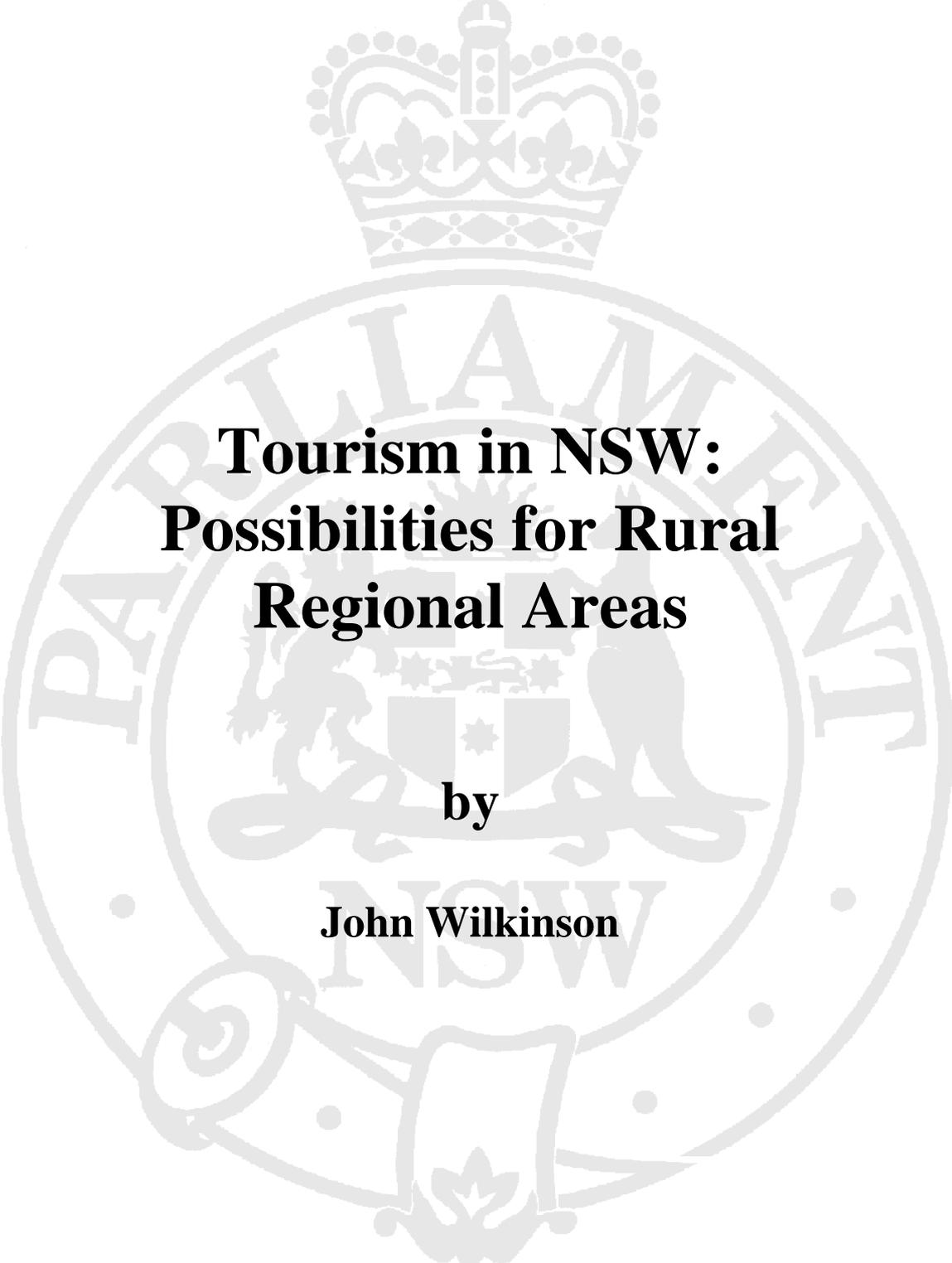


**NSW PARLIAMENTARY LIBRARY
RESEARCH SERVICE**



**Tourism in NSW:
Possibilities for Rural
Regional Areas**

by

John Wilkinson

Briefing Paper No 19/98

RELATED PUBLICATIONS

- Rural Sector: Changing towards 2000 by John Wilkinson, Briefing Paper No 10/98

ISSN 1325-5142

ISBN 0 7313 1632 0

December 1998

© 1998

Except to the extent of the uses permitted under the *Copyright Act 1968*, no part of this document may be reproduced or transmitted in any form or by any means including information storage and retrieval systems, with the prior written consent from the Librarian, New South Wales Parliamentary Library, other than by Members of the New South Wales Parliament in the course of their official duties.

NSW PARLIAMENTARY LIBRARY RESEARCH SERVICE

Dr David Clune, Manager (02) 9230 2484

Dr Gareth Griffith, Senior Research Officer,
Politics and Government / Law (02) 9230 2356

Ms Honor Figgis, Research Officer, Law (02) 9230 2768

Ms Rachel Simpson, Research Officer, Law (02) 9230 3085

Mr Stewart Smith, Research Officer, Environment (02) 9230 2798

Ms Marie Swain, Research Officer, Law/Social Issues (02) 9230 2003

Mr John Wilkinson, Research Officer, Economics (02) 9230 2006

Should Members or their staff require further information about this publication please contact the author.

Information about Research Publications can be found on the Internet at:

<http://www.parliament.nsw.gov.au/gi/library/publicn.html>

CONTENTS

Executive Summary

1.	Introduction	1
2.	Expansion and Slowdown in Tourism in Australia	1
3.	General Contribution of the Tourist Industry to the National, and Regional, Economies	6
4.	Domestic Visitors' Expenditure, and Individual Characteristics of Domestic Visitor Activity, in the Various Rural Regions of New South Wales: (1) Regions with High Proportions of NSW-Based Visitors	11
5.	Domestic Visitors' Expenditure, and Individual Characteristics of Domestic Visitor Activity, in the Various Rural Regions of New South Wales: (2) Regions with High Proportions of Visitors from Queensland, Victoria, South Australia and the ACT	16
6.	The Recent Development of, and Renewed Emphasis on, Tourism in Rural New South Wales	20
7.	Common Problems, and Common Pathways, in NSW Rural Tourism	29
8.	Conclusion	34

EXECUTIVE SUMMARY

- ▶ Inbound tourism has tended to increase over the years (pp.2-6)
- ▶ Domestic tourism has tended to slow down (p.5)
- ▶ Tourism has made a significant contribution both to the nation and to the state (pp.6-7)
- ▶ Tourism has also made a contribution to the regions of New South Wales (pp.8-11)
- ▶ A decline in domestic tourism would impact on tourism in the rural regions of NSW (p.10)
- ▶ General characteristics of visitor activity, and visitor expenditure, in the regions, are outlined (pp.11-20)
- ▶ Development of rural regional tourist policy, in NSW, is discussed (pp.20-28)
- ▶ Common problems, and some common pathways, in rural regional tourism, are outlined (pp.29-33)

1 INTRODUCTION

In recent years, certain old-established industries, in country areas of New South Wales, have been declining. Other, newer industries, meanwhile have been assuming an ascendancy.

This paper intends to look at tourism, in rural regional NSW, in light of its potential to provide business growth, and employment.

2 EXPANSION AND SLOWDOWN IN TOURISM IN AUSTRALIA

(a) The Early Origins of Tourism in New South Wales and Australia

While tourism has only become a major industry in recent times, its origins go back many years. Christopher Gethin has pointed out that "The state government of NSW has operated a Tourist Bureau since 1905".¹ In 1929 the Australian National Travel Association (ANTA), a non-government body, was formed with the objective of assisting in the attraction of visitors from overseas. Gethin has added that "a [NSW] Department of Tourist Activities. . .[was established] soon after the Second World War. . .The Department's main functions. . .[were] (a) to encourage the development of tourist attractions and facilities in NSW; (b) to stimulate the flow of tourist traffic to and within NSW".²

For many decades, however, the tourist industry in Australia remained small in operation: in 1958, for instance, there were only 61,000 overseas visitors to Australia (aside from the large numbers of overseas people arriving as permanent residents).³

(b) The Expansion of Domestic Tourism in the 1960s and 1970s

It was in the 1960s that the tourism industry began to expand its scope in Australia. In New South Wales the stimulus for growth in tourism came from the neighbouring Gold Coast, in Queensland. John Brunt has commented that, "the seeds of change were sown in the 1950s . . .[when] the Gold Coast of south-eastern Queensland was established as Australia's foremost holiday resort. . .[during the 1960s] the town of Tweed Heads and to a lesser extent Murwillumbah began to feel the impact of the tourist boom."⁴

¹ Christopher Gethin, *An Approach to Planning for Historic Places as Tourist Attractions* (MTCP Thesis, University of Sydney, 1969), p.61.

² Ibid., pp.60-61.

³ Ibid., p.57.

⁴ John Brunt, *The Planning of Major Tourist Roads in Rural New South Wales, Australia* (MTCP Thesis, University of Sydney, 1969), p.13.

Domestic tourism in New South Wales, in particular, was helped by the Heffron government's introduction of four weeks annual leave for state government employees.⁵ By 1968 the total turnover of the tourist industry, in Australia, reached \$1.8 billion (including a sum of \$1 billion involving "car expenditure for leisure travel").⁶

In 1964 the Australian National Travel Association, according to Gethin, "commissioned a report on Australia by Harris, Kerr, Forster and Co. . . known as the HKF report". Even though the mainstay of the Australian tourist industry in the 1960s was domestic tourism - and even though, in the mid-1960s, there were still more Australians travelling overseas than there were people from overseas visiting Australia - the report focused on the potential of inbound tourism: projecting the number of international visitors to Australia as 320,000 by 1970 and 607,000 by 1975, assuming an annual growth rate of 15%.⁷

On the basis of the HKF report, the ANTA requested the Holt government, in Canberra, to establish an Australian Tourist Commission (ATC) . This Holt did, in 1967, setting up the ATC as a statutory body under the Minister for Trade and Industry. According to Gethin, the ATC's main responsibility was seen as one of "promoting visits from overseas tourists" (as expressed in section 15 of the *Australian Tourist Commission Act 1967*).

During the 1970s the tourist industry grew substantially. A report produced by the NSW Department of Tourism noted that whereas, in financial year 1973-1974 the contribution of tourism to the Australian economy amounted to \$771 million, or around 2.6% of Gross Domestic Product, by the end of the 1970s the value of tourism to the Australian economy had risen to around \$4 billion.⁸

The mainstay of tourism in Australia, throughout this decade, was domestic tourism. Expansion of domestic tourism was assisted by the Whitlam government, during its term in office, in two particular ways. Firstly, in 1973, Commonwealth government employees were given the entitlement of four weeks annual leave. A year later the Australian Conciliation and Arbitration Commission granted four weeks annual leave to employees under the Metal Industry Award.⁹ Secondly, likewise in 1974, the Whitlam government expanded the role of the Australian Tourism Commission by obtaining passage of the *Australian Tourism Commission Act 1974*. Whitlam later recalled that the legislation extended the activities of the commission to facilitate "not only the promotion of overseas tourism but also interstate tourism."¹⁰

⁵ *Official Year Book of New South Wales*, 1966, p.196.

⁶ Gethin, op.cit., p.58.

⁷ Ibid., pp.56-58.

⁸ NSW Department of Tourism, *New South Wales Tourism Co-ordination Plan*, draft report (NSW Department of Tourism, Sydney, 1981), p.5.

⁹ *Official Year Book of Australia, 1975 and 1976*, p.301.

¹⁰ Gough Whitlam, *The Whitlam Government: 1972 - 1975* (Viking, Melbourne, 1985), p.398.

A subsequent report by the Bureau of Industry Economics estimated that, in 1978, around 45 million trips were made by Australians aged 14 years or older. On average these trips lasted for around 5½ nights, resulting in a total of 250 million nights spent away, by Australians over 14, on trips around the country. By contrast, overseas visitors to Australia, in 1978, spent a total of 30.5 million days on visits around the country. On this basis, domestic tourists accounted for 88% of the total number of days spent on visits in Australia.¹¹

(c) The Boom in Tourism with the Increase in Overseas Visitors, in the 1980s

Domestic travel continued to be the major element in tourist activity during the 1980s. In financial year 1989-1990, Australians made 42,600,000 non-business trips, spending an average of around 191,700,000 days on those trips.¹²

The major additional factor, which dramatically increased the prominence of the tourist industry in Australia, was the great increase in the number of visitors from overseas. This increase was, in part, deliberately pursued by the Hawke government which gained office in 1983. As Hawke remarked afterwards, in 1994, “The government gave the tourism industry unprecedented support. . . In the year before we came to office, Australia received just under one million tourists from overseas. That figure is now about 2.75 million”.¹³ The Minister for Tourism, in the Hawke government, was John Brown who, as the Hawke government’s Finance Minister pointed out, was able to get “approval for a substantial increase in promotional spending in the US” using the services of the entertainer Paul Hogan. In 1985, Brown launched the Tourism Overseas Promotional Scheme which was, according to Peter Walsh, “an entitlement scheme under which commercial operators soliciting tourists would, in accordance with issued guidelines, have their promotional spending subsidised.”¹⁴ Two years later, with Brown continuing as Minister, the Hawke government secured passage of the *Australian Tourism Commission Act 1987*, amending the previous legislation to allow for the corporatisation of the commission which, in 1988, recommenced operations as Tourism Australia.

Rob Tonge and Don Myott had commented that “During the boom of the late 1980s the Australian tourism industry became a cargo cult centred on the development of new resorts, with the majority of these projects being aimed at the upper end of the market and reliant

¹¹ Bureau of Industry Economics, research report no.4, *Economic Significance of Tourism in Australia* (Australian Government Publishing Service, Canberra, 1979), p.39.

¹² John Richardson, *Travel and Tourism in Australia: The Economic Perspective* (Hospitality Press, Melbourne, 1995), p.158; Australian Domestic Tourism Initiative, draft report, October 1998, p.10.

¹³ Bob Hawke, *The Hawke Memoirs* (William Heinemann, Melbourne, 1994), p.440.

¹⁴ Peter Walsh, *Confessions of a Failed Finance Minister* (Random House, Sydney, 1995), pp.184-185.

on unabated growth in overseas visitor arrivals.”¹⁵ Robert Stimson and his colleagues have added that, “The tourism boom of the . . .1980s was dependent on. . . foreign visitors.”¹⁶ John Richardson has provided the following figures in the increase in overseas arrivals to Australia during that decade:

Overseas Visitors to Australia during the 1980s

1985	1,143,000
1989	2,080,000 ¹⁷

A significant feature of this increase in the number of overseas visitors to Australia, was the increase in the number of Japanese tourists arriving in Australia:

Japanese Visitors to Australia during the 1980s

1986	145,608
1989	349,541 ¹⁸

(d) Keating Government’s 1990s Initiatives in National Tourism

In June 1992 the Keating government, with Alan Griffiths as Minister for Tourism, released a National Tourism Strategy. Griffiths, in announcing the strategy, stated that:

The National Tourism Strategy. . .will provide a new direction for government tourism policy and industry development. . .Over the rest of this decade, at least 200,000 extra jobs (or one in six of all new jobs) are forecast in the tourist industry. This strategy will help ensure that forecast is realised by maximising growth in both the domestic and ‘export’ tourism sectors. . .Key elements of the strategy are to provide a favourable investment climate for the tourism industry and pursue

¹⁵ Rob Tonge and Don Myott, *How to Plan, Develop and Market Local and Regional Tourism*, second edition (Gull Publishing, Coolum Beach, 1993), p.264.

¹⁶ Robert Stimson, Maurice Daly, Olivia Jenkins, Brian Roberts and Stuart Ross, *Tourism in Australia: An Overview of Trends, Issues and Prospects* (Bureau of Tourism Research, Canberra, 1996), p.82.

¹⁷ Richardson., op.cit., p.28.

¹⁸ “Australia’s Inbound Travel 1996” in the *Australian-Japan Institute Economic Bulletin*, vol.5, no.8, p.9.

vigorous promotion of Australia as an international tourist destination. . .¹⁹

(e) Slowdown in Domestic Tourism in the 1990s

Following the worldwide recession of 1991, in which Australia inevitably became involved, domestic tourism has begun to decline. By early 1991 unemployment reached 8.2%, and by the end of 1992 unemployment rose to 11%. By 1994 unemployment had only fallen to 10% and, amongst those unemployed, 350,000 had been out of work for over a year.”²⁰

As a result of the downturn in conditions, in the 1990s, domestic tourism, the mainstay of the tourism industry in Australia, has declined. According to a report by the Australian Domestic Tourism Initiative (a taskforce established in early 1998 by the Tourism Council of Australia), during the 1990s “Domestic travel overall has grown at a rate of 1.8% per annum in real terms. . .Domestic holiday travel has recorded even lower growth”. The conclusion of the task force is that “Domestic tourism is stagnant at best and possibly in decline.”²¹ One of the reasons for this, according to the report was that “Work is becoming more important. . .because it is harder to get. . .job insecurity. . .makes people feel guilty or irresponsible about taking time off and worry that their job won’t be there when they get back.”²² The conclusions of the task force have recently been indirectly reinforced by a report, produced by the Australian Centre for Industrial Relations Research and Training, entitled *Australia at Work: Just Managing?* The report also concluded that, during the 1990s, not only did the gap widen between the rich and the poor, but that many people now work much longer hours.²³

Not only have declining conditions, for those affected by the widening gap between the rich and the poor, lessened their participation in domestic holidaying, but the widening gap in incomes, by itself, has also adversely affected domestic tourism since those who now have even more money - than they did during the 1980s - now prefer to travel overseas. Steve Creedy, writing in *The Australian*, has pointed out that “More than two million locals left the country in the first eight months of this year [1998], up 8 per cent on the corresponding period last year.”²⁴

¹⁹ John Jenkins, “An Alternative Economic Base: Tourism and Recreation Development and Management” in Tony Sorensen and Roger Epps (eds.), *Prospects and Policies for Rural Australia* (Longman Cheshire, Melbourne, 1993), p.182.

²⁰ Laura Tingle, *Chasing the Future: Recession, Recovery and the New Politics in Australia* (William Heinemann, Melbourne, 1994), pp.112,351; Jenny Stewart, *The Myth of the Level Playing Field: Industry Policy and Australia’s Future* (Reed Books, Melbourne, 1994), p.58.

²¹ Australian Domestic Tourism Initiative, draft report, October 1998, pp.8,19.

²² *Ibid.*, p.12.

²³ Australian Centre for Industrial Relations Research and Training, *Australia at Work: Just Managing?* (Prentice Hall, Sydney, 1998).

²⁴ Steve Creedy, “Tourism Industry Moves to Keep Our Travellers at Home” in *The Australian*, 11 November 1998, p.4.

(f) Continued Expansion in Overseas Visitor Arrivals

Although domestic tourism declined during the 1990s, tourist arrivals from overseas increased. The Australia-Japan Economic Institute's bulletin, for August 1997, has provided the following figures on overseas visitor arrivals during the late 1980s and mid-1990s:

Visitor Arrivals to Australia: 1990 - 1996

1990	2,214,920
1996	4,164,827 ²⁵

Once again, an increase in tourist arrival from Japan was a major factor in the overall increase in visits from overseas:

Japanese Visits to Australia during the 1990s

1990	479,880
1996	813,113 ²⁶

3 GENERAL CONTRIBUTION OF THE TOURIST INDUSTRY TO THE NATIONAL, AND REGIONAL, ECONOMIES

(a) Nationally

Robert Stimson and his colleagues, writing in the mid-1990s, have observed that,

the Australian labour force. . . over the last twenty years. . . has become increasingly service-orientated. Employment in the manufacturing, agricultural and mining sectors has declined, whilst employment in community services, public administration, defence, wholesale and retail services, recreational and personal services and finance, property and business services have all risen. Tourism has been a large contributor to the growth in service sector employment, and it is estimated to provide almost half a million jobs in Australia. . .²⁷

Tourism is currently Australia's largest export industry. It was in financial year 1987-1988, at the height of the 1980s boom in tourism, according to Stimson, that the export income

²⁵ "Australia's Inbound Travel 1996", p.2.

²⁶ Ibid., p.9.

²⁷ Stimson et.al., p.7.

earned by inbound tourism overtook that earned by coal and wool.²⁸

The members of the Australian Domestic Tourist Initiative have written that, in financial year 1995-1996, tourism contributed “7.4% to GDP. . .directly employing 694,000 people or 8.4% of the national workforce. . .Domestic tourism. . .is worth \$46.5 billion and accounts for 77% of total tourism expenditure in Australia.”²⁹ Overseas tourism remains as a significant contributor to export earnings. In financial year 1994-1995, the export earnings from inbound tourism reached \$12 billion and amounted to 15% of total Australian export revenue.³⁰

(b) The Importance of Tourism to New South Wales

NSW is the leading destination, in Australia, for domestic and international visitors. As far as individual cities are concerned, Sydney receives more visits than any other individual city in Australia. The following table illustrates the number of domestic visitors to Sydney, out of the national total, as follows:

International Visitors to Australia: 1994

Sydney	1,939,000 (63% of national total) ³¹
--------	-------------------------------------------------

Domestic Visits within Australia: 1996-97

Sydney	5,795,000 (7% of national total) ³²
--------	------------------------------------------------

In financial year 1994-1995 the estimated contribution of tourism to New South Wales - international and domestic tourism combined - was \$8 billion. Nine out of the top ten attractions for overseas visitors were considered to be in New South Wales.³³

(c) Tourism in Regional New South Wales

At the moment, the non-metropolitan regions of NSW attract a much smaller number of international visitors than Sydney. This is shown by the statistics produced by Stimson and his colleagues for some of the regions in New South Wales:

²⁸ Ibid.

²⁹ Australian Domestic Tourism Initiative, op.cit., p.2.

³⁰ Stimson, et.al., p.8.

³¹ Ibid., p.72.

³² Tourism NSW, *Domestic Tourism Trends in New South Wales 1995/96 - 1996/97* (Tourism NSW, Sydney, 1998), p.9.

³³ Tony Thirlwell, “Tourism NSW - The Master Plan”, paper presented at the *Tourism and Local Government Conference*, Sydney, June 1995, p.51.

International Visitors to Selected NSW Regions: 1994

Lower Coast Region, NSW	69,900 (2% of national total)
Mid North Coast Region, NSW	68,100 (2% of national total) ³⁴

Domestic tourism, correspondingly, is the greatest source of travel trips to locations in regional NSW, outside of Sydney, as the following table indicates:

Domestic Visits within Australia: 1996-97

Upper North Coast, NSW	1,291,000 visits (1½% national total)
New England	1,479,000 visits (2% of national total)
Mid North Coast, NSW	1,162,000 visits (1½% national total)
Lower North Coast, NSW	1,198,000 visits (1½% national total)
Orana	1,133,000 visits (1½% national total)
Far Western	248,000 visits (¼% of national total)
Central West	1,099,000 visits (1½% national total)
Riverina	888,000 visits (1¼% national total)
Southern Tablelands	633,000 visits (0.8% national total)
Snowy Mountains	623,000 visits (0.8% national total)
South Coast, NSW	1,018,000 visits (1% national total)
Murray	1,125,000 visits (1½% national total) ³⁵

(d) Difficulties in Estimating the Contribution of Tourism to the Rural Regions of New South Wales

³⁴ Stimson et al p.72.

³⁵ *Domestic Tourism Trends*, pp.9-10.

The overall problem, in estimating the worth of tourism to regional areas, is that there do not appear to be conclusive figures on the subject. A paper produced by the Centre for Regional Tourism Research, at Southern Cross University, comments that,

Tourism is not recognised as an industry in Australia's national accounting framework. However, a Tourism Satellite Account (TSA) can be linked to the national accounts and provide the same data on tourism as that provided for broad industry groupings. . .The ABS [Australian Bureau of Statistics] is currently involved in collecting and compiling data to produce an Australian TSA for the reference year 1997/98. Due to resource and data availability constraints, the ABS will not be compiling state or regional tourism satellite accounts.³⁶

In 1994 the *National Rural Tourism Strategy* acknowledged that "there is currently no clear estimate of the value of rural tourism in Australia". Peter Valerio and Dain Simpson, in their report on tourism in the Shoalhaven area, have also noted that "Unfortunately there is no clear method of measuring travel to regional Australia."³⁷ The strategy did claim, however, that figures from the Bureau of Tourism Research "suggest that 60 per cent of domestic tourism expenditure and around 20 per cent of international tourist expenditure occur outside the major urban centres. In 1993, these figures combined amounted to more than \$12 billion."³⁸

It must be also remembered that there are many other industries operating in the regions of NSW, aside from tourism. Thus in the Shoalhaven area, for example, commercial fishing, forestry and the armed services are prominent forms of activity as well as tourism.³⁹

(e) The Potential Significance of Declining Domestic Tourism on the Regions of NSW

Peter Valerio and Dain Simpson have pointed out that, if there has been stagnation in domestic tourism in recent years, this could, in turn, affect tourism in the regions since it is domestic tourism activity which forms the greatest part of tourism in those areas. They have cited the following figures, regarding the overall decline in domestic tourism in New South Wales, to highlight the potential for a corresponding decline in tourism in the regions of the state:

Domestic Visitor Nights Spent in NSW: mid-1980s to mid-1990s

³⁶ Stephanie Hunt and Gary Prosser, *Regional Tourism Statistics in Australia*, occasional paper no. 1, Centre for Regional Tourism Research, pp.16-17.

³⁷ Peter Valerio and Dain Simpson, *The Future of Tourism in the Shoalhaven* (Shoalhaven City Council, Nowra, 1996), p.42.

³⁸ Commonwealth Department of Tourism, *National Rural Tourism Strategy* (Australian Government Publishing Service, Canberra, 1994), p.6.

³⁹ Valerio and Simpson, op.cit., p.81.

1984/85	67,039,000
1993/94	61,926,000 ⁴⁰

(f) Some Estimates of the Contribution of Tourism to Selected Country Regions of NSW

Despite the difficulties of attempting to calculate the contribution of tourism to the various rural regions of the state, it does seem that, in certain regional areas, tourism does appear to have contributed to an increase in jobs. In a study undertaken in 1991, Charles Black and William McLaughlin provided the following estimates on the contribution of tourism to the Tweed area:

Contribution of Tourism to the Tweed Community (estimated): 1988-1989

\$73 million

Jobs, Derived from Tourist Expenditure, in the Tweed Community: 1988-1989

2,072 full and part-time positions⁴¹

The Shoalhaven Tourist Board calculated in 1995 that, between 1986 and 1993, there had been a 100% increase in the number of jobs in the tourism industry in the Shoalhaven area:

Jobs in the Tourist Industry in the Shoalhaven Area: 1986 - 1993

1986	2,700
1993	5,500 ⁴²

In the Cessnock area of the Hunter Region of New South Wales, similar kinds of statistics have been produced in regard to the overall contribution of tourism. In evidence to the NSW Legislative Council's Standing Committee on State Development, an economic development planner provided the following figures for tourism in the Cessnock area:

⁴⁰ Valerio and Simpson, op.cit., p.50.

⁴¹ Charles Black and William McLaughlin, *Tweed Tourism Strategy: Tourism Trends in the Tweed* (Hunter Valley Research Foundation, Newcastle, 1991), p.16.

⁴² Press Release, Shoalhaven Tourism Board, 17 January 1995.

*Tourist Numbers, Tourist Expenditure and Tourism-Related Jobs
in the Cessnock Area: 1997-1998*

Tourist Arrivals (mainly to vineyards)	800,000
Tourism Expenditure	\$45 million
Jobs in the Tourism Industry	2,500 ⁴³

4 DOMESTIC VISITORS' EXPENDITURE, AND INDIVIDUAL CHARACTERISTICS OF DOMESTIC VISITOR ACTIVITY, IN THE VARIOUS RURAL REGIONS OF NSW: (1) REGIONS WITH HIGH PROPORTIONS OF NSW-BASED VISITORS

(a) New England

Major Source of Visitors. The New England region was the most visited rural region in New South Wales, during 1996-97. Around 1½ million visits were made to the area. The majority of the people visiting the region were from other parts of NSW: 73% in all. Only 27% of visitors came from inter-state: mainly from Queensland (16%) and the remainder largely from Victoria (7%).

Main Reasons for Visiting. Unlike the northern coastal areas of the state, the majority of visits were made for the purposes of seeing relatives or friends: nearly 30% of visits being undertaken for this reason. Holidaying accounted for only 25% of visits. Business purposes were also a significant reason for trips to the New England region: nearly 25% of visits being made for business reasons.

Most Popular Time of Year for Visiting. Summer school holidays were the time chosen by the greatest number of visitors to travel to the New England region: 18½% overall. Interestingly, the second most popular month for travel to the region was October: 12% of travellers to the region arriving in this month.

Most Widely Used Accommodation. The form of accommodation chosen by most visitors to New England was that of a house (or flat) of a relative or friend: used by 42% of visitors. Unlike the upper north coast, however, caravans were not widely used by visitors to the region. The next most popular form of accommodation was that of a hotel (or motel) with bathroom facilities: used by 21% of visitors. Caravans accounted for only 11% of tourist accommodation use.

Most Widely Used Means of Arrival. Cars were the most widely used means of travel to

⁴³ NSW Parliament, Legislative Council, Standing Committee on State Development, *Future Employment and Business Opportunities in the Hunter Region*, report no.360 (NSW Parliament, Sydney, 1998), p.92.

New England: used by 85% of visitors.⁴⁴

Expenditure by Tourists. The estimated expenditure made by tourists, during 1995-96, in the area defined by NSW Tourism as “Big Sky Country - New England/North West” (roughly the combined New England and Orana regions) amounted to around \$340 million.⁴⁵

(b) Mid North Coast

Main Source of Visitors. The mid north coast, like New England, was similarly one of the popular tourist areas in regional rural NSW. The greatest number of visitors came from other parts of New South Wales (just over 70%). The greatest number, of the remainder of visitors, came from Queensland (around 20% of visitors).

Main Reason for Visiting. Understandably, holidaying was the main reason that visitors came to the mid north coast: around 45% of visitors coming for this reason. 35% of visitors, however, came to the mid north coast just see relatives or friends.

Most Popular Time of Year for Visiting. Summer school holidays were again the most important time for visits to the mid north coast: nearly 15% of visitors coming in January.

Most Widely Used Accommodation. The most widely used form of accommodation was that of houses (or flats) belonging to friends or relatives (37% of all accommodation used). Somewhat differently from the upper north coast, however, hotels (or motels) with bathroom facilities were just as widely used as caravans (17% in each case). Rented houses (or flats) were also fairly widely used: over 12% of accommodation used in 1996-97.

Most Widely Used Means of Arrival. Cars were, again, the most widely used means of getting to the mid north coast, with over 80% of visitors arriving by car.⁴⁶

Expenditure by Tourists. The amount of money expended by visitors to the area defined by NSW Tourism as “Australia’s Holiday Coast”, during 1995-96, was estimated at over \$700 million.⁴⁷

(c) Lower North Coast

Main Source of Visitors. The lower north coast was also a popular tourist destination during

⁴⁴ *Domestic Tourist Trends*, pp.120-125.

⁴⁵ Regional Tourism and Development Unit, *Regional Tourism Strategy, 1997/8 - 1999/2000* (Tourism NSW, Sydney, 1997), p.13.

⁴⁶ *Domestic Tourism Trends*, pp.118-113.

⁴⁷ *Regional Tourism Strategy*, *ibid.*

1996-97. A clear majority of tourists visiting the lower north coast came from within New South Wales: 84% in 1996-97. Only a small proportion of visitors came from inter-state: 7% from Queensland and 4% from Victoria.

Main Reasons for Visiting. Visits to the lower north coast for personal reasons were almost as common as those made for recreational purposes: 38% of visits were made for the purposes of holidaying, while 32% of visits were undertaken to see relatives or friends.

Most Popular Time of Year for Visiting. Once more, summer school holiday time was the period in which most visitors came to the lower north coast: 16% in 1996-97.

Most Widely Use Accommodation. Houses (or flats) of friends and relatives were most widely used for accommodation (44% of tourist accommodation). The second most popularly used form of accommodation was hotels (or motels) with bathroom facilities (17% of accommodation). Caravan park accommodation was used by 15% of visitors. The use of rented houses (or flats) was lower than in the mid north coast: 8% in 1996-97.

Most Widely Used Means of Arrival. Cars, as a means of transport to the lower north coast, surpassed all other transport use: nearly 90% of visitors to this region came by car.⁴⁸

(d) Orana

Major Source of Visitors. The Orana region was also a popular tourist destination, although not quite as popular as the north coast regions of the state. Like the lower north coast, the greatest number of visitors to the area came from other parts of NSW: nearly 70% in all. Unlike the lower north coast, the greatest number of inter-state visitors came from Victoria: 15% in all. Another 12% of visitors came from Queensland.

Main Reasons for Visiting. Visits to the Orana region were made principally for holiday purposes: 38% of visitors coming to the region for holiday reasons. 28% of visitors, however, came to see relatives or friends. Business was also another reason for people to visit the Orana: nearly 17% of visitors coming for business reasons.

Most Popular Time of Year for Visiting. Unlike the regions mentioned so far, October was the month in which most visitors came to the Orana: 14% in that month.

Most Widely Used Accommodation. The most widely used form of accommodation was not, as in the other regions, that of a house (or flat) of a friend or relative - which was actually the second most popular form of accommodation - but that of a hotel (or motel) with bathroom facilities. Nearly 25% of visitors to the Orana, in 1996-97, used this form of accommodation. 24% of visitors used houses (or flats) of relatives or friends. Caravan park accommodation was used by 15% of visitors.

Most Widely Used Means of Arrival. Cars, again, were the principal means of travel to the

⁴⁸ Domestic Tourism Trends, pp.102-107.

region: about 90 of visitors used cars to visit the region.⁴⁹

Expenditure by Tourists. As mentioned above, tourist expenditure, during 1995-96, in the area approximately covered by the combined New England - Orana regions, amounted to around \$340 million.⁵⁰

(e) Central West

Main Source of Visitors. The Central West, in tourist popularity, is more like the northern coastal regions of NSW. Over 1 million visited this region in 1996-97. Similarly, the majority of visitors to the Central West came from within the state: nearly 79% in all (45% from Sydney and 33% from other parts of New South Wales). Unlike the northern coastal regions, however, relatively fewer tourists came from inter-state: 9% from Victoria and only 5% from Queensland.

Main Reasons for Visiting. Visiting relatives and friends was of equal importance to holidaying as a reason for visiting the Central West. 34% of visitors to the region came to see relatives and friends, while the same number arrived for a holiday. Business reasons accounted for nearly 10% of visits.

Most Popular Time of Year for Visiting. Again, unlike the other north coast regions, both the summer holiday, and winter holiday periods were popular times for people to visit the Central West: 12% of visitors coming in January and nearly 12% arriving in June.

Most Widely Used Accommodation. By far the most popular form of accommodation was that of a house (or flat) belonging to a friend or relative: nearly 44% of visitors used this form of accommodation. Hotels (or motels) with bathroom facilities were used by only 15% of visitors, and caravan park accommodation was used by only 13%.

Most Widely Used Means of Arrival. Again, the car was the mean of arrival most used: around 85% of visitors arriving by car.⁵¹

Expenditure by Tourists. Tourist expenditure in the Central West, during 1995-96, amounted to around \$452 million.⁵²

(f) Southern Tablelands

Main Source of Visitors. The Southern Tablelands received a smaller number of tourists than many other regions in the state. Most of these tourists came from within NSW: nearly

⁴⁹ *Domestic Tourism Trends*, pp.126-131.

⁵⁰ *Regional Tourism Strategy*, *ibid.*

⁵¹ *Domestic Tourism Trends*, pp.90-95.

⁵² *Rural Tourism Strategy*, *ibid.*

70% in all. Of those visitors from outside the state, the greatest number came from the Australian Capital Territory: 17% of all inter-state visitors. The next highest number of inter-state visitors came from Victoria: 10%.

Main Reasons for Visiting. Holidaying was the principal reason for visits to the Southern Highlands: nearly 37% of visits being made for this reason. Only 26% of visits were made to see relatives and friends, and only 12% of visits were made for business purposes.

Most Popular Time of Year for Visiting. Unlike the other regions, May was the month chosen by most visitors to travel to the Southern Highlands: 15% of tourists arriving in May. Summer holiday time was also popular, with nearly 12% of visitors coming in January. Possibly because of the cold, July was the month in which the fewest number of tourists came to the region: 3% in all.

Most Widely Used Accommodation. The majority of visitors stayed in a house (or a flat) belonging to a relative or friend (around 38% overall). 19% of visitors stayed in hotels (or motels) with bathroom facilities while another 18% stayed in caravan park accommodation.

Most Widely Used Means of Arrival. Cars, once more, were the prime means of transport for people visiting the Southern Highlands: over 90% of visitors travelling to the region by car.⁵³

Expenditure by Tourists. Tourist expenditure, during 1995-96, in the combined Illawarra - Southern Highlands area amounted to \$480 million dollars.⁵⁴

(g) Snowy Mountains

Major Source of Visitors. Like the Southern Tablelands, the Snowy Mountains area does not receive as high a number of visitors as the northern coastal regions. About 75% of all the visitors to the Snowy Mountains, during 1996-97, were from within New South Wales. Amongst the visitors from inter-state, 10% came from the Australian Capital Territory, 6% from Queensland and only around 5% from Victoria.

Mean Reasons for Visiting. Holidaying, naturally, was the by far the most popular reason for visiting the Snowy Mountains: 68% of visitors arriving for this reason. Trips for organised sporting purposes accounted for another 8% of visits. Seeing relatives or friends accounted for the same percentage of trips.

Most Popular Time of Year for Visiting. Understandably, the cold months, when there was snow, were the months when visitors most travelled to the Snowy Mountains. During 1996-97, 51% of visits were made in the three months July - September. Conversely, the school summer holiday period was the time when the least number of people came to the region:

⁵³ *Domestic Tourism Trends*, pp.72-77.

⁵⁴ *Rural Tourism Strategy*, *ibid.*

only 3% arriving in December.

Most Widely Used Accommodation. Equally understandably, given the small population and the preponderance of tourist facilities, the main form of accommodation used by visitors was that of a hotel (or motel) with bathroom facilities: 25% of visitors making use of this form of accommodation. Nevertheless, 15½% of visitors were still able to make use of a house (or flat) owned by a relative or friend.

Most Widely Used Means of Arrival. Cars, yet again, were the prime source of transport for people travelling to this region: nearly 84% of people coming by car.⁵⁵

Expenditure by Tourists. Tourist expenditure, during 1995-96, in the Snowy Mountains region amounted to an estimated \$193 million.⁵⁶

5 DOMESTIC VISITORS' EXPENDITURE, AND INDIVIDUAL CHARACTERISTICS OF DOMESTIC VISITOR TRAVEL, IN THE RURAL REGIONS OF NSW: (2) REGIONS WITH HIGH PROPORTIONS OF DOMESTIC VISITORS FROM QUEENSLAND, VICTORIA, SOUTH AUSTRALIA AND THE ACT

(a) Upper North Coast

Major Source of Visitors. The upper north coast is one of the rural regions in NSW which receives the most number of visitors. Visits by residents of Queensland are particularly important to the tourist trade in this region. In 1996-97, of all the people who visited the upper north coast, 45.2% came from Queensland. 25.2% came from areas outside of Sydney while 19.5% came from Sydney itself.

Main Reasons for Visiting. Holidaying was the principal reason visitors came to the upper north coast. 43% of visitors came to the upper north coast, for this reason, during 1996-97. Visiting friends and relatives was also a major reason behind visitors' travel to this region: 32% of visitors arriving to see friends or relatives.

Most Popular Time of Year for Visiting. Summer school holidays were the most important period for tourist visits to the upper north coast: 13.2% of visits being made in January. The winter holiday period, however, was also important with 9.4% of visits being made in July.

Most Widely Used Accommodation. The most widely used form of accommodation was that of houses (or flats) belonging to relatives or friends (43.7% of all accommodation used). Caravans, however, have recently become more widely used with just over 25% of visitors using caravans in 1996-97.

⁵⁵ *Domestic Tourism Trends*, pp.66-71.

⁵⁶ *Rural Tourism Strategy*, *ibid.*

Most Widely Used Means of Arrival. Cars were the most widely used means of travelling to the upper north coast (around 80% of people coming by car).⁵⁷

Expenditure by Tourists. The amount of money expended by visitors to the area defined by NSW Tourism as “Northern Rivers Tropical NSW” (upper north coast plus the Lismore area), in 1995-96, was estimated to be over \$500 million.⁵⁸

(b) Far Western

Major Source of Visitors. Amongst the rural regions of New South Wales, the Far Western region had lowest number of visitors. In contrast to the other regions of the state, the majority of visitors to the Far West of NSW actually came from South Australia: 37½% in all. Amongst the remainder of the visitors to the Far West, in 1996-97, 37% came from the rest of NSW and 14% from Victoria.

Main Reasons for Visiting. Nearly all the visitors to the Far Western region came to take a holiday: 61% arriving for that reason. Business was the second most prominent reason for trips to the region: 13% of visitors coming for business reasons. Only 9% of visits were made to see relatives or friends.

Most Popular Time of Year for Visiting. Like the Orana region, October was the month in which most visitors came to the Far West: nearly 25% of visitors arriving in that month. Because of the heat, December was the least popular month, accounting for only 3% of visitors.

Most Widely Used Accommodation. Unlike many of the other regions in NSW, use of hotels (or motels) with bathroom facilities, for accommodation, was more common, amongst tourists to this region, than the use of houses (or flats) belonging to relatives or friends: nearly 25% of tourists using the former type of accommodation compared to 23% using the latter.

Most Widely Used Means of Arrival. Unlike the other regions, train was more widely used as a means of travelling to this region. Although nearly 78% of people travelling to the Far West came by car, at least 9% arrived by train.⁵⁹

Expenditure by Tourists. Expenditure by tourists in this region, in 1995-96, was small compared to the other regions: \$108 million.⁶⁰

(c) Riverina

⁵⁷ *Domestic Tourism Trends*, pp.114-119.

⁵⁸ *Regional Tourism Strategy*, p.13.

⁵⁹ *Domestic Tourism Trends*, pp.132-137.

⁶⁰ *Rural Tourism Strategy*, *ibid.*

Major Source of Visitors. The Riverina region is another of the areas in the state which does not receive as many tourists as the northern coast parts of the state. Although the greatest number of visitors to the area, during 1996-97, were from within NSW - around 63% in all - visitors from Victoria also made a significant contribution to tourist numbers in the Riverina. Nearly 20% of visitors to the Riverina, in 1996-97, were from Victoria.

Main Reasons for Visiting. Visiting relatives or friends was the most prominent reason for visits to the Riverina: nearly 40% of visits being made for this reason. Business was almost as prominent a reason, for visiting the region, as holidaying. Around 22% of visitors came to take a holiday while about 20% of visitors came for business reasons.

Most Popular Time of Year for Visiting. Unlike the northern coastal regions, the summer school holidays were not the peak season for the Riverina. October and April were the months in which most visitors came: accounting for 12½% and 11% of the year's total of visitor arrivals.

Most Widely Used Accommodation. By far the most popular form of accommodation used by visitors to the Riverina was that of a house (or flat) of a friend or relative: accounting for nearly 50% of the accommodation used by visitors to the region during 1996-97. The next most popular form of accommodation used was that of a hotel (or motel) with bathroom facilities. Nearly 23% of visitors to the region used this type of accommodation. Caravan park accommodation does not seem to have been widely used by visitors to the Riverina. However hostel accommodation was used by a number of visitors: 8% during 1996-97.

Most Widely Used Means of Arrival. Cars, again, were the main form of transport used to get to the Riverina: over 80% of visitors to the Riverina arriving by car.⁶¹

Expenditure by Tourists. Tourist expenditure in the Riverina, during 1995-96, was estimated at \$259 million.⁶²

(d) Murray

Major Source of Visitors. The Murray region is one of the popular tourist regions in New South Wales. Unlike the other regions in the state, however, most of the visitors to the Murray area come from Victoria: nearly 60% in 1996-97. Only 27% of visitors to the Murray came from within NSW.

Main Reasons for Visiting. Holidaying was the most prominent reason for people to visit the Murray: 32% of people arriving for this purpose. 31% of visits were made to see relatives and friends while 15% of visits were made for business purposes.

⁶¹ *Domestic Tourism Trends*, pp.84-89.

⁶² *Rural Tourism Strategy*, *ibid.*

Most Popular Time of Year for Visiting. As with the other popular regions, summer school holiday time was the period when most visitors came to the Murray. Nearly 14% of visitors to the region, during 1996-97, arrived in January.

Most Widely Used Accommodation. Unlike some of the other regions in the state, visitors to the Murray made just as much use of hotels, or motels, for accommodation as they used houses, or flats, of relatives or friends. 33% of visitors stayed in hotels, or motels, with bathroom facilities, and 33% stayed in houses of friends, or relatives. Caravan park accommodation was used by 10% of visitors to the Murray.

Most Widely Used Means of Arrival. Cars, as always, were the main means of getting to the Murray region: around 80% of visitors arriving by car. However a significant number of visitors arrived by bus or coach: 12½% in 1996-97.⁶³

Expenditure By Tourists. Despite the large number of visitors to the Murray, their expenditure in the region was relatively small: \$263 million in 1995-1996.⁶⁴

(e) South Coast

Major Source of Visitors. The south coast was also a popular tourist destination during 1996-97. Like the northern coastal regions, a smaller proportion of visitors came from within NSW: 44%. Similar to the upper north coast, a large number of tourists came from outside New South Wales: in this case, 29% from the ACT and 25% from Victoria.

Main Reasons for Visiting. Holidaying was the main reason for visits to the South Coast: 63% of people coming for that purpose. 19% arrived to visit relatives or friends and only around 6% of visits were made for business purposes.

Most Popular Time of Year for Visiting. As in northern rural tourist regions of the state, summer school holidays were the most popular time for visitors to travel to the south coast: nearly 19% coming in January. Unlike the northern areas of the state, however - because of the colder climate in the southern part of the state - July was the month in which the least number of visitors came to the region.

Most Widely Used Accommodation. Once more, the preferred form of accommodation was that of a house (or flat) of a friend or relative. A smaller percentage of visitors, however, than in the northern tourist regions of the state, chose this form of accommodation: 30% in all. Caravan park accommodation was nearly as widely used as houses of friends or relatives: 23% of visitors to the south coast using caravan park accommodation in 1996-97. The third most commonly used form of accommodation was that of rented houses (or flats): 21% in total.

⁶³ *Domestic Tourism Trends*, pp,78-83.

⁶⁴ *Regional Tourism Strategy*, *ibid.*

Most Widely Used Means of Arrival. Car travel was almost the sole means used by visitors to the south coast. Nearly 95% of visitors to this area arrived by car.⁶⁵

Expenditure by Tourists. The amount of money expended by visitors to the south coast, in 1995-96, was around \$600 million.⁶⁶

6 THE RECENT DEVELOPMENT OF, AND RENEWED EMPHASIS ON, TOURISM IN RURAL NEW SOUTH WALES

(a) Recent Origins of the Rise of Tourism in Areas of Gradual Rural Decline, in NSW

By the early 1960s, tourism began to emerge in some of the rural areas of NSW as older, established industries had begun to decline. As described above, the stimulus for the expansion of tourism in northern New South Wales came from the growth in tourism on the neighbouring Gold Coast, in Queensland. Particularly in the rural coastal parts of the state, the Cahill and Heffron government proceeded to provide some government assistance to the promotion of tourism as a means of promoting growth where other areas of activity had slowed. John Brunt wrote in 1969 that, in northern New South Wales, “the valley slopes of the Tweed River [had] support[ed] a long established rural community based on dairying, cattle raising and forestry. . . Over the past 30 years, dairying on the slopes country has declined and many marginal dairy farms have been amalgamated into larger beef cattle holdings.”⁶⁷

In certain parts of southern New South Wales, similar developments had also begun to take place. Brunt recalled that, in the area between the Princes Highway and the sea, around Bateman’s Bay, “Until the 1930s, timber getting and dairying were the main industries, the latter concentrated on the alluvial flats of the Moruya River near Moruya, but with a scattering of small farms on the flats and adjoining slopes of the Tomaga River - Rosedale area. . . Apart from a few well-founded farms on the better class country, the Tomakin-Rosedale district as a whole was a marginal one for dairying and was one of the first areas to be affected by the widespread economic decline in dairying outside the Sydney Milk Zone”.⁶⁸

The rise in the population of Canberra similarly stimulated the development of tourism around Bateman’s Bay. Brunt remarked that, “the growth of the Australian Capital Territory from a population of 30,315 in 1954 to 96,013 in 1966 created an expanding market for

⁶⁵ *Domestic Tourism Trends*, pp.36-41.

⁶⁶ *Rural Tourism Strategy*, *ibid.*

⁶⁷ Brunt, *op.cit.*, p.13.

⁶⁸ Brunt *op.cit.*, p.49 citing J.H. Holmes, *Population and Production Decline in the More Sparsely Peopled Farming Areas of Coastal New South Wales* (MA Thesis, University of Sydney, 1955).

coastal holiday cottages”.⁶⁹

As a small means of assisting the expansion of tourism in these areas, the Heffron government expended a certain amount of state finances on the building of tourist roads. Brunt pointed out that,

formal recognition that local government authorities had neither the resources nor the breadth of outlook to plan for. . . tourist roads led to the [Heffron government’s obtaining passage of] an amendment to the [*Main Roads Act 1924*], in December 1960, giving the state, through. . . the Department of Main Roads, specific powers to proclaim Tourist Roads and to assist councils in their construction and maintenance, usually on a 50:50 basis, except for Tourist Roads in National Parks, where the Department of Main Roads. . . [bore] the full cost of both construction and maintenance. . .⁷⁰

Between 1961 and 1966, according to Brunt, “forty seven roads having an aggregate length of 211 miles were proclaimed as Tourist Roads, and expenditure by the Department of Main Roads, and expenditure by the Department of Main Roads for construction and reconstruction of the 23 of these roads. . . was \$1,239,000”. However, as Brunt also pointed out, “expenditure on tourist roads represent[ed] a small proportion of total expenditure on roads in New South Wales”: he estimated that “In the total state picture”, between 1961 and 1966, “expenditure for works of construction and reconstruction on roads of special tourist significance amount[ed] to about. . . 3.2% of the total annual expenditure. . . on all public roads in New South Wales.”⁷¹

Not only, during this period, was a road built, from Tweed Heads to Kingscliff and back to Billinudgel - and a coastal road built from Bateman’s Bay to Moruya - but over 40 other tourist roads were constructed such as a road from the Hastings River Bridge to Port Macquarie; a road from the Snowy Mountains Highway to Old Adaminaby; and a road from the Princes Highway to Wonboyn.⁷²

(b) Expansion of Tourism in the 1970s and the Establishment of the NSW Tourist Commission in the 1980s

By 1980, with the boom in tourism nationally, tourist expenditure in New South Wales was estimated at around \$1 billion or around 25% of total Australian tourist expenditure.⁷³

In 1979 the then Premier of NSW, Neville Wran, convened a conference on the prospects

⁶⁹ Brunt, op.cit., p.50.

⁷⁰ Ibid., p.7.

⁷¹ Ibid., pp.7-9.

⁷² Ibid., pp.11, 43 and appendix II.

⁷³ *New South Wales Tourism Co-ordination Plan*, p.8.

of the state benefiting from the developing increase in tourism. The conference was held in mid-1979 and a steering committee was formed, at the same gathering, to consider the issues identified at the conference. This committee focused its attention on the proposition that, if tourism was to be enabled to make a greater contribution to the development of NSW, then a plan had to be devised for the accelerated growth and co-ordination of the industry. In 1980 a series of consultations were held with tour operators, accommodation owners, travel agents and others in the industry. A year later, under Ken Booth as minister, a draft tourism co-ordination plan was produced.⁷⁴

By the mid-1980s the Wran government had decided to answer the issues of accelerated tourism growth, and co-ordination in the industry, by establishing a commission. According to John Jenkins, "The Tourism Commission of New South Wales was established in 1985 as a corporation under the *New South Wales Tourism Commission Act 1984*. It was felt that the industry's, and therefore the state's, development 'would be greatly facilitated by the establishment of a commercially orientated organisation solely responsible for the co-ordination of this important industry'".⁷⁵ Jenkins, writing in 1995, has described how,

The Commission's role. . .[was] to promote travel to and within New South Wales. Second, on the basis of a five-year plan for 1983/84 - 88/89, New South Wales was divided into nine marketable regions. Each region was identified as having compatible geographical, historical and natural features. This regional direction resulted from in-depth consumer research which found there was a general lack of knowledge of New South Wales as a tourist destination.⁷⁶

(c) Unsworth Government's Initiatives in Rural Regional Tourism: The North Coast Region Tourism Development Strategy

In 1987, when Michael Cleary was Minister for Tourism in the Unsworth Government, the then Tourism Commission of New South Wales produced its first regional tourism development strategy: the North Coast Region Tourism Development Strategy. The region, at that stage, was seen as including an area from Port Macquarie to Tweed Heads. It was estimated that, in financial year 1986-1987, the income from tourism, in the north coast region, was over \$661 million and that tourism was responsible for around 12,280 jobs in the region.⁷⁷

This tourism development strategy was prepared by the tourism commission itself, in

⁷⁴ Ibid.

⁷⁵ John Jenkins, "An Alternative Economic Base: Tourism and Recreation Development and Management" in Tony Sorensen and Roger Epps (eds.), *Prospects and Policies for Rural Australia* (Longman Cheshire, Melbourne, 1993), p.182.

⁷⁶ John Jenkins, "A Comparative Study of Tourist Organisations in Australia and Canada" in *Australian - Canadian Studies*, vol.13, no.1, 1995, pp.85-86.

⁷⁷ Tourism Commission of New South Wales, *North Coast Region Tourism Development Strategy* (Tourism Commission of NSW, Sydney, 1987), executive summary.

association with the North Coast Tourism Development Advisory Committee. The strategy's recommendations were issued under some of the following headings:

North Coast Tourism Development Strategy

Prime Tourism Development Areas The report recommended that the four main areas to be focused on for development, in the north coast region, were (a) Tweed Heads through Kingscliff to Murwillumbah; (b) Byron Bay through Lismore to Ballina; (c) Woolgoolga through Coffs Harbour; and (d) Port Macquarie to Laurieton.⁷⁸

Transport Development The report recommended, primarily, the upgrading of the Pacific Highway. It also, proposed, amongst other transport recommendations, the development of scenic routes such as the Murwillumbah-Kyogle, Nimbin-Lismore and Urunga-Bellingen-Dorrigo roads; and the development of roads into national parks and state forests such as Mount Warning and Minyon Falls-Rummary Park. The report further proposed the upgrading of Ballina Airport to be able to take jet aircraft, but noted that many visitors, to the northern parts of the region, arrived from Coolangatta Airport.⁷⁹

Planning The report recommended that local councils prepare local tourism plans for areas of secondary tourist potential: such as Nambucca Heads, Yamba and Bellingen. It suggested that such plans encourage the development of the following kinds of accommodation: serviced apartment complexes; family style resorts; guesthouses; and lodges and bunk-house style accommodation.⁸⁰

(d) Greiner Government's Alterations to Regional Tourism Policy

In 1988 the incoming Greiner government introduced changes to the approach to tourism. According to Jenkins the new Liberal - National Party government instructed the New South Wales Tourist Commission "to alter its tourist development and marketing strategy away from regional marketing campaigns to product marketing. . . funding for regional organisations in NSW was substantially reduced in 1988/89 and such organisations were instructed to become self-funding."⁸¹ As Colin Hall has remarked "the new strategy meant a substantial reallocation of the Commission's resources away from the former priority regions to the promotion of the New South Wales tourist experience and Sydney as the Gateway of the State".⁸²

⁷⁸ *North Coast Region Tourism Development Strategy*, p.16.

⁷⁹ *Ibid.*, pp.27-30.

⁸⁰ *Ibid.*, p.22.

⁸¹ John Jenkins "A Comparative Analysis of Tourist Organisations in Australia and Canada", pp.87, 89.

⁸² Jenkins citing Colin Hall, *Introduction to Tourism in Australia: Impacts, Planning and Development* (Longman Cheshire, Melbourne, 1991), p.55.

(e) **Greiner Government's Initiatives in Rural Regional Tourism: Murray Region and South Coast Tourism Development Strategies**

Despite the changes that it introduced to regional tourism policy in the late 1980s, the Greiner government, with Garry West as Minister for Tourism, continued the Unsworth government's initiative in producing regional tourism development strategies. In February 1990, Dames and Moore consultants produced the Murray Region Tourism Development Strategy for the NSW Tourism Commission. It was estimated that in financial year 1988-1989 the income from tourism, in the Murray Region, was around \$151 million.⁸³ The strategy's recommendations were as follows:

Murray Region Tourism Development Strategy

Prime Tourism Development Areas The report recommended four main areas to be focused on, for development, in the Murray Region: Albury - Wodonga; Hume - Corowa; Berrigan - Wakool; Balranald - Wentworth.⁸⁴

Transport The report contained a number of general exhortations, but seemingly no specific recommendations.

Planning The report concluded that the majority of visitors to the region came from Victoria, and that the main groups amongst these visitors were families or groups of people on moderate incomes. The report accepted that this "will continue to" be the case "in the foreseeable future." It also noted that, for this reason, the main form of tourist accommodation use was that of houses of friends or relatives. As far as commercially used accommodation was concerned, motels and caravan parks predominated and the report concluded that there was plenty of this form of accommodation. It did, however, suggest that the Victorian business market might allow for the possibility of considering high standard hotel construction in Albury (for conventions) and for the possibility of resort development. It also suggested that the possibility existed for cabin accommodation "adjacent to... rivers, lakes".⁸⁵

In May 1990, Kinhill consultants produced the South Coast Region Tourism Development Strategy for the NSW Tourism Commission. It was estimated that in financial year 1988-1989 the income from tourism, in the South Coast Region, was around \$277 million. The strategy's recommendations were as follows:

South Coast Region Tourism Development Strategy

⁸³ Tourism Commission of New South Wales, *Murray Region Tourism Development Strategy* (NSW Tourism Commission, Sydney, 1990), p.6.

⁸⁴ *Ibid.*, p.25.

⁸⁵ *Ibid.*, pp.13,16,19,2324.

Prime Tourism Development Areas The report recommended two main areas to be focused on, for development, in the South Coast Region: Bateman's Bay; Merimbula - Pambula. Secondary areas of potential tourist importance, in the region, were identified as Narooma; Bermagui and Eden - Twofold Bay.⁸⁶

Transport Again there were relatively few specific recommendations, apart from one that urged the implementation of "the Road and Traffic Authority's proposal to construct a by-pass at Merimbula, and another that urged the "Development of a scenic drive linking Bermagui with Tathra." The expansion of bus services in the region was also called for.⁸⁷

Planning The report concluded that the majority of the visitors to the region came from within New South Wales and that, amongst this group, the biggest section was made up of families "comprising low to middle income earners who generally stay in budget forms of accommodation, travel to the region by car, for the most part during school holiday periods and are not significant per capita spenders." It did note, however, that "the major origin of visitor contributing" to the increase in visits to the region "were visitors from the ACT. . and Melbourne". In keeping with the relatively smaller significance of tourism to the commercial life of the region (compared with, say, the north coast region) the report noted that. "To date, tourist development in the region has, for the most part, been undertaken by local developers. Development has tended to be low scale, low quality and speculative." The report appeared to concede that this type of construction had generally satisfied the pre-existing demand for tourist accommodation. It acknowledged, for instance, that "The development of large international hotels is generally considered inappropriate for the region". It did, however, advocate the "support" and "development" of marinas at Bateman's Bay and Bermagui.⁸⁸

(f) **Keating Government's 1993 Regional Tourism Development Programme**

In 1993 the Keating Government, with Michael Lee as Minister for Tourism, launched its Regional Tourism Development Programme (RTDP). According to John Jenkins and Tony Sorensen,

In the 1993-94 federal budget, the federal government allocated \$23 million over four years to the RTDP as part of a wider \$42 million strategy to improve the capacity and ability of regional Australia to attract international and domestic tourists. . . Only local governments, regional tourism associations and regional development organisations were eligible to apply for RTDP funding. . .⁸⁹

⁸⁶ Tourism Commission of New South Wales, *South Coast Region Tourism Development Strategy* (NSW Tourism Commission, Sydney, 1990), pp.6,46.

⁸⁷ Ibid., p.51.

⁸⁸ Ibid., pp.6,10,34-35,42,51,

⁸⁹ John Jenkins and Tony Sorensen, "Tourism, Regional Development and the Commonwealth: A Critical Appraisal of the Regional Tourism Development Programme" in *Australian Leisure*, vol.7, no.4, December 1996, p.29.

Robert Tonge and Don Myott have outlined the components of the RTDP as follows:

- ▶ Regional Tourism Development Programme (\$23 million). To provide grants to local government, regional tourism associations and regional development organisations for (a) the development of strategic plans that provide regions with information for identifying both their current position in the tourism market and their opportunities, and future direction, in the context of integrated regional planning; and (b) infrastructure projects that support, enhance and diversify existing tourism attractions
- ▶ National Ecotourism Strategy (\$10 million). To provide for (a) the development and implementation of a strategy which establishes a framework for the sustainable use of Australia's natural environment; and (b) the targeting of support to tourist operators, natural resource managers and visitors. The programme aimed to spread the benefits of tourism, and ecotourism in particular areas, into regional areas.
- ▶ Special Interest Tourism Initiatives (\$9 million). A program covering rural tourism, the backpacker market and the cruise industry.⁹⁰

(g) Fahey Government's Alterations to Regional Tourism Policy

After the formation of the Fahey government, in 1992, there were further changes in policy. Jenkins has observed that,

In 1993, NSW state and regional tourism strategies underwent sweeping changes. After a . . . review of the NSWTC [New South Wales Tourist Commission] by the NSW Office of Public Management, the NSWTC: (1) reverted to regional industry liaison and facilitation, claiming that it was strengthening its marketing focus; (2) developed performance/success indicators or targets for all marketing campaigns; (3) slashed and relocated its research function in the Tourism Marketing Division to ensure that all research activities are driven, in the first instance, by marketing priorities; (4) introduced a service fee for research data on tourism; (5) directed that travel centres operate as cost/profit centres and aim to at least break even within two years; (6) redistributed resources by closing all regional offices and substituting a small travelling team of regional consultants from Sydney; and (7) moved to provide "tourism investment grants" of up to \$80,000 to each regional tourism zone for the purposes of marketing and facilitating local tourism based on: (a) a demonstrated ability to promote tourism within the strategic priorities of the state; (b) pay back of money invested by tourism operators; and (c) dollar for dollar matching in tourism investment".⁹¹

⁹⁰ Tonge and Myott, *op.cit.*, p.49.

⁹¹ John Jenkins, "A Comparative Study of Tourist Organisations in Australia and Canada", pp.88-89.

It would appear that the planning role for NSW Tourism was substantially reduced, and its role orientated, essentially, to marketing.

(h) Fahey Government's Initiatives in Rural Regional Tourism

A particular outcome of the Fahey government's 1993 review of tourism was that whereas, until then, planning for the regions had been undertaken by NSW Tourism, assisted by consultants, responsibility for tourism planning in the regions was transferred to the regional tourism organisations (RTOs).

In 1994, Tourism NSW did, however, embark on a three-year strategy to assist regional tourism in New South Wales. During the period 1995-1997, Tourism NSW had two goals: (1) to foster and develop an integration of the tourist industry within regional New South Wales; and (2) to promote an increase in visits to regional NSW.⁹²

(i) Fahey and Carr Government's Rural Tourism Strategy

In 1994, with the Fahey government still in office, NSW Tourism, in association with a group of consultants, began the compilation of a master plan for tourism in the state. The master plan was released in November 1994. When the Carr government attained office, some changes were made.⁹³

In keeping with the role more recently assigned to it, NSW Tourism's document was essentially a marketing plan intended to guide the corresponding development of tourism marketing strategies by the RTOs.

In 1997, however, NSW Tourism - through its regional tourism and development unit - did produce a *Regional Tourism Strategy*. This report declared that, "The key strategic objective for the second phase of the regional tourism strategy is to build on the solid base established for regional tourism and develop stronger domestic and international growth via increasingly targeted development and integrated marketing activities."⁹⁴ The key parts of the strategy are as follows:

- ▶ cohesive development and marketing of a competitive range of distinctive regional brands and special events backed up by effective product packaging
- ▶ development of a more focused two-streamed approach to adding value to the regions, recognising their development and demand variations

⁹² *Regional Tourism Strategy 1997/8 - 1999/2000* p.5.

⁹³ Tourism New South Wales, *New South Wales Tourism Masterplan to 2010* (Tourism NSW, Sydney, 1995).

⁹⁴ *Regional Tourism Strategy 1997/8 - 1999/2000*, p.6.

-
- ▶ integrating Tourism New South Wales marketing and development strategies to add breadth and depth to the regional product
 - ▶ more focused holiday type marketing of regional New South Wales product supported by destination promotion media activities
 - ▶ increased leadership by Tourism New South Wales in co-operative marketing programs
 - ▶ ongoing support to the structural foundation and planning of regional tourism via the RTOs (Regional Tourist Organisations)
 - ▶ development of stronger alliances with key industry partners and associations committed to growing tourism in regional New South Wales⁹⁵

Essentially, planning for regional tourism will be the role of the regional tourist organisations (RTOs) whose plans have to fit in to the overall tourism masterplan for the state.

In financial year 1996-1997, the New South Wales government provided \$5.46 million towards funding the regional tourism strategy.⁹⁶

In November 1998, while attending the NSW Tourism Conference, at Dubbo, Bob Debus, the NSW Minister for Tourism, announced further initiatives by the state government in the area of regional tourism. He announced a joint grant to the Outdoor Tour Operators Association and the Tourist Attractions Association of NSW, to go towards establishing a shared secretariat for the two organisations; he announced a grant to the Newell Highway Promotions Committee to assist in the promotion of the Newell Highway as a through route between Melbourne and Brisbane and to promote sight-seeing along the NSW stretch of the highway. He also foreshadowed his intention to announce a Regional Attractions Strategy aimed at improving the marketing of regional attractions. The strategy would be an outcome of a study, recently undertaken by NSW Tourism, which recommended a number of measures to improve the marketing of regional tourism attractions across the state, as part of a broader strategy to encourage regional tourism. Another recommendation of the study, currently being considered, is that of improving the effectiveness of visitor information by establishing major gateway information centres, for the regions of NSW, situated at entry points into the state, and at transition points between regions.⁹⁷

7 COMMON PROBLEMS, AND COMMON PATHWAYS, IN NSW RURAL REGIONAL TOURISM

⁹⁵ Ibid.

⁹⁶ Ibid.

⁹⁷ Press Release, Minister for Tourism, 5 November 1998.

(a) Tourism Not an Immediate Solution to Rural Decline

Although, as the members of the Australian Domestic Tourism Initiative assert, “Domestic tourism. . .in regional Australia. . .is one of the few growth industries”, at present, jobs appear to be declining in the tourist accommodation sector in regional New South Wales. In September 1998 the Tourism Task Force issued a press release referring to the issue. The release asserted that, between mid-1997 and mid-1998, around 5,400 jobs had been lost in the tourism accommodation sector in the country areas of New South Wales.⁹⁸

(b) Acknowledgment of the Dominance of Sydney as a NSW Tourist Destination

Developing a tourism strategy for a rural region, in isolation, rather than acknowledging the prominence of Sydney in NSW tourism, could be self-defeating. In discussing the travel intentions of visitors from overseas, to New South Wales, Tourism NSW remarked in its masterplan that “While the state has many attractions, beyond Sydney, there are few destinations that have a strong international or interstate draw, hence the low volume of international tourists in regional New South Wales.”⁹⁹ Peter Valerio and Dain Simpson, in their report on tourism in the Shoalhaven area, noted that “Sydney is a major domestic and international tourist attraction and feeding off this fact - rather than competing against it - would seem a more appropriate strategy.”¹⁰⁰

(c) Country Coastal Tourism versus Country Inland Tourism

Coastal rural regions in New South Wales are markedly different from inland rural regions in that tourists are predominantly attracted to places near the coast. NSW Tourism’s masterplan, for tourism across the state, observes that “The inherent beauty of the New South Wales coastline makes it a focal point for the state’s tourism industry. Over 80% of tourism within New South Wales (including Sydney) is concentrated in coastal regions.”¹⁰¹

(d) Synchronisation with NSW Legislation and Planning Guidelines

Legislation

The report prepared by the Tourism Task Force (TTF), entitled *Developing Viable Regional Tourist Accommodation*, points out that “Tourism, particularly in sensitive areas, needs to be catered for” by a “state policy” which “must be able to give general guidance, definitions

⁹⁸ Australian Domestic Tourism Initiative, op.cit., p.2; Media Release, Tourism Task Force, 18 September 1998.

⁹⁹ *New South Wales Tourism Masterplan to 2010*, p.44.

¹⁰⁰ Valerio and Simpson, op.cit., p.76.

¹⁰¹ *New South Wales Tourism Master Plan*, p.67.

and policies” for tourist development.¹⁰²

In contrast to some commonly held notions about laws and planning guidelines, tourism projects are not normally thwarted by such processes. Black and McLaughlin, in their study of tourism in the Tweed, write that “We find that of the 45 development applications made [between 1985 and 1991] only six have been rejected. . .The reasons why more projects have not gone ahead seems to be the inability to complete projects rather than the inability to get projects approved.”¹⁰³

In a review of NSW planning legislation, the TTF lists the important Acts as follows:

- ▶ *Environmental Planning and Assessment Act 1979.* The TTF remark that this Act is “the key piece of planning legislation for New South Wales. . .It . . .provides for three types of environmental planning instruments: State Environmental Policy Plans, Regional Environment Plans and Local Environment Plans. . .Part 4 of the . . .Act covers environmental planning control. . .[and] gives responsibility to local councils. . .in relation to decisions on development applications relating to development proposals within their local government area. Part 5 of the . . .Act. . .provides that Environmental Impact Statements are required in relation to activities, which are. . .’likely to significantly affect the environment’ . . .(s 112 (1)).”¹⁰⁴
- ▶ *Heritage Act 1977.* The TTF point out that the Act’s “main function is to ensure that items of the environmental heritage are adequately protected by way of interim and permanent conservation orders. . .’Environmental Heritage’ is defined as: those buildings, works, relics or places of historic, scientific, cultural, social, archeological, architectural, natural and aesthetic significance for the state (s 4).”¹⁰⁵
- ▶ *Protection of the Environment Administration Act 1991.* The TTF observe that “The. . .Act establishes the Environment Protection Authority. . .the. . .functions [of the authority] includ[ing] advising persons engaged in industry and commerce and other members of the community on environment protection (s 7 (2) (g)).”¹⁰⁶

Planning Authorities

The TTF list the following bodies as the key authorities in tourism planning and

¹⁰² Tourism Task Force, *Developing Viable Regional Tourist Accommodation* (Tourism Task Force, Sydney, 1997), p.56.

¹⁰³ Black and McLaughlin, op.cit., p.17.

¹⁰⁴ Tourism Task Force, op.cit., appendix A.

¹⁰⁵ Ibid.

¹⁰⁶ Ibid.

development:

- ▶ Department of Urban Affairs and Planning (DUAP). The TTF points out that DUAP “holds much of the information on regional and environmental planning and plays a key role in large scale development. It also provides the interface between state government land use planning, and local authorities. . .The department is responsible for the drafting and gazettal of state environmental planning policies and regional environment plans.”¹⁰⁷
- ▶ The New South Wales Heritage Council. The Heritage Council is responsible for identifying the heritage significance of sites”. The TTF note that “provisions exist within environmental planning instruments to identify places, which are then included within Local Government Plans and require special consideration prior to any development consent being granted on or near the vicinity of those sites.”¹⁰⁸
- ▶ Local Councils/ the Minister for Urban Affairs and Planning. The TTF observe that “Development Assessment, on the whole, is undertaken by Local Councils pursuant to the provisions of Part 4 of the Environmental Planning and Assessment Act. . .The Minister always has the power to take the consent power out of the hands of the council if the Minister is of the opinion that the development is of state significance. . .In such a case the Minister’s decision is usually preceded by a Commission of Inquiry.”¹⁰⁹

(e) Some Elements of Tourism Encouragement

A number of reports and manuals in the tourist industry have recommended a number of key elements which they consider as desirable in proposals for encouraging tourism in regional areas. Some of these are as follows:

- ▶ *Incorporation of Available Regional Resources within Tourist Plan*. According to Rob Tonge, a great many locally available resources have the potential to be incorporated within a tourist plan in a region. He lists these as follows:

Transport (Road/Air etc)	Transport Terminals	Accommodation
Media Material	Licensed Clubs	Food Services
Attractions	Convention Facilities	Package Tours
Local Tours/Cruises	Beaches/Waterways	Wilderness Areas

¹⁰⁷ Ibid.

¹⁰⁸ Ibid.

¹⁰⁹ Ibid.

Special Events	Scenic Routes	Agriculture
Manufacturing	Heritage	Cultural
Arts and Crafts	Night Entertainment	Public Facilities
New Development	Hire Services	Services (Banks etc)
Visitor Information	Training	TAFE Colleges
Aboriginal Culture	Climate Features	G o v e r n m e n t Departments ¹¹⁰

- ▶ *Building Promotion from Key Facilities and Special Events.* According to tourism researchers such as Peter Valerio and others, key special interest facilities, and key special events, are essential building blocks in basic tourism promotion. The authors of a report on the Tamworth Country Music Festival have pointed how, from 1973, when the country music awards were inaugurated at Tamworth - as a commercially-orientated promotion of the Tamworth radio development - the music festival now attracts tens of thousands of tourists.¹¹¹ Peter Valerio and Dain Simpson, in their study of tourism potential in the Shoalhaven, suggest highlighting the attractiveness of the Naval Air Museum and the Bundanon Trust.¹¹²

The Regional Tourist Organisation for Australia's Holiday Coast (the Forster - Port Macquarie - Kempsey coast of New South Wales) base some of their tourism promotion on the following key forms of facilities and special events in the region:

Accommodation. A full range of tourist accommodation is available in the region: from caravan parks to resort hotels.

Sporting Events. The region hosts a variety of race meetings, fishing competitions, triathlons, and other sporting events, throughout the year.

Cultural Events. Eisteddfods, dancing competitions, art shows, and American country music shows, are amongst the many cultural events hosted in the area.

Festivals. Several country town shows, and fairs, are staged throughout the year.

¹¹⁰ Tonge and Myott, op.cit., pp.133-137; pp.196-198.

¹¹¹ Tamworth TAFE (Technical Consultants), *Country Music and Tourism in Tamworth* (Tamworth Technical College, Tamworth, 1989), p.8.

¹¹² Valerio and Simpson, op.cit., p.17.

Recreational and Special Interest Attractions. Cruises, indigenous sites, colonial history trails, nature trails and arts and crafts centres are amongst the many particular attractions in the area.

Outstanding Natural Attractions. Ellenborough Falls and the Barrington Tops national park are some of the special natural features that are promoted in the region.¹¹³

- ▶ *New Types of Tourism.* Valerio and Simpson propose that tourism planners give more attention to new forms of tourism (rather than the more traditional sea and sun holidaying). These include Ecotourism; Nature Based Tourism; Cultural Tourism; Heritage Tourism; Special Interest Travel; Adventure Travel; Industrial Tourism; the Meetings Market; Incentive Travel; and Event Tourism.¹¹⁴

8 CONCLUSION

Richard Butler and Colin Hall, in their study entitled *Tourism and Recreation in Rural Areas*, write that, “Rural Communities are rarely capable of being economically sustainable without a diverse economic base, and tourism and recreation are becoming an increasingly important part of that base.”¹¹⁵ It would seem that, not only has tourism increased business activity, and provided employment, in a number of country areas in NSW but, despite the current fluctuations in domestic tourism, will continue to do so in the future.

Indeed, it is not only in Australia where the potential of tourism for rural areas is being studied. Jenkins, Hall and Troughton add that, “Tourism has become part of EU [European Union] planning and policies in the 1990s” and that, in 1991, the Directorate General for Agriculture of European Commission launched a program which “principally funds local action groups which are a combination of public and private partners who have jointly devised a strategy and a set of public and private innovations for the development of a rural area at a community scale”.¹¹⁶

It is, of course, important to recognise that tourism is not a panacea. The recent decline in domestic tourism - the mainstay of tourism in rural areas of the state - appears to have led to a decline in employment in rural regional tourism. Nevertheless, as Jenkins, Hall and Troughton point out, “Many industries appear to present opportunities to diversify the economic base of rural areas, and to stem the leakage of labour and capital. . . Tourism is one such industry, which has the added benefit in that it frequently makes use of existing

¹¹³ Tourism Mid-North Coast, *Australia's Holiday Coast* (1998).

¹¹⁴ Valerio and Simpson, op.cit., pp.32-35.

¹¹⁵ Richard Butler and Colin Hall, “The Sustainability of Tourism and Recreation in Rural Areas” in Richard Butler, Colin Hall and John Jenkins (eds.), *Tourism and Recreation in Rural Areas* (John Wiley and Sons, Chichester, 1998), p249.

¹¹⁶ Ibid., pp.59-50.

resources.”¹¹⁷

¹¹⁷

John Jenkins, Colin Hall and Michael Troughton, “The Restructuring of Rural Economies: Rural Tourism and Recreation as a Government Response” in *ibid*, p.55.