE FLUCTUATIONS IN VISITOR ARRIVALS

(a)Domestic Visitors

Over the decades, between the 1980s and the early years of the twenty-first century, there has been a marked disparity between the increase in the basic wage and the increase in median house prices. Put simply, while the after tax amount of the basic wage has increased approximately 300%, the median house price has increased 600%. This is indicated in the following table:

Basic Wage v. Median House Prices: 1980 - 2003⁴⁴

<i>Year</i>	<i>Basic Wage after Tax (approx.)</i>	<i>Australian Median House Price</i>
1980	\$128	\$53,300
1985	\$196	\$81,200
1990	\$266	\$135,500
1995	\$291	\$159,600
2000	\$350	\$243,000
2003	\$383	\$367,000

⁴³ Tourism Research Australia, *International Visitors in Australia*.

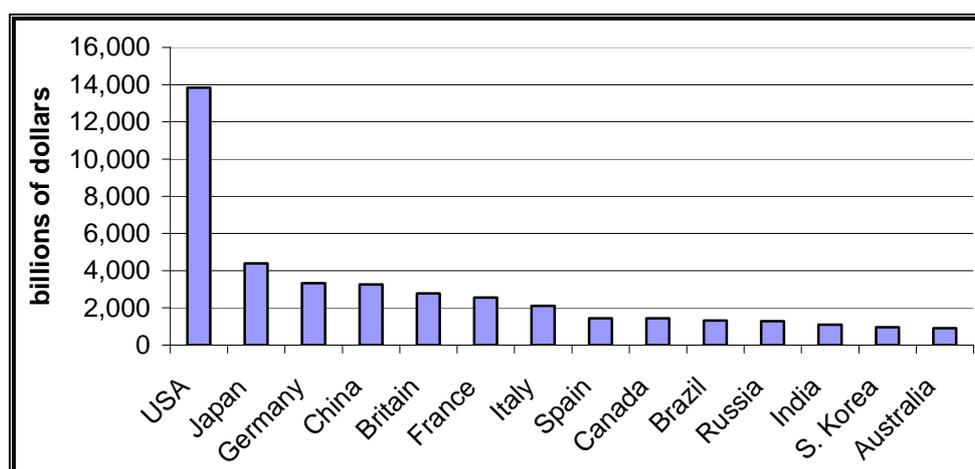
⁴⁴ The basic wage is considered to be equivalent to the C14 classification of the Metal Trades Industry Award. Australian median house price details supplied by the domestic division of the Australian Treasury.

(b) International Visitors

Growth of the Asian Economies

During the period after the world war of the 1940s, there was a marked expansion of production in the countries of Asia. Japan, with American assistance, re-emerged as a leading centre of production in the region: achieving a growth rate of 10.1% between 1966 and 1973. Subsequently China (following the Carter administration's extension of diplomatic recognition in 1979 and conclusion of full commercial relations in 1980) was able to expand its production with American assistance: achieving growth rates of 10.1% (during the 1980s); 9.1% (in the early years of the 1990s); and around 10% in the opening years of the twenty-first century. South Korea also achieved a growth rate of 9.9% during the 1980s.⁴⁵ As a result there has been a significant expansion of wealth in the Asian region, as indicated by the accompanying figures for Gross Domestic Product:

Gross Domestic Product: Highest Ranking Countries (2007)⁴⁶



Expanding Relationship between Australia/NSW and Asia

Australia has been a major beneficiary of this expansion of production in Asia. In 2008, Dan Andrews and Robert Arculus (of the Reserve Bank of Australia) produced a report on the growth of Australia's trade with Asia in which they provided the following figures on the rate of that growth (compared with other parts of the world):

⁴⁵ J. Barkley and Marina Rosser, *Comparative Economics in a Transforming World Economy* (McGraw-Hill, Chicago, 1996), pp.141,380,452; United Nations Economic and Social Commission for Asia and the Pacific, *Statistical Yearbook for Asia and the Pacific: 2007* (United Nations Economic and Social Commission for Asia and the Pacific, New York, 2007), p.81.

⁴⁶ *World Economic Outlook Database* (International Monetary Fund, Washington DC, 2008).

Australian Exports of Goods and Services by Destination (Average Annual Growth): 1999-2007⁴⁷

<i>Country</i>	<i>Rate of Growth</i>
China	24.8%
India	24.7%
South Korea	10.5%
Japan	7.1%
Britain	6.5%
USA	2.5%

NSW, similarly, now has a strong trade relationship with Asia. The proportion of exports going to Asia, from New South Wales, is around 70% as highlighted by the following statistics:

NSW Exports of Goods and Services by Region: 2002/03 – 2006/07⁴⁸

	<i>Asia-Pacific (incl. China/Japan)</i>	<i>Asia (excl. China/Japan)</i>	<i>USA</i>	<i>EU</i>
2002-03	58.1%	12.9%	10.6%	9.5%
2003-04	59.3%	12%	10.9%	9%
2004-05	60.2%	12.7%	9.5%	8.1%
2005-06	59.7%	12.2%	9.4%	7.6%
2006-07	59.5%	11.8%	8.6%	7.3%

Expansion of Asian Tourism

With the expansion of wealth in the Asian region, there has been a significant growth in the number of people, from Asian countries, visiting other parts of the world. This can be seen in the accompanying table and graph:

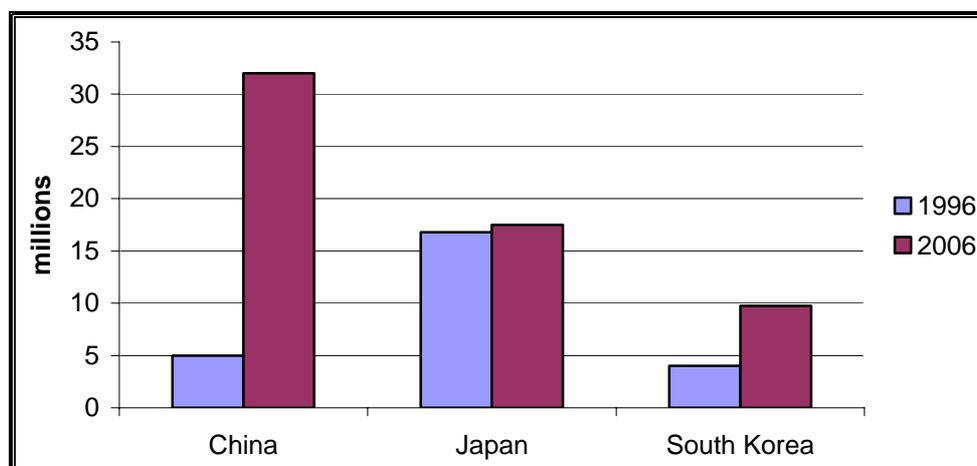
⁴⁷ Dan Andrews and Robert Arculus, "Australian Exports and Developing Asia" in the *Reserve Bank of Australia: Bulletin*, June 2008, p.7.

⁴⁸ Department of State and Regional Development, *Export Markets by Region* (Department of State and Regional Development, Sydney, 2008).

Growth in Outbound Tourism: China, Japan and South Korea (1996-2006)⁴⁹

	1996	2006
China	5 million	32 million
Japan	16.8 million	17.5 million
South Korea	4 million	9.75 million

Growth in Outbound Tourists: China, Japan and South Korea (1996-2006)



Increase in International Tourists Visiting Australia/NSW

While Australia's share of global travel has declined slightly, it has (as mentioned above) enjoyed an increase in the number of overseas tourists journeying to its shores. Whereas the wherewithal of Australians (for recreation) has been declining, overseas there has been a steady expansion in disposable income (particularly in Asia). This is a contributing factor to the prominence of inbound tourism as an export item in Australia's overseas trade:

⁴⁹ John Koldowski, "The End Point: International Travelers and their Destinations", paper presented at the *Tourism Directions and Distribution Conference*, Sydney, 18 October 2007.

Australia's Major Export Items (Goods and Services): 2007⁵⁰

Coal	\$20.7 billion
Iron Ore	\$16.1 billion
Education Services	\$12.5 billion
Personal Travel Services	\$11.8 billion
Non-Monetary Gold	\$11.5 billion
Crude Petroleum	\$7.9 billion
Aluminium Ores (including Alumina)	\$6 billion
Aluminium	\$5.8 billion
Professional, Technical and other Business Services	\$5.6 billion
Gas (natural)	\$5 billion
TOTAL ALL EXPORTS OF GOODS AND SERVICES	\$216.2 billion

Tourism is also a significant component of the exports of New South Wales. In financial year 2006-07, tourism formed 9% of the state's exports, as indicated in the following table:

NSW – Major Exports: 2006-07⁵¹

Elaborately Transformed Manufactures	\$7.9 billion
Other Services	\$6.2 billion
Fuels	\$6.2 billion
Education-Related Travel	\$4.3 billion
Personal Travel	\$4.1 billion
Simply Transformed Manufactures	\$3.6 billion
Transportation	\$3.4 billion
Processed Food	\$2.9 billion
Minerals	\$2.5 billion
Other Primary Products	\$1.9 billion
TOTAL ALL NSW EXPORTS	\$47.2 billion

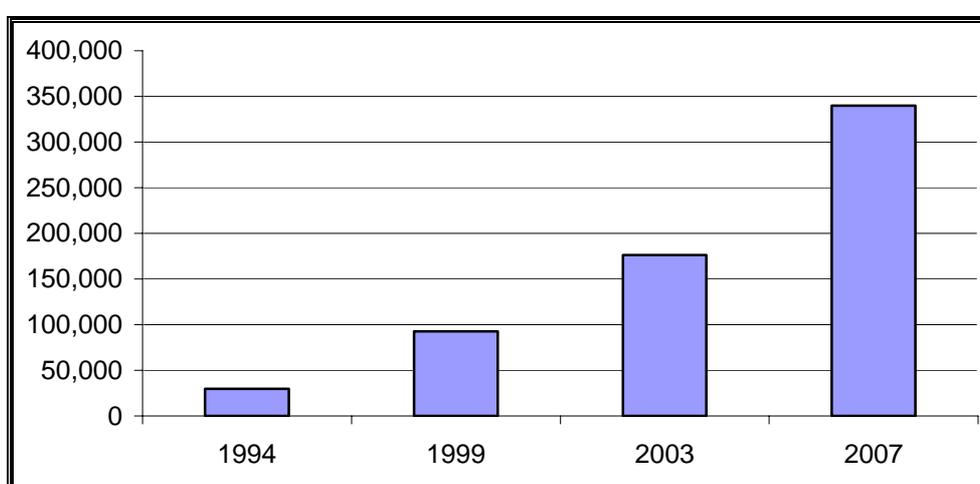
⁵⁰ Market Information and Analysis Section, Department of Foreign Affairs and Trade, *Composition of Trade Australia: 2007* (Market Information and Analysis Section, Department of Foreign Affairs and Trade, Canberra, 2008), p.15.

⁵¹ Market Information and Analysis Section, Department of Foreign Affairs and Trade, *Australia's Trade by State and Territory: 2006-07* (Market Information and Analysis Section, Department of Foreign Affairs and Trade, Canberra, 2008), p.16.

Australia and the Expansion of Chinese Tourism

Chinese travel, on a global basis, began in 1990 when the Chinese government concluded bi-lateral tourism agreements with the governments of Thailand, Malaysia and Singapore. Subsequently the Chinese government permitted citizens of China to travel to countries to which it accorded Approved Destination Status (ADS). In 1997 the Howard government concluded an agreement with China under which Australia gained ADS status (the agreement taking effect in 1999). Since the beginning of the twenty-first century there has been a rapid expansion of Chinese travel to Australia, as illustrated in the following graph of Chinese tourists to Australia:

Chinese Tourists to Australia: 1994-2007⁵²



9. REVIEW OF TOURISM BY THE IEMMA GOVERNMENT

(a) Iemma Government's Decision to Reassess Tourism Policy

The overall decline in domestic tourism prompted the then premier (Morris Iemma) to declare, a month before the March 2007 state election, that (if re-elected) he would move to conduct a review of tourism policy in New South Wales. A month after his re-election, the premier prevailed upon John O'Neill (CEO of the Australian Rugby Union from 1995-2003) to conduct a reassessment of tourism in the state. Between 2007 and 2008, O'Neill and his colleagues produced the following three reports:

- *Review into Tourism in New South Wales*

⁵² See C. Lim and Y. Wang, *A Time Series Analysis of Chinese Outbound Tourism to Australia* (University of Waikato, 2005); Tourism Research Australia, *International Visitor Profile: China Visitor Profile 2007* (Tourism Research Australia, Canberra, 2008).

- *Review into A Possible Events Corporation for New South Wales*
- *Review into Sydney Convention and Exhibition Space*

(b) Recommendations of the O’Neill Reports

Review into Tourism in New South Wales

The recommendations, in John O’Neill’s report into tourism in NSW, were divided into “Near-Medium Term” and “Medium-Long Term” categories. The two sets of recommendations were as follows:

Near-Medium Term

- Maintain New South Wales’ share of visitor nights in Australia at the 2006-07 level
- Responsibility for promoting tourism in the regions to be given to existing Regional Tourism Organisations (RTOs) – with the provision of government funding to RTOs to be based on their performance in increasing visitor nights⁵³
- Core Central Functions to be Strengthened (including the implementation of a tourism-friendly aviation plan for the state, and an expanded international presence for Tourism NSW)
- Supportive Regulatory Regime (including engaging with the department of planning to encourage the expansion of tourist accommodation in the Sydney CBD)
- Active Encouragement of the Opening of State Assets (including engaging with the National Parks and Wildlife Service to increase visits to state government parks and reserves)
- Increasing the Number of Education Visitors to NSW (including engaging with the department of education to attract even more international students to its facilities)
- Formation of a “Brand Sydney” Organisation (to be inaugurated as a joint vehicle, for relevant government and business organisations, in the promotion of Sydney nationally and internationally)

⁵³ Regional Tourism Organisations, in NSW, were established by the Wran government in 1985. See John Jenkins, “The Dynamics of Regional Tourism Organisations in New South Wales, Australia: History, Structures and Operations” in *Current Issues in Tourism*, vol.3, no.3, 2000, p.189.

Medium-Long Term

- Developing Sydney (and Contingent Areas) as an Attractive Destination for Interstate and Overseas Visitors (including developing rapid transport links to Newcastle)
- Providing (via the NSW and federal governments) Financial Assistance to Ventures that Develop Tourism in Regional NSW⁵⁴

Review into A Possible Events Corporation for New South Wales

John O'Neill's report, into the issue of establishing an events corporation in NSW, advised that the "shortcomings in acquiring events and benefiting from them" could be overcome through the combination of:

- Establishment of an Events Corporation
- A Substantial Increase in Funding (for the Corporation)
- The Corporation to Focus on Attracting Business, Sporting, Cultural and other Events to NSW
- Support, for the Corporation, to be Drawn from the Highest Levels of Government
- Maintenance of the Existing OPSE (Office of Protocol and Special Events), within the Department of Premier and Cabinet, to Provide Co-ordination of the Government Services Needed to Facilitate Significant Events⁵⁵

Review into Sydney Convention and Exhibition Space

O'Neill's review, into Sydney Convention and Exhibition Space, contained three significant recommendations:

- The Sydney Convention and Exhibition Centre (SCEC) to maintain its purpose of maximizing the economic and strategic benefits that New South Wales can attain from hosting particular business events
- The development of a facility (outside the Sydney CBD) larger than the current SCEC

⁵⁴ John O'Neill, *Review into Tourism: Final Report*, pp.93,95,108,113,116,118,120,122,125.

⁵⁵ John O'Neill, *Review into a Possible Events Corporation for New South Wales*, p.3.

- Expansion of Sydney CBD Convention and Exhibition Facilities (to facilitate the proposed intended increase in the number of international business events to be held in Sydney)⁵⁶

10.NSW GOVERNMENT RESPONSES TO THE O'NEILL REPORT

(a)New Funding

In his mini-budget of 11 November 2008, Nathan Rees (who succeeded Morris Iemma as premier in the previous September) announced a series of new funding initiatives for tourism in the state. A total of \$40 million has been allocated for tourism, over the next three and a half years, to be spent in the areas such as the following:

- \$10.5 million for Regional Tourism Organisations (to assist them with developing further links with industry, and to develop their capacities for marketing)
- \$13.25 million (out of the remaining \$29.5 million) to be spent on developing an increased presence (for New South Wales) in China, India and Korea
- \$½ million to develop a Brand Sydney⁵⁷

(b) New Events in NSW

On 16 October 2008, Events NSW announced the launch of three new seasons of events in Sydney during 2009. The three would be as follows:

Vivacity - A season of events incorporating Sydney's New Year's Eve Fireworks, the Sydney Festival, the New Year Cricket Test and Chinese New Year

Vivid Sydney – a mid-year festival of presentations in visual art, performance and film

Crave Sydney – a Spring festival of culture, food and wine

(c)Sydney Convention and Exhibition Space

In the mini-budget (produced by the current Rees government) John O'Neill's proposals, regarding extra convention and exhibition space in Sydney, appear to have been postponed. According to Julian Lee, writing in the Sydney Morning Herald, "The proposal. . .to spend

⁵⁶ John O'Neill, *Review into Sydney Convention and Exhibition Space*, pp.40-41.

⁵⁷ Media Release. Jodi McKay (NSW Minister for Tourism). 11 November 2008, *\$40 million Package Launches New Era of Tourism Growth*.

\$180 million transforming the showground [at Homebush Bay] into a venue for public and trade exhibitions was rejected in Tuesday's mini-budget."⁵⁸

(d)World Cup Bid

In August 2002, during the course of a visit to Australia by Sepp Blatter (president of the Federation of International Football Federations or FIFA), the then premier of NSW (Bob Carr) held a joint press conference with the FIFA president to declare that (in conjunction with Victoria) NSW would work with the Football Federation of Australia (FFA) to help the latter present a bid to FIFA to host the 2014 World Cup.⁵⁹ Despite the formation of an intergovernmental working party to assist the FFA in preparing a submission, the FFA did not proceed with a bid. In 2007, Brazil gained the rights to host the 2014 World Cup: no other country having put forward a bid.

On 26 March 2008, at the conclusion of a meeting of the Council of Australia Governments (COAG), it was reported that the federal and state governments had decided to work with the Football Federation of Australia in supporting its bid to host the 2018 World Cup.⁶⁰ On 12 October 2008 it was reported in the *Sun Herald* that Pricewaterhouse Coopers (PwC) had forwarded a report on the bid, to the federal treasury, in which it estimated that, if Australia's bid was successful, the event would deliver a benefit of \$5.4 billion to the Australian economy.⁶¹ Just over a week later it was reported, on ABC radio, that federal cabinet might consider renewing Australia's bid for the World Cup.⁶²

11.ASIAN FOOTBALL POPULARITY AND AUSTRALIA'S BID FOR THE WORLD CUP

(a)The Development of Professional Football in Asia

Of all the sports followed in Asia, football is pre-eminent. Professional football emerged in Asia from the 1980s onwards. The Korean Professional Football League was the first of its kind to develop in Asia: inaugurated in 1983. Ten years later the J-League was established in Japan and, in 1994, the Chinese Professional Football Association was established in China.⁶³

⁵⁸ See Julian Lee, "Poor Decisions Could Cost \$200 million" in the *Sydney Morning Herald*, 13 November 2008, p.5.

⁵⁹ See NSW Parliamentary Debates. Hansard. Legislative Assembly. 13 November 2002, p.6691.

⁶⁰ Council of Australian Governments, conference communiqué, 26 March 2008.

⁶¹ Matthew Hall, "A Few Billion Reasons to Bid for the 2018 World Cup" in the *Sun Herald*, 12 October 2008, p.86.

⁶² See "Cabinet To Consider World Cup Bid", 22 October 2008 at www.abc.net.au/news.

⁶³See Chung Hongik, "Government Involvement in Football in Korea", Sugimoto Atsuo, "School Sport, Physical Education and the Development of Football Culture in Japan" and Robin

(b) Britain and the Growth of Televised Football in Asia

Football in Asia was given a significant boost by a sequence of developments. The first was the development of the use of satellites for broadcasting: television in Asia. From the launch of the first satellite for communications (Telstar in 1962), a massive number were launched (on a worldwide scale) between the 1970s and the 1990s. In Asia, in particular, the following satellites were launched (on behalf of the following Asian nations) for the purposes of facilitating television broadcasting:

Initial Launch of Satellites for TV Broadcasting in Asia: mid-1980s – early 1990s⁶⁴

Country	Satellite	Year of Launch
Japan	BS-2a	1984
Indonesia	Palapa B2P	1987
China	AsiaSat 1	1990
India	Insat 2A	1992

Following the early launches of these satellites (for broadcasting in Asia) several others were launched in the years following, for both telephone and broadcasting communications.

By the late 1990s, Asia's share of all satellites (launched for commercial communications purposes), as a share of all international satellites, was as follows:

Asia's satellites for Commercial Communications (as a Proportion of all International Satellites): late 1990s⁶⁵

Satellites for Asian Commercial Communications	34
All Satellites in Orbit for Commercial Communications	180
Satellites of All Kinds in Orbit	530

Jones, "Football in the People's Republic of China" in John Horne and Wolfram Manzenreiter (eds.), *Football Goes East: Business, Culture and the People's Game in China, Japan and South Korea* (Routledge, Oxford, 2004), pp.57,113,122.

⁶⁴ Amos Thomas, "Broadcast Satellites and Television for Asia: Global Actors on a Continental Stage" in *Transnational Broadcasting Studies*, no.2, Spring 1999; Tonda Priyanto, "The Journey of Telkom in Operating Communications Satellites to Serve the Indonesian Archipelago" in the *Online Journal of Space Communications*, no.8, 2005; see also Mark Long, *The World of Satellite Television*, ninth edition (Book Publishing Company, Summertown, Tennessee, 1998).

⁶⁵ Amos Thomas, *Imagi-nations and Borderless Television: Media, Culture and Politics Across Asia*, (Sage Publications, New Delhi, 2005) p.50.

In 2008 the satellites in orbit, serving Asia for television broadcasting, are as follows:

Satellites for Television Broadcasting over Asia: 2008⁶⁶

ABS 1 (Russia)	JCSAT 4A (Japan)
Agila 2 (Philippines)	JCSAT 5A (Japan)
Apstar 6 (France)	JCSAT R (Japan)
AsiaSat 2 (China)	Koreasat 3 (South Korea)
AsiaSat 3S (China)	Koreasat 5 (South Korea)
AsiaSat 4 (China)	Measat 2 (Malaysia)
AsiaStar (USA)	Measat 3 (Malaysia)
BSAT 1A (Japan)	N-Sat 110 (Japan)
BSAT 2A (Japan)	NSS 5 (Europe)
Cakrawarta (Indonesia)	NSS 6 (Europe)
Chinasat 6B (China)	NSS 11 (Europe)
Chinasat 9 (China)	Optus C1 (Australia)
ChinaStar 1 (China)	Optus D1 (Australia)
Edusat (India)	Optus D2 (Australia)
Express A2 (Russia)	Palapa C2 (Indonesia)
Express AM2 (Russia)	ProtoStar 1 (USA)
Express AM3 (Russia)	Sinosat 1 (China)
Express AM33 (Russia)	Sinosat 3 (China)
GE 23 USA	Superbird A (Japan)
Insat 2E (India)	Superbird B2 (Japan)
Insat 3A (India)	Superbird C (Japan)
Insat 3B (India)	Superbird C2 (Japan)
Insat 3C (India)	ST 1 (USA)
Insat 4A (India)	Telkom 1 (Indonesia)
Insat 4B (India)	Telkom 2 (Indonesia)
Insat 4CR (India)	Telstar 10 (USA)
Intelsat 2 (USA)	Telstar 18 (USA)
Intelsat 5 (USA)	Thaicom 1A (Thailand)
Intelsat 701 (USA)	Thaicom 2 (Thailand)
Intelsat 709 (USA)	Thaicom 5 (Thailand)
Intelsat 8 (USA)	Vinasat 1 (Vietnam)
JCSAT 2A (Japan)	Yamal 201 (Russia)
JCSAT 3A (Japan)	

With the launch of satellites, during the 1990s and the early years of the twenty-first century, the number of stations and channels, in China in particular, rapidly expanded. The figures for 2003 are as follows:

⁶⁶ See "Frequencies/Asia" at www.lyngsat.com. See also "List of TV Satellites on Geostationary Orbit" at www.satbeams.com/index.

Television Stations and Channels in China: 2003⁶⁷

Television Stations	363
Television Channels	2,262

The second development occurred in 1989 when Rupert Murdoch inaugurated the pay television service British Sky Broadcasting (BskyB). The third development (in 1990) was the launch by Hutchison Whampoa (of Hong Kong) of the Star TV service. Star TV, using the AsiaSat service, quickly expanded its television broadcasts in Asia. The fourth development was the formation of the English Premier League (EPL) in 1992 and the agreement, negotiated between the EPL and BSkB, in which the latter gained exclusive broadcasting rights. The fifth development was the acquisition by Murdoch's News Corporation (which held the majority rights in BskyB) of all of Star TV: this took place between 1993 and 1995.⁶⁸ The sixth development was the launch, in 1996, of a service formed between the USA-based Entertainment and Sports Program (ESPN) and Star TV: the joint venture known as ESPN-Star Sports (ESS), based in Singapore.⁶⁹ ESS immediately gained the video rights to the EPL in Asia.⁷⁰

In China, China's government-owned China Central Television (CCTV) established a separate sports channel (CCTV-5), in 1995, which initially acquired the rights to show televised matches from other major football leagues in Europe (such as Italy's Serie A and Germany's Bundesliga). EPL matches, as shown on Star TV, were initially restricted, in China, to being shown in three-star hotels or official overseas government compounds. Nevertheless, in 2001 CCTV signed an agreement with ESPN-Star Sports for the rights to show 31 EPL matches live during the 2002-03 season.⁷¹ In 2004, a survey, undertaken by CVSC Sofres Media, estimated that 60% of adult males in China (around 250 million Chinese men) had (at least on one occasion) watched an English Premier League match.⁷²

⁶⁷ Elaine Yuan, "Diversity of Exposure in Television Viewing: Audience Fragmentation and Polarisation in Guangzhou" in the *Chinese Journal of Communication*, vol.1, no.1, April 2008, p.91; see also Manfred Kops and Stefan Ollig (eds.), *Internationalisation of the Chinese TV Sector* (Lit Verlag, Berlin, 2007).

⁶⁸ Amos Thomas, *Imagi-nations and Borderless Television: Media, Culture and Politics Across Asia*, p.32; Bruce Dover, *Rupert's Adventures in China: How Murdoch Lost a Fortune and Found A Wife* (Viking, Melbourne, 2008), pp.7,9,17

⁶⁹ See James Santomier, "ESPN Star Sports" in Dave Arthur and Simon Chadwick (eds.), *International Cases in the Business of Sport* (Butterworth-Heinemann, Oxford, 2008), p.34.

⁷⁰ See Yu-li Chang, "The Role of the Nation-State: Evolution of Star TV in China" in the *Global Media Journal*, volume 6, no.10, Spring 2007, pp.4,8.

⁷¹ See Michel Desbordes, "Introduction" in Michel Desbordes (ed.), *Marketing and Football: An International Perspective* (Butterworth-Heinemann, Amsterdam, 2007), p.9.

⁷² See CVSC Sofres Media, *Market Report on China's TV Sports Programs, 2003-2004*.

In Japan, in 1997, News Corporation's BskyB formed a joint venture with the Japanese company Softbank: the new entity launched as Japan Sky Broadcasting (JSB). JSB, in turn, began to broadcast English Premier League games from BskyB in London.⁷³

In India, Star TV began broadcasting in 1991. Following his acquisition of Star (in 1995) Murdoch began to rapidly expand the company's operations in India. By 2003, according to Bruce Dover, "Star was the leading cable broadcaster in India" with most of "the fifty most-watched programs" on Indian cable television.⁷⁴

(c) 2002 World Cup and the Expansion of Asian Football

Football in Asia was given an even greater boost when Japan and South Korea successfully bid for 2002 World Cup. Shortly after the establishment of the J-League, Japan (in tandem with South Korea) began actively lobbying the Federation of International Football Associations (FIFA) for the right to host the World Cup. In June 1996 the board of FIFA awarded Japan and South Korea the right to host the 2002 World Cup.⁷⁵

During the staging of the 2002 World Cup, the television audience in Asia emerged as far bigger than its counterpart in Europe. The television audience data, compiled by InfoPlus for FIFA, was as follows:

Cumulative TV Audiences for the 2002 World Cup⁷⁶

Asia	11.1 billion
Africa	5.1 billion
South America	4.3 billion
Europe	4.1 billion

Two years after the staging of the World Cup in Japan and Korea, the final of the European inter-nation football championship was watched by a similar large number of viewers, as the accompanying figures indicate:

⁷³ Wolfram Manzenreiter, "Japanese Football and World Sports: Raising the Global Game in a Local Setting" in the *Japan Forum*, vol.16, no.2, July 2004.

⁷⁴ Dover, op.cit., p.236.

⁷⁵ Paul Close and David Askew, "Globalisation and Football in East Asia" Horne and Manzenreiter, op.cit., p.250.

⁷⁶ See "The FIFA World Cup Viewing Figures" at www.fifa.com.

Euro 2004 Cup Final: TV Audience (by Continent)⁷⁷

Asia	1.1 billion
Africa	986 million
America	446 million

Meanwhile, two years after the staging of the 2002 World Cup in Asia, professional football had gained solid ground in Asia, as indicated by the following figures for amateur and professional participation in the sport:

Football in Asia: 2004⁷⁸

	China	Japan	South Korea
Players (Amateur and Professional)	7.2 million	3.3 million	0.5 million
Players (Professional)	1,748	1,120	410

In 2006 the website indiantelevision.com estimated the Asian television audience, for the English Premier League, as follows:

Asian Television Audience for English Premier League: 2006⁷⁹

Viewers	138 million
EPL Viewers Proportion of All Cable TV Viewers in Asia	110 million (80%)

Currently the English Premier League is available in the following Asian countries via the following channels:

⁷⁷ Amnyos, *Study of the Football Championship of the European Nations 2004 – Portugal* (Directorate General for Enterprise and Industry, European Commission, Brussels, 2007), p.7.

⁷⁸ See Wolfram Manzenreiter, “Japanese Football and World Sports: Raising the Global Game in a Local Setting”.

⁷⁹ See <http://www.indiantelevision.com> (item posted on 8 April 2006).

Pay TV Operators in Asia Broadcasting the English Premier League: 2008⁸⁰

China	WinTV
Korea	MBC-ESS
Thailand	TrueVisions
Indonesia	Aora
Vietnam	Q.Net/Hanoi Cable/VCTV/SCTV/HTVC
Philippines	SkyCable/Unicable/Cavite Cable/PCC/Parasat Cable TV/Cable Link/PMSI/Cable Boss
Malaysia	Astro
Singapore	StarHub
India	Over 100 cable operators

(d) Asian Players and Administrators in Britain in the Twenty-First Century

Not only has there been a rapid expansion of televised British football across Asia but, in turn, Asians are traveling to Britain either to play in English football teams or to undertake study to become football administrators in their home countries. The appearance of Asian players in British teams began in 1997 when EPL team Crystal Palace engaged Chinese players Sun Jihai and Fan Zhiji to play for the club in Britain.⁸¹ Since then the following players, from the following Asian countries, have played in English Premier League clubs:

China

Li Weifeng (Everton: 2002-2003)

Li Tie (Everton: 2002-2004)

Dong Fangzhuo (Manchester United: 2006-2007)

Zheng Zhi (Charlton Athletic: 2006-2007)

Sun Jihai (Manchester City: 2002-2008)

Japan

Kazuyuki Toda (Tottenham Hotspur: 2002-2003)

Hidetoshi Nakata (Bolton Wanderers: 2005-2006)

Junichi Inamoto (Fulham/West Bromwich Albion: 2002-2006)

⁸⁰ Information supplied by ESPN Star Sports (Singapore).

⁸¹ See "Cracking Soccer's Great Wall" at www.forbes.com.

South Korea

Lee Young-Pyo (Tottenham Hotspur: 2005-2008)

Lee Dong-Gook (Middlesborough: 2006-2008)

Park Ji-Sung (Manchester United: 2005-2008)

Seol Ki-Hyeon (Reading/Fulham: 2006-2008)

Kim Do-Heon (West Bromwich Albion: 2008)⁸²

Similarly several Asian men and women have gone to Britain to study to become future administrators of their national football leagues: enrolling in Liverpool University's MBA in Football Industries (MBA/FI). Some of the Asian students that have completed the MBA/FI, and the titles and dates of their dissertations, are listed below:

Selected Asian Students (and Dissertations Completed) in the MBA/FI Program at Liverpool University: 2000-2006⁸³

<i>Student</i>	<i>Dissertation</i>	<i>Date</i>
Sung-jin Kwon	Marketing Development of Korea Football Association	2000
Weimin Mao	Transfer System of Chinese Football	2000
Eiji Nakamura	How To Restructure the J-League	2001
Kwai Hung Wong	Direction of Youth Development System For China Football	2001
Lingling Liu	Opening China's Sports Television Market	2002
Yanzhi Zhang	Football Co-operation Between China and England	2002
Bing Hu	Review Over China's Professional Football Reforms	2004
Hang Yu	Football TV Rights in China	2004
Yan Dou	Contemporary Chinese Professional Football	2005
Ichihashi Hajime	Transfers of Japanese Players to Overseas Football Clubs	2006
Simon Lau	International Marketing Strategy for English Clubs in China	2007
Bo Pan	English Premier League Clubs in China	2007
Masayo Ujihara	Strategies for Developing the Japanese Football Market	2007

⁸² See *The Searchable Premiership and Football League Player Database*. In 2005 the ascendancy of globalisation, in the English Premier League, was exemplified when Arsene Wenger (the manager of Arsenal) fielded a team (against Crystal Palace) in which there were no English players.

⁸³ Information supplied by the MBA/FI program. Inquiries regarding the content of the dissertations should be directed to Geoff Pearson of the MBA/FI program at Liverpool University.

CONCLUSION

Tourism planning, in New South Wales, is confronted by a number of dilemmas. Firstly while the mainstay of tourism (domestic holidaying) is relatively static, tourism from overseas is gradually increasing. Secondly while tourism from overseas is increasing, Australia's (and presumably NSW) share of global travel is declining. Thirdly while the western European countries (that have traditionally provided tourists to Australia) continue to maintain their steady rate of tourist arrivals, the rate of tourist arrivals, from China (for example), has the potential to grow more quickly (given the rate of economic progress in Asia).

Encouraging more Asians to travel to Australia (given the rise in Asian overseas travel) necessitates getting Asians to know Australia better. One way, to do this, could be taking advantage of the surge in popularity of football in Asia. In particular, hosting the World Cup in 2018 holds out the prospect of attracting visitors from the fastest growing source of visitors to Australia: China. On the surface, there appears to be a significant interest in football in China and this could be taken advantage of, to encourage even more Chinese tourists to visit Australia.

Beyond simply attracting more visitors to Australia, it would seem clear that the football boom in Asia offers Australia opportunities in realms of activity beyond tourism. As the national football leagues develop and expand, in Asia, Australian institutions might be able to train Asian football administrators; Australian clubs might be able to offer playing opportunities. Other countries clearly see the possibilities.

Given that the Iemma and Rees governments have particularly decided to focus on events to boost tourism in New South Wales, and given that sports events form the biggest component of tourism events, it would seem that increasing the degree of engagement with Asia – in the area of sports events – has the potential to attract increased numbers of tourists from Asia (the location of some of Australia's fastest growing tourism markets).

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