

11th June 2021

The Hon Martin Ferguson
Chair, Reimagining the Visitor Economy Expert Panel

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Reimagining the Visitor Economy

The Australian Local Government Association (ALGA) is pleased to make this response to the *Reimagining the Visitor Economy Discussion Paper* prior to the Austrade Expert Panel on Reimagining the Visitor Economy providing advice to industry and government.

The provision of such advice is timely. Post-COVID-19 recovery provides opportunities to set the course for a more innovative, productive and sustainable visitor economy. Our submission reinforces that the Local Government sector is an important stakeholder and contributor to the visitor economy, and we ask that this be reflected in the advice provided.

About Us

ALGA is the voice of Local Government in Australia, representing 537 councils across the nation. ALGA is a federation of State and Territory Local Government Associations and this submission should be read in conjunction with any separate submissions received from State and Territory Associations as well as individual councils.

Tourism is a priority for many Local Governments and State and Territory Associations, especially as it relates to supporting local and regional economic development. The Western Australian Local Government Association has produced a Local Government and Tourism position paper. The Local Government Association of Queensland held a series of roundtables with councils in 2018 as part of the development of a two-year Tourism Strategy aimed at supporting Queensland councils to grow their tourism economies. Local Government New South Wales has run an annual Local Government Tourism Conference, since 2005. This year the conference was relaunched as the Destination and Visitor Economy Conference with record numbers attending. The LGASA has participated in the development of a Regional Visitor Strategy and Heritage Tourism Strategy and convenes a Tourism Network of council staff.

Role of Local Government in the Visitor Economy

Councils are financially, structurally and culturally invested in the visitor economy and provide the 'backbone' for visitor experiences, regionally and locally. As such, Local Government plays a critical role in the effective delivery of national and state-based tourism

strategies. In some locations, councils are also trying to manage the large influx of seasonal visitors and the subsequent impacts on local communities, infrastructure and services.

Visitor expectations cannot be met and satisfied by an individual product or service. The visitor experience is the sum total of all the amenities and experiences within a destination. Ultimately Local Government can determine the quality of a visitor's experience and Local Governments have a pivotal role in optimising visitor and tourism potential.

Councils engage in the visitor economy in many ways depending on the location and strength of the market. Councils' direct roles can include:

- tourism owner-operators such as caravan parks and camping areas;
- marketing, promoting and capability building of many of the small to medium sized businesses in their areas and attracting business investment to the local area;
- owner/manager of visitor information centres;
- creators/funders of destination marketing campaigns;
- planning and delivering local events relating to tourism, sports and arts and culture;
- maintaining and enhancing public spaces and amenities;
- assessing and monitoring tourism and accommodation developments and proposals;
- investing in vital local infrastructure and its maintenance to support tourism, such as parks, public spaces and amenities, rubbish collection, local roads, jetties and wharves, and signage;
- participating on or leading regional committees and boards including with other councils and State and Federal Governments across areas such as economic development, tourism marketing, creative industries (including food and wine) and local workforce development;
- supporting local arts businesses, including authentic Indigenous art, cultural festivals and events, as well as the infrastructure required to make these happen;
- bringing local communities together in immersive experiences while simultaneously providing the momentum and inspiration for regional and international tourism; and
- managing and supporting local heritage tourism sites, such as historic houses, art galleries and museums.

Spend of Local Government on Tourism

In 2020 and 2021, [Australian Regional Tourism](#) (ART) and [Economic Development Australia](#) (EDA) partnered on a national economic development and tourism benchmarking survey of Local Governments. The results show that regional and rural councils spend more on tourism than other forms of economic development. The

results also show that the budget allocated to tourism and economic development by councils is typically increasing or at least remaining consistent.

A 2016 survey of councils across Australia undertaken by the Australian Regional Tourism Network revealed that:

- in 2015/16 Local Government contributed an estimated \$373m on the operation of visitor information centres, events, festivals, promotion, marketing and development of tourism;
- two thirds of this spending were undertaken by councils located in regional and remote areas;
- 8/10 councils directly employ staff that have a tourism role, equating to 1672 FTE across Australia;
- 9/10 councils agreed that tourism offers economic development opportunities in their local areas;
- 8/10 councils have tourism actions and outcomes identified in Council's current long-term strategic planning;
- 7/10 councils contribute financially to Regional Tourism Organisations; and
- councils indicate a lack of clarity about the value of engaging in regional tourism and around mechanisms to source guidance on planning development and marketing.

This response to the *Reimagining the Visitor Economy Discussion Paper* makes the following recommendations:

Recommendation 1

Support industry-led, government-enabled recovery by:

- recognising the capacities, capabilities and potential of Local Government, as the level closest to the community, to foster the local visitor economy; and
- resourcing Local Government, in addition to destination marketing funds, to more adequately focus on strategic collaborations for destination and experience development.

Recommendation 2

Address regulatory bottlenecks in the visitor economy by:

- initiating a formal review of tourism issues for cross-border tourism towns across Australia;
- introducing consistent national standards and approaches to Airbnb and related new accommodation platforms, and provide clarity on regulatory responsibility;
- funding councils to provide for the visitor economy without drawing down from residents' rates;
- addressing the high costs of regional aviation fares; and
- increasing federal funding to council-owned airports and aerodromes.

Recommendation 3

To ensure accommodation and experiences meet market expectations, it is recommended that:

- the role of councils in enabling future tourism plans, through business coordination and planning roles, is recognised in the Reimagining the Visitor Economy strategy
- ongoing partnerships between Local Government and tourism agencies at state/territory and federal government levels are strengthened;
- Local Government tourism funding is not fragmented and short-term, councils need eligibility to tourism grants; and
- more data is made available to councils on an LGA level.

Recommendation 4

To ensure new tourism infrastructure is built, maintained and refreshed, it is recommended that:

- state and territory governments provide funding support for ongoing maintenance of tourism infrastructure provided by Local Government;
- there is recognition that council rates are not adequate to fund infrastructure for tourists;
- there is an increase in Local Government funding for tourism infrastructure investment;
- that councils are more closely engaged in tourism-infrastructure planning decisions.

Recommendation 5

Assist in securing international visitors by:

- ensuring state and federal agencies adequately share with Local Government data on changing visitor patterns, and then partner with councils to efficiently host training workshops, which address the needs of international visitors, aimed at the needs of local-businesses and Council workers;
- continuing and extending assistance to the business events formerly provided under the restarting Australia's business events sector program;
- funding improvements to cruise ship industry infrastructure, such as new and improved wharfs and dock-side facilities; and
- packaging the myriad of events and festivals throughout Australia to market to an international audience.

Recommendation 6

Increase sector development in the visitor economy professions by:

- ensuring visitor economy sector development is as equally valued as marketing by State/Territory and federal tourism agencies, by making sector development a core function of those agencies;

- providing training resources and programs that utilise Local Government community contacts;
- supporting collaborations between Local Governments to overcome issues of small training and workshop sizes in regional locations; and
- supporting training for visitor center staff, especially where the centers are remote and regional, and the quality and currency of information supplied to tourists is underdeveloped.

Recommendations 7

To attract and retain workers in the sector:

- there is a need for the State and Territory and federal governments to have a strategy to enable greater access to accommodation for workers in the regional visitor economy.

Recommendation 8

Given the support and initiatives councils already undertake to showcase indigenous arts, it is recommended that:

- there should be an equal partnership approach by all levels of government to the arts, including Indigenous arts;
- there should be direct art funding to Local Government; and
- Local Governments be eligible to apply for all government arts-grants programs.

Recommendations 9

To enable an Indigenous tourism sector that is resilient, sustainable and profitable, it is recommended that:

- recognition and resourcing be provided for the vital work councils do to support Aboriginal communities and businesses to identify cultural tourism opportunities when developing local tourism plans;

Recommendation 10

In addition to measures in recommendation 6, the federal government should address barriers to the adoption of digital technologies by:

- supporting the provision of training and education programs that meet the needs of local businesses.

Recommendation 11

To build businesses resilient to economic and environmental shocks, it is recommended that:

- businesses and other levels of government be encouraged to utilise Local Government expertise in waste management and in building environmental sustainability; and

- investment be made in waste and recycling infrastructure, product stewardship and circular economy procurement, as outlined in the *National Waste Action Plan*, as a way to benefit the tourism industry.

Recommendation 12

To build an understanding of sustainability by providers in the visitor economy it is recommended that:

- there be recognition of Local Government expertise in responding to climate change at the local level and that the Reimagining the Visitor Economy strategy encourages other levels of government to consult with local government about how sustainability can be maintained to protect local features, tourism offerings and assets;
- that the Reimagining the Visitor Economy Strategy ensure Local Government actions are embraced by business and other levels of government.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Adrian Beresford-Wylie', written in a cursive style.

Adrian Beresford-Wylie

Chief Executive

Response to the *Reimagining the Visitor Economy Discussion Paper*

1. Industry-led, government enabled recovery

a) How can we better foster collaboration between businesses and governments to offer great experiences, create and sustain high-yield destinations and make the best system wide decisions?

Local Government, being the level of government closest to the community, is an efficient and effective means of fostering visitor industry recovery. Many Local Governments actively market, promote and build the capabilities of many of the small to medium-sized businesses in their areas. Local Governments know the attractions and services available and where there is untapped potential as well as local market shortfalls.

However, according to the national economic development and tourism benchmarking survey referred to above, councils in rural Australia spend a large proportion (31%) of their tourism expenditure on Visitor Information Centre Staff costs. This means that there is not as much money available for developing experiences and attracting new businesses/experiences. If adequately resourced, Local Governments can use their community knowledge and connections, their insights into experiences and preferences of visitors, to assist the local industry to support the industry, rather than focus on visitor servicing.

Additionally, the national economic development and benchmarking survey shows that councils on average employ 1.3 to 2.5 full time equivalent staff in tourism. If these few staff are focused on serving the visitor and marketing the destination, there is less time that can be allocated to strategic collaboration and creating high yield experiences. Resourcing will assist councils to realise their potential to create integrated destination plans, develop great experiences, create and sustain high-yield destinations and make the best system-wide decisions.

Recommendation 1

Support industry-led, government-enabled recovery by:

- recognising the capacities, capabilities and potential of Local Government, as the level closest to the community, to foster the local visitor economy; and
- resourcing Local Government, in addition to destination marketing funds, to more adequately focus on strategic collaborations for destination and experience development.

b) *Where are the regulatory bottlenecks to the visitor economy?*

Funding across borders:

Competition between states around tourism funding is a key issue for border towns due to funding guidelines that fail to consider the community connectedness of destinations that cross borders. Where a tourism industry straddles a border, securing state funding can be problematic. States are predominantly unwilling to see grants benefit those on the opposing side of the border. Collaboration across borders is needed and Local Governments need to be involved. Visitors to a region don't plan their holiday around state or Local Government boundaries, and neither should tourism funding. Tourism funding from a targeted federal border program would help address the problem.

Online platform costs:

Airbnb and related new accommodation platforms present multiple issues for local tourism businesses. For example, as businesses have shifted to Airbnb, booking.com and other online platforms to meet tourist preferences, this has meant increased fees and workload for businesses using those sites. Also, the increase in private short-term holiday lets (STHL) has created an increase in complaints to councils, despite councils having limited power. In NSW for example, whilst the planning system will soon regulate STHLs, the Department of Fair Trading will regulate the code of conduct for these facilities. This can cause confusion for residents, visitors and council staff as to which agency has the authority to regulate STHL.

Rates:

A primary way that councils fund their investment in the visitor economy is through the collection of rates from residents. However, tourists do not pay rates yet require many public amenities including BBQs, public toilets, jetty's, roads, cycle ways, footpaths etc. Some Local Government areas (LGAs), also experience a dramatic increase in population during holiday periods such as Shoalhaven LGA in NSW where the population triples over Christmas. This impacts many services provided by councils including waste and water services.

Regional Airports:

While ALGA is grateful for the Regional Airport Program announced by the Federal Government in the 2019-2020 Budget (\$100 million over 4 years), neither this program nor the Regional Airlines Funding Assistance Program (\$100 million) addresses the loss of vital operational income experienced by most councils. For these councils, the impact of the COVID-19 pandemic on the revenue they draw from their airports has been severe and, in some cases, has put their ongoing operation at risk. These airports are required for play major

roles in tourism. ALGA supports an injection of Federal funding into council-owned airports and aerodromes to ensure their ongoing viability in a similar fashion to its support for commercial airlines.

Regional aviation fares

High regional aviation fares discourage regional travel. Further assistance to the sector is needed to boost regional tourism's share of the visitor economy.

Recommendation 2

Address regulatory bottlenecks in the visitor economy by:

- initiating a formal review of tourism issues for cross-border tourism towns across Australia;
- introducing consistent national standards and approaches to Airbnb and related new accommodation platforms, and provide clarity on regulatory responsibility;
- funding councils to provide for the visitor economy without drawing down from residents' rates;
- addressing the high costs of regional aviation fares; and
- increasing federal funding to council-owned airports and aerodromes.

2. Capturing the domestic travel opportunity

a) What investment is required to ensure accommodation and experiences meet market expectations and drives high-value tourists?

Recognising Local Government as an enabler of the visitor economy

Local Government plays a vital role in ensuring experiences meet market expectations. Local Government dedicates significant resources to consulting and engaging with local communities and businesses on future tourism proposals and accommodation developments. Councils also assess and monitor existing tourism conditions, and participate in or lead regional committees and boards addressing tourism marketing. As mentioned in Recommendation 1, more resourcing is needed for Local Governments to have increased focus on destination and experience development to continue enabling the visitor economy.

Partnering with Local Government

Local Governments, and State and Territory Associations of Local Government, would benefit from more direct engagement with the Government Departments responsible for tourism. Often engagement with councils is conducted by regional bodies, such as in NSW which has six government-created Destination Networks, but this can mean support to councils is not always consistent. Regular meetings between ALGA, the Reimagining the Visitor

Economy Expert Panel and federal agencies with responsibility for tourism would be welcomed.

Local Government grant eligibility

The vital role of councils in enabling the visitor economy, however, are all too often constrained by shortfalls in resourcing. The Local Government sector is often ineligible for many grant programs which are provided to businesses, not for profits, or government agencies, and even when eligible, smaller regional councils often lack adequate grant writing and project management capacities.

Data

Councils can also struggle to get national and international data relevant specifically to their LGAs. There are some notable exemptions, but it is not consistent across the nation. For example, The South Australian Tourism Commission collects and collates extensive region-by-region data on visitor numbers, trends, as well as regional gaps in key infrastructure, accommodation and tourism offering needs. Tourism Research Australia has recently funded NEM Australasia to create a data portal for potential tourism investors. However, Local Governments would need to pay a subscription fee for their LGA to be included on the platform, VisScope. This would be cost prohibitive for many councils.

Recommendation 3

To ensure accommodation and experiences meet market expectations, it is recommended that:

- the role of councils in enabling future tourism plans, through business coordination and planning roles, is recognised in the Reimagining the Visitor Economy strategy and allocated more resources;
- ongoing partnerships between Local Government and tourism agencies at state/territory and federal government levels are strengthened;
- ensure Local Government tourism funding is not fragmented and short-term, councils need eligibility to tourism grants; and
- more tourism and visitor data is made available to councils on an LGA level.

b) What are the barriers to building new, and refresh existing, tourism infrastructure?

Tourist expectations cannot be met and satisfied by an individual product or service. It is the sum total of all the amenities and experiences within a destination. Ultimately it is Local Government which can make or break a tourist's experience and Local Governments have a pivotal role in optimising tourism potential.

Maintenance funding

Development of essential tourism infrastructure and its maintenance is fundamental to the sum total of a visitor's experience. Local Government is responsible for tourist infrastructure such as: visitor information centres; parks, public spaces and amenities; rubbish collection; local roads, parking, public transport and way-finding and interpretive signage. Oftentimes when grants are received to build or expand these facilities, nothing is provided for ongoing maintenance.

Restrained rate revenue

Local governments also manage the impacts of tourism. As mentioned above, some locations have significant numbers of tourists in relation to the rate revenues generated from the resident population. In this regard, the challenges that increased visitation places on infrastructure and Local Government resources should be acknowledged, planned for and adequately resourced.

Planning processes

Planning processes can often stifle tourism infrastructure projects. As the relevant planning authority for many proposed tourism developments, councils often assess tourism development applications against policies which are set by the Minister for Planning in the state-wide Planning and Design Code or similar. Therefore, councils might often reject tourism development applications based upon policies set by the State Government (or referrals to State Government agencies, such as emergency services), not based on their own evaluations of a proposed development's merit.

Recommendation 4

To ensure new tourism infrastructure is built, maintained and refreshed, it is recommended that:

- state and territory governments provide funding support for ongoing maintenance of tourism infrastructure provided by Local Government;
- there is recognition that council rates are not adequate to fund infrastructure for tourists;
- there is an increase in Local Government funding for tourism infrastructure investment;
- that councils are more closely engaged in tourism-infrastructure planning decisions.

3. Diversifying our international customer base

a) How can Australia position itself for new international markets for holiday travel (including the luxury segment), business travel, events and international education?

Local Governments appreciate the added value of international visitors and that their individual trips add more to Australia's economy than those of a domestic

leisure trip. Globally the high-end luxury market is growing at 6.7 per cent per year (50 per cent faster than the total market), while in Australia it is only growing at 1.8 per cent per year. To turn this around, businesses require assistance in their understanding of the needs of more affluent Chinese, Indian and South East Asian visitors.

Funding Local Governments to host or deliver promotions or packaging workshops would be an efficient delivery option. Councils are also well placed to information share with local businesses on appropriate promotions and packaging.

Business event visitors are also vital and continuing support to the business event sector is fundamental. That international airfare prices are likely to be high once borders reopen, is further reason for reducing Australia's regional airfare prices. Consideration should therefore be given to new docks and dock-side facilities.

Often the State/Territory bodies and Tourism Australia focus on securing major events. The fabric of small, but vibrant and exciting, festivals and events across Australia should be better packaged so Australia can be promoted as an event destination. For example, in NSW, the State Destination Marketing Agency has a focus on attracting major events, rather than looking to support sustainable events or viable events which have a positive social and economic benefit in the area on which they are held.

Recommendation 5

Assist in securing international visitors by:

- ensuring state and federal agencies adequately share with Local Government data on changing visitor patterns, and then partner with councils to efficiently host training workshops, which address the needs of international visitors, aimed at the needs of local-businesses and Council workers;
- continuing and extending assistance to the business events formerly provided under the restarting Australia's business events sector program;
- funding improvements to cruise ship industry infrastructure, such as new and improved wharfs and dock-side facilities; and
- packaging the myriad of events and festivals throughout Australia to market to an international audience.

4. Labour, skills and workforce

a) How can the sector develop and promote career pathways to make the visitor economy a career of choice?

Local Government is acutely aware that COVID-19 has exacerbated structural problems in the visitor economy workforce. Even as the sector begins to recover, many experienced workers have moved on to other industries. This situation will amplify the existing challenge of attracting and retaining skilled labour, particularly in the regions, given that the work in the visitor economy is generally lower-paid, part-time and/or seasonal. The post-COVID workforce will look different – in size, location, skill level and make-up. Local Government, as an enabler in the community, needs to be an integral player in programs to address issues in labour supply and recruitment, workforce development, participation and retention.

However, issues existing pre-COVID remain. Seasonal work and the need to train new employer cohorts at the beginning of each new season is a major recurring problem. Industry development is required that balances out peaks and troughs in order that workers can be retained on a more long-term basis.

Recommendation 6

Increase sector development in the visitor economy professions by:

- ensuring tourism sector development is as equally valued as marketing by State/Territory and federal tourism agencies, by making sector development a core function of those agencies;
- providing training resources and programs that use Local Government community contacts;
- supporting collaborations between Local Governments to overcome issues of small training and workshop sizes in regional locations; and
- supporting training for visitor center staff and volunteers, especially where the centers are remote and regional, and the quality and currency of information supplied to tourists is underdeveloped.

b) How can we attract and retain workers in the sector, especially in the regions?

The structural issue of housing is also a significant issue for attracting and retaining staff and requires strategies beyond the scope of businesses. Local Government has a limited role in housing and connecting renters with leasers, but funding might be allocated in order that this role be augmented.

There is an acute need to accommodate workers to facilitate a growing regional visitor economy. Individual councils and state peak bodies are actively exploring collaborative discussions and initiatives with the intent to de-risk regional residential developments. Options being explored include: provision of council

land for development, collaboration with the tax-advantaged community housing sector, exploration of State Government grant opportunities, common infrastructure bonds (designed to spread the costs of establishing access to essential services), and establishing the demand for regional accommodation with developers.

Recommendations 7

To attract and retain workers in the sector:

- there is a need for the State and Territory and federal governments to have a strategy to accommodate/house workers in the regional visitor economy.

5. Indigenous Tourism

a) How can Indigenous experiences be enhanced, and given a greater profile – in both the regions and cities, and to domestic visitors?

Indigenous art is celebrated around the world and is a gateway to raising the profile of Aboriginal culture more generally. Councils are often the most prominent local supporter of Indigenous visual and performing arts and Indigenous art centres. Local Governments help Aboriginal artists nurture their creativity, develop skills, build their profile and deliver financial returns. Activities Local Governments can and increasingly undertake include:

- Commissioning Aboriginal artworks for public and council spaces or for the design of council publications
- Curating Aboriginal art exhibitions in local galleries
- Commissioning Aboriginal performances in festivals and events, such as Aboriginal music, dance, comedy, theatre
- Supporting Aboriginal writers to present at forums such as literary festivals
- Supporting Aboriginal community arts projects or workshops
- Including Aboriginal artists in artist and business networks
- Supporting local artists through grants, sponsoring exhibitions or joint projects
- Ensuring Aboriginal community participation on council arts and culture committees
- Publicising Aboriginal arts and culture programs.
- Increasing staff and resident awareness of protocols for working with Aboriginal Artists and Artwork.¹

Local Government contributes around 30% of total government expenditure on arts and culture. As a result, a ‘whole of government’, partnership approach to planning and delivery is required to ensure a flourishing creative sector. Given

¹ <http://www.maggolee.org.au/>

Local Government financial constraints, direct financial supports from other levels of government are needed to sustain Councils' arts and culture focus and best achieve efficient and long-term local impact.

Recommendation 8

Given the support and initiatives Councils already undertake to showcase indigenous arts, it is recommended that:

- there should be an equal partnership approach by all levels of government to the arts, including Indigenous arts;
- there should be direct art funding to Local Government; and
- Local Governments be eligible to apply for all government arts-grants programs.

b) How can industry bodies and governments of all levels best enable an Indigenous tourism sector that is resilient, sustainable and profitable in the medium to long term? What are the barriers to achieving this goal?

Over the last decade the Aboriginal cultural tourism industry has made great progress throughout Australia. Aboriginal culture is the focus of Aboriginal tourism and features activities such as tours, arts and crafts, performing arts and nature-based activities. Aboriginal cultural tourism benefits councils and communities. It recognises the relationship of Aboriginal people to land, provides economic returns to the Aboriginal community and represents a drawcard for the local visitor economy.

Councils can and often work with Aboriginal businesses to identify tourism opportunities when develop tourism plans. In Victoria, one-third of councils provide varying degrees of support for Aboriginal tourism².

Recommendations 9

To enable an Indigenous tourism sector that is resilient, sustainable and profitable, it is recommended that:

- recognition and resourcing be provided for the vital work councils do to support Aboriginal communities and businesses to identify cultural tourism opportunities when developing local tourism plans;

6. Innovation: digital and new products

a) What are the barriers to the adoption of digital technologies for visitor economy providers?

Information technology is vital to tourism businesses including booking applications, product purchasing, marketing, and data analysis.

² <http://www.maggolee.org.au/>

According to the Victoria University, the pandemic increased use of digital technologies by tourism businesses, with many of the studies cohort implementing digital strategies (42%), investing in new IT infrastructure (31%) and training staff in IT skills (23%). However, 39% of businesses it surveyed still require additional training. Many businesses feel they don't have the skills to connect to customers (customer service, digital marketing, advertising, and negotiating service and marketing). This is especially so for older business owners running micro businesses. Visitor economy business owners often lack confidence in engaging with technology and resist online training. This lack of digital capabilities hinders the ability of resource-poor small businesses to fully recover from the COVID crisis.³

Councils have stepped up to assist businesses in technology usage training, but more is required. For example, during the height of the COVID-19 social distancing restrictions (in the 2nd quarter of 2020), many South Australian Council, through the business-support units, offered online training webinars to businesses (including tourism operators), designed to bolster their online marketing and operations, free-of-charge.

Recommendation 10

In addition to measures in recommendation 6, the federal government should address barriers to the adoption of digital technologies by:

- supporting the provision of training and education programs that meet the needs of local businesses.

7. Resilience, sustainability and social license

a) What is needed to build more resilient businesses given the likelihood of ongoing economic and environmental shocks?

Social license to operate is fundamental to tourism. Society expects participants in the visitor economy to effectively balance economic, social and environmental factors. Indeed, destinations increasingly understand the need to wear their environmental credentials on their sleeves.

Local Government is responsible for managing municipal waste collection and management, and has a major interest in developing a circular economy to minimise the costs it incurs in doing so. Local Government therefore supports new investment in waste and recycling infrastructure, product stewardship and circular economy procurement.

Businesses and Local Government need to work hand-in-hand to mitigate environmental degradation, but also the degradation caused by new or

³ Victoria University (2020), Building the resilience of tourism destinations to disasters:

expanding ventures. Local Government expertise in waste management and recycling programs is a valuable resource that the tourism industry needs to exploit. Local Government can help visitor economy providers become increasingly aware of their environmental footprint, and take steps to build their sustainability credentials. They should respond to the increasing demands from visitors to deliver travel in an environmentally sensitive way.

Recommendation 11

To build businesses resilient to economic and environmental shocks, it is recommended that:

- businesses and other levels of government be encouraged to use Local Government expertise in waste management and building environmental sustainability; and
- investment be made in waste and recycling infrastructure, product stewardship and circular economy procurement, as outlined in the *National Waste Action Plan*, as a way to benefit the tourism industry.

b) What is required to build an understanding of the different aspects of sustainability across all providers in the visitor economy?

The tourism industry across Australia relies on the natural environment. Climate change is therefore a major stressor for many destinations. For example, in Tasmania, NSW, Victoria and the ACT significant visitation is reliant on the operation of snow resorts. Lack of snow places the industry at risk. Furthermore, hotter temperatures lead to greater risk of bushfire and more severe weather events in the future, which places further stress on tourism destinations and increases the risk for the tourists who visit these areas.

It is therefore vital that tourism planning considers measures for reducing its contribution to CO₂ emissions and is an active advocate in wider climate change policy development. Local Government is playing a significant role in responding to climate change. Over 100 Local Government councils have, to-date, declared a climate emergency and measures to address climate change at the local level, and these councils represent over a third of Australia's population. Local Government expertise in responding to climate change is a valuable resource that the tourism industry needs to exploit.

Recommendation 12

To build an understanding of sustainability by providers in the visitor economy it is recommended that:

- there be recognition of Local Government expertise in responding to climate change at the local level and that the Reimagining the Visitor Economy strategy encourages other levels of government to consult

with local government about how sustainability can be maintained to protect local features, tourism offerings and assets;

- that the Reimagining the Visitor Economy Strategy ensure Local Government actions are embraced by business and other levels of government.