

Tourism 2020

Tourism Ministers' Tourism Investment and Regulatory Reform 2012 Report Card

November 2012



Better Investment Facilitation and Less Red Tape

The Australian tourism industry is significant to the Australian economy.

It contributes over \$34 billion to our Gross Domestic Product, directly employs over half a million people and is our largest service export industry.

Every dollar spent in tourism creates \$1.92 across the economy – more than mining, agriculture and education. Every one per cent increase in tourism direct consumption generates 2,800 new jobs outside of tourism.

As part of *Tourism 2020*, the Australian, state and territory governments and industry are working together to increase overnight tourism expenditure to between \$115 billion and \$140 billion by 2020, up from \$70 billion in 2009.

To reach this potential, more investment is needed to create new tourism product, services and experiences, including an additional 40,000 accommodation rooms in capital cities and better quality rooms in regional areas.

That is why Tourism Ministers have been working together to remove investment barriers at both the state and national level.

Work undertaken through *Tourism 2020* identified there was scope for Governments to remove investment barriers through:

1. more effective national collaboration;
2. establishing investment facilitation services,
3. creating a regulatory environment more supportive of tourism developments in high natural amenity areas;
4. providing more effective incentives to stimulate the supply of new accommodation;
5. streamlining the planning development and approvals process; and
6. increasing the supply of labour to the tourism industry.

Strong progress has been made in the 12 months since Tourism Ministers agreed to work to remove these barriers and improve the tourism investment environment.

Tourism is now a national investment priority. All levels of government are providing tourism investment facilitation services and Austrade is actively marketing tourism investment opportunities to global and domestic investors. The Commonwealth and state and territory governments have also developed the Tourism Investment Guide, which identifies around 80 investment-ready tourism projects. This is providing investors with unprecedented access to local tourism investment opportunities.

Under a historic agreement all governments have committed to streamline environmental assessment process with the aim of reducing duplication while maintaining high environmental standards. This will make Australia a more competitive place to develop tourism product in areas of high natural amenity and mean that developers can spend more time on running their business and showcasing Australia's world class natural heritage to tourists.

Similarly, many states have taken measures to streamline and simplify their planning systems to make approval processes faster and more predictable. This will not only save tourism businesses time and money, but remove some of the barriers that have seen some good ideas not proceed.

The investment case is being bolstered by measures to increase the supply of labour to the industry. These initiatives include Tourism Employment Plans, the Seasonal Workers Program and the development of a Tourism and Hospitality Careers Promotional Campaign.

Despite these successes, there is scope for additional work to further enhance the tourism investment case.

More work can be done to stimulate the supply of accommodation in metropolitan areas through tailored solutions that might include, for example: expanding land supply for high density development; the conversion of surplus government land for accommodation uses; government designation of specific sites for new hotel development; and greater use of preferential floor space ratios for tourism developments. Consideration could also be given to how the National Construction Code can remove any regulatory distortions of investment in other asset classes.

Similarly, further activity needs to be done to look at how the migration system can be used to meet the industry's semi-skilled and unskilled labour needs in circumstances where these needs cannot be met from local labour markets.

There is also scope for governments to consider further planning reforms to ensure that Australia's planning system is amongst the world's most efficient.

Further reform will help to ensure Australia attracts the investment required to leverage the full economic benefits of our unique and natural cultural attractions.

Tourism Ministers have committed to improving the environment for tourism investment and will publish an update in October 2013.

WESTERN AUSTRALIA

Introduction of incentives for hotel development in Western Australia

The Western Australian Government has approved hotel incentives on crown land to encourage the development of short-stay accommodation across the State. This will facilitate a vibrant accommodation sector that caters for a diverse visitor demographic and provides a strong basis for economic and tourism growth in the future.

The following incentives have been endorsed by the State Government for application to specific development opportunities on a project-by-project basis:

- Release of Crown land for short-stay accommodation development through expressions of interest;
- Provide flexible plot ratio bonuses for hotel developments; and
- Allocate funds for the provision of infrastructure upgrades to facilitate hotel accommodation development.

The Government is working on the implementation of the hotel incentives through discussion with other government agencies and providers of utilities. One example is the revision to Scheme Amendment 25 by the City of Perth anticipated to bring into effect the application of plot ratio bonuses and land use controls by April 2013.

An incentive will be granted on a case-by-case basis and assessed against the following selection criteria:

- Expected net economic benefit to the community;
- Ability to increase tourism visitation and visitor expenditure; and
- Alignment with identified local tourism opportunities, products and experiences.

An expression of interest for FESA House, which is the first incentivised hotel project in the Perth CBD was released on 22 May 2012 and closes on 24 October 2012.

Future potential incentivised sites within the Perth CBD are under investigation and will be assessed and released according to market demand.



WESTERN AUSTRALIA

Naturebank

Naturebank is an initiative launched by the State Government in October 2009. Naturebank involves the identification, assessment and release of 'investor-ready' land for low-impact visitor accommodation predominantly within Western Australia's protected areas managed by the Department of Environment and Conservation (DEC). This is a partnership project involving Tourism Western Australia (Tourism WA) and DEC, aimed at developing and promoting eco and nature-based tourism opportunities in regional WA.

Naturebank prepares development opportunities by carrying out a level of pre-release due diligence that would normally be the responsibility of the proponents.

This includes but is not limited to:

1. Ensuring consistency with the planning requirements for the area;
2. Addressing Aboriginal cultural issues;
3. Conducting surveys for rare and endangered flora and fauna; and
4. Collecting baseline information on land and existing infrastructure and improvements.

To date, six sites have been identified through the Naturebank program. Two of these are running successful operations as follows:

- Mt Hart – King Leopold Ranges Conservation Park - Kimberley Wilderness Adventures; and
- Kurradjong – Purnululu National Park - Kimberley Wild Expeditions.

The selection of the successful proponent for the Wharnclyffe Mill Naturebank site in Bramley National Park near Margaret River is nearly complete and will be announced soon.

The latest release is a Naturebank site in Francois Peron National Park, located in the Shark Bay World Heritage area, which was released via a call for expression of interest on 13 August 2012. The closing dates for submissions is Tuesday 23 October 2012

Changes have been implemented by the WA Government to increase restricted (for environmental or other reasons) licence terms from 5 + 5 years to up to ten years with a renewal of up to a further five years subject to satisfactory operator performance. This has rendered these opportunities more attractive for commercial tour operators.

The Government intends to introduce amendments to the Conservation and Land Management Act 1984 (WA) to allow for lease periods to be granted up to a maximum of 99 years, dependent on the level of investment and the anticipated level of return on that investment; compliance with key performance indicators and conformity with protected area management plans. Leases are performance based.

The Government is considering other sites in key demand locations and not restricted to national parks, for inclusion in the Naturebank program.



QUEENSLAND

DestinationQ

The Queensland Government and the Queensland Tourism Industry Council (QTIC) entered into a landmark partnership at the inaugural DestinationQ forum in Cairns on 25 and 26 June 2012. This included endorsement of a 12 Month Key Action Plan (Action Plan) by the partners as part of the event.

The Action Plan includes several planning, regulatory and ecotourism reform commitments that align strongly with the national tourism reform agenda. Commitments include:

- reduce and fast-track planning approval processes and change the culture;
- by investigating a specific Tourism State Planning Instrument, and targeting three demonstration projects as working examples to guide reform;
- prioritising tourism development and build up capacity to take investment proposals forward and coordinate investment efforts for the tourism industry;
- cutting ecotourism red tape by streamlining the current permits required to access national parks; and
- developing a new ecotourism plan and reviewing the Nature Conservation Act 1992 (NCA) to enable greater access to Queensland's national parks.

Queensland has made significant progress in implementing this reform agenda:

- a new temporary State Planning Policy has been enacted to streamline the existing suite of more than a dozen separate policies into a single statement of state interests, and to explicitly recognise tourism. This means that for the first time, the state's interest in tourism is explicitly recognised; and
- a more effective and efficient planning and development system is being implemented, including changes to the Sustainable Planning Act 2009 (SPA) to fast-track planning and remove red-tape. Tourism will benefit from the proposed planning reforms through improved timeframes at both pre-lodgement and assessment phases of the development assessment process.

Three demonstration projects (specifics remain confidential at this stage) will be selected to represent a cross section of the types of tourism product being developed in Queensland. Learnings from these projects will further drive process improvements and cultural change in the State's planning system. A Government working group will work with the proponents of the demonstration projects and facilitate their progress through the development approvals process.

- a dedicated Tourism Investment Attraction Unit has been established in the Department of Tourism, Major Events, Small Business and the Commonwealth Games to prioritise tourism development and build up capacity to take investment proposals forward and coordinate investment efforts for the tourism industry;
- regulatory amendments and policy changes that cut red tape for ecotourism operators and reduce permits required to access national parks have been completed; and
- a review of the NCA has commenced to identify opportunities to increase the viability of tourism in protected areas.



VICTORIA

Victorian Competition and Efficiency Commission's (VCEC) inquiry into the Tourism Industry

On 23 August 2012, the Victorian Government released its response to the Victorian Competition and Efficiency Commission's (VCEC) inquiry into the Tourism Industry.

The VCEC inquiry was established to investigate State and local regulatory barriers to the development of the tourism industry. It reported to Government in 2011 and identified a number of areas where regulation of the tourism industry could be streamlined or reformed.

VCEC found the most significant barriers to tourism development were in the planning system and environmental controls. Importantly, it found that many of these controls were unwarranted, as other protections would continue to ensure an appropriate balance between tourism and other uses.

The Government's response agreed to a range of significant new reforms. These included:

- improved coordination and planning for tourism in regional areas;
- providing greater flexibility in Green Wedge, Farming and Rural Conservation Zones for tourism developments;
- removing prohibitions on private sector development in national parks and extending maximum lease terms; and
- streamlining approvals processes on private and public land.

The Government's response is already being implemented. Changes to Victorian Planning Zones and reforms to the planning approval process have been published for public consultation. Victoria has also announced its intention to work through the Council of Australian Governments to streamline environmental approval processes.



NEW SOUTH WALES

Hotel Investment Opportunities in Sydney, Australia

The NSW Government, through NSW Trade & Investment, has a specialist investment attraction/facilitation team which focuses specifically on the tourism sector. The team recently developed and published a brochure entitled "Hotel Investment Opportunities in Sydney, Australia", demonstrating NSW Government's intention to position the visitor economy as one of the key sectors capable of strong growth over the next decade.

The brochure is used to promote the benefits and potentials in tourism investment in Sydney, and the role of NSW Trade and Investment in providing facilitation services to tourism operators and companies contemplating new business investment projects, especially in the tourism and hospitality sectors.

The brochure is distributed at trade missions, meetings with domestic and international clients and is used as information-sharing with Commonwealth investment agencies.

The brochure has received positive anecdotal feedback, in particular, in regards to information on hotel construction costs in Sydney and the metrics on occupancy for 4 and 5-star hotels in Sydney.

The brochure is due to be translated in three languages: Chinese, Japanese and Arabic.

The brochure is available at http://www.business.nsw.gov.au/_data/assets/pdf_file/0004/18346/NSW_HotelProspectus_20120109.pdf.

NATIONAL

Environment Regulation Reform to Improve Efficiency and Maintain National Environmental Standards

In 2011, the Commonwealth Government announced an environmental reform package following the independent review of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). The reforms are intended to deliver better environmental protection focusing on whole regions and ecosystems and more efficient environmental assessments; provide a consistent national approach to environmental impact assessments that removes duplication; and provide better upfront guidance on legislation requirements, with more long-term certainty and transparency.

As part of its work to implement this reform package, the Commonwealth Government has been leading a national reform process through the Council of Australian Governments (COAG), aimed at reducing the regulatory burden on the economy. On 13 April 2012, COAG reaffirmed its commitment and agreed that the Australian, state and territory governments would work together to prioritise the development of bilateral arrangements to accredit state and territory assessment and approval processes that would uphold high environmental standards while eliminating duplication.

The Commonwealth Government's strategic role in environmental approvals will focus on assurance and the setting of national standards. The COAG reforms will ensure that the high environmental standards already protecting matters of national environmental significance are maintained, and industry and the community continue to benefit from a healthy environment.

These reforms will assist the Australian tourism sector to remain a competitive and attractive domestic and global investment option.



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COMMONWEALTH

Attracting Tourism Investment

The Department of Resources, Energy and Tourism (DRET), Tourism Australia (TA) and the Australian Trade Commission (Austrade) formed a five year strategic partnership to promote the Australian tourism industry as an attractive investment opportunity for local and international investors. Known as the Australian Tourism Investment Attraction Program (ATIAP), the new initiative supports Tourism 2020's objective of increasing tourism investment. Austrade's established networks and market intelligence is used to develop targeted investment attraction strategies for identified overseas investors. TA provides tourism industry insight and investment promotion onshore. DRET conducts high level industry research and develops policy and regulatory reform. In addition, effective state and territory collaboration is achieved through the Tourism Investment Attraction Partnership Group.

ATIAP outcomes include TA's Australian Tourism Investment Guide showcasing 80 investment-ready tourism developments and Tourism Research Australia's (DRET) Tourism Investment Monitor highlighting \$42 billion worth of investment projects nationwide.

Additionally, DRET's new Tourism Major Project Facilitation service will guide major tourism project investors through Commonwealth regulatory approval processes and link with state and territory investment facilitation services. DRET's T-QUAL Grants program provides \$40 million over four years to stimulate the supply of sustainable quality tourism products and experiences, while its new Tourism Industry Regional Development Fund (TIRF) will allocate \$48.5 million over four years to encourage regional tourism industry development to attract tourists and additional private sector investment to regional areas.

The Commonwealth Government's \$1 billion Regional Development Australia Fund further supports tourism by providing grants to upgrade sport, recreation, arts and transport infrastructure in regional areas.



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SOUTH AUSTRALIA

Southern Ocean Lodge

South Ocean Lodge is a luxury, multi-award winning lodge located in Kangaroo Island, South Australia. This is an example of a 'signature' development, which took 18 months to complete and cost \$16 million to develop. Signature developments such as these are high in strategic value as compared to 'run of the mill' developments. They provide experiences, services and products that are unique to Australia. Currently, the lodge incorporates a main lodge building, self-contained accommodation suites and a spa retreat.

The South Australia Tourism Commission (SATC) has used the Southern Ocean Lodge in its international marketing initiatives, in conjunction with the owner, Baillie Lodges. This has created awareness of not only the resort itself, but of Southern Australia and Kangaroo Island. As an iconic and unique development, Southern Ocean Lodge is used to encapsulate South Australia's destination brand.

The lodge faced many challenges in moving from idea to reality. The then head of the SATC advocated at the highest levels of government on behalf of the development. This resulted in the development being supported by the Premier and Deputy Premier, which was crucial at key points in the investment process.

The South Australian Government, through the SATC's Tourism Development Fund, provided \$1 million over two years towards critical infrastructure. The government also invested in transport and access infrastructure, which made it feasible to develop the lodge in a remote area. Southern Ocean Lodge appointed a specialist policy manager to liaise with all levels of government, and deal with matters relating to approval and planning processes and expedite the development. The policy manager was responsible for:

- submissions to all levels of government;
- regular meetings with the Kangaroo Island Council regarding the development and their approval;
- regular contact with the (now) Department of Planning and Local Government regarding development approval;
- attendance at several public meetings on the island to gauge concerns and answer questions;
- liaison with fire authorities;
- meetings, communications and submissions to Native Vegetation Council about the Native Vegetation Act; and
- liaison with the Commonwealth Government regarding the Environmental Protection and Biodiversity Conservation Act.

Without financial assistance and facilitation, this project would not have been feasible. Funding was directed towards essential services and infrastructure, such as an access road, water supply, electrical connection/generation, bushfire prevention measures and wastewater treatment. Government funding also supported the environmental sustainability of the development, by contributing \$50,000 towards the costs of a solar power system.



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NORTHERN TERRITORY

One Stop Shop

The Northern Territory has a centralised planning process that is administered by the Department of Lands, Planning and Environment. This centralised process provides a systematic mechanism for tourism developers and investors to have their development application processed in a timely manner, while also ensuring that tourism interests are considered when planning decisions are made.

Tourism NT is invited to provide comment on each tourism-related development applications that is submitted to the Department of Lands and Planning, and is also able to track each of these applications through the NT Governments *Integrated Land Information System*.

The Department of Lands, Planning and Environment hosts weekly Development Assessment Forums which inform relevant service authorities (including NT Government Departments and Local Councils) of the current development applications. Tourism NT attends these forums when a tourism-related application is being presented.

In addition, the Northern Territory Government has developed the One Stop Shop initiative which allows proponents to seek informal feedback from service authorities on their proposed development prior to submitting their development application.

The *One Stop Shop* initiative also enables tourism developers to:

- Have a pre-application meetings with the planners;
- Attend the planning forum to informally discuss their proposed development;
- Attend briefings of the Development Consent Authority;
- Lodge an application and pay online; and
- Track their development application.



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ACT

Establishment of InvestACT

InvestACT has been established as a dedicated investment facilitation function within the ACT Government. It brings together capabilities within the Economic Development Directorate (EDD) and across key government agencies to respond quickly to investment leads and create a strong pipeline of investment development into the ACT.

Tourism is an industry sector identified by InvestACT as a core area of focus in line with the national Tourism 2020 framework.

The establishment of InvestACT was guided by the ACT Business Development Strategy (BDS), which seeks to broaden the contribution of the private sector to the ACT economy through three pillar strategies:

- The right business environment;
- Supporting business investment; and
- Accelerating business innovation.

InvestACT will implement an investment strategy during 2012-13 to enable the individual investment program elements to be assessed and adapted to ACT circumstances. A four-year ACT Government investment strategy will be released in early 2013.

The InvestACT strategy will focus on developing and delivering the following fundamental investment program elements:

- Engagement and Collaboration: with internal and external stakeholders;
- Lead Generation: through research, generic promotion and targeted investment attraction activities;
- Lead Conversion: a case management approach to supporting qualified investors to choose Canberra; and
- Aftercare: activities that assist with sustaining and increasing the investor's business in Canberra.



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TASMANIA

Three Capes Track

Tasmania's new iconic walking track experience on the Tasman Peninsula, the Three Capes Track continued its staged construction in 2012. The Three Capes Track is located within the Tasman National Park and its development is being managed by the Tasmanian Parks and Wildlife Service, with initial development funding being provided by the Tasmanian and Australian Governments. On 25 July 2012 the final approval required to build the track was given by the Tasman Council. The Tasmanian and Australian Governments are co-funding the project to a value of \$25.3 million after which private investment of approximately \$8 million dollars will be sought for support infrastructure, including hut accommodation located near the track and within the National Park.

It is anticipated that by late 2015 an initial walking experience of four days and three nights will be ready for visitors. The final section of the track will be completed post 2015. The vision for the Three Capes Track is that it will become Australia's premier 'year round' coastal bushwalking track experience and that it will attract new visitors to Tasmania. This new experience is being developed to complement the existing reputation of Tasmania as a hiking destination as established through the iconic Cradle Mountain – Lake St Clair Overland Track experience.

Construction of the eastern section alone will support more than 264 local jobs over the next three years and boost annual economic activity by \$13.5 million.

On 30 August 2012, Tasmanian Minister for Environment, Parks and Heritage Brian Wightman said "When the initial portion of the walk is fully operational, we will have a new uniquely Tasmanian bushwalking experience supporting around 278 jobs every year, including 44 on the Tasman Peninsula. It will also boost Gross State product by \$14.1 million and inject \$1.6 million a year into the Tasman region."

When finally completed the Three Capes Track is actually expected to exceed the above estimated income models as the modelling above does not include the spending of the day walker market. This is reflected in an economic impact study by KPMG released in 2010 by the Tourism Industry Council of Tasmania, which found that the additional day walkers that would visit the area could alone deliver up to \$188 million annually to the Tasmanian economy and 1563 jobs by 2017.

Key Reform Area	Overall Assessment	What have we achieved so far?	What are the benefits?	What still needs to be done?
1. National collaboration	Strong overall progress across all jurisdictions	<ul style="list-style-type: none"> Tourism 2020 and COAG closely aligned to remove red tape and streamline approval processes across all tiers of government. Tourism Australia (TA) and Austrade now work closely with state and territory governments to promote Australian tourism investment opportunities overseas. TA's Australian Tourism Investment Guide and Tourism Research Australia's (TRA) Investment Monitor more effectively inform industry and government. Improved TRA economic modelling and demand forecasting inform state/territory based tourism and investment plans. Coordination and communication through an Investment Attraction Partnership Group and the Investment and Regulatory Reform Working Group. Launch of Commonwealth's Tourism Major Project Facilitation service in November 2012. 	<ul style="list-style-type: none"> Greater access to local and international investors and developers. Peace of mind knowing government is working to support your business. 	<ul style="list-style-type: none"> Ongoing collaboration across all levels of government to improve the tourism investment environment.
2. Investment facilitation	Strong overall progress across all jurisdictions	<ul style="list-style-type: none"> Australian tourism investment opportunities are now domestically and globally marketed. Tourism Investment Guide and Monitor released in May 2012. An investment facilitation service in each state/territory to guide investors through approvals processes. State/territory governments are implementing policies to ensure mix-use developments include new hotels. Coordination promotion through the Investment Attraction Partnership Group. Launch of the Commonwealth's Tourism Major Project Facilitation service in November 2012. 	<ul style="list-style-type: none"> Easier for you to locate and financially assess potential business development opportunities. Reduced time and cost for foreign investors to find investment targets. Faster approvals with greater certainty. 	<ul style="list-style-type: none"> Further streamlining of Commonwealth and state/territory approval processes to further eliminate red tape, cost and uncertainty.
3. Supply of tourism in high natural amenity areas including National Parks	Fair overall progress across most jurisdictions	<ul style="list-style-type: none"> The Environmental Protection & Biodiversity Conservation (Cth) Act 1999 is being amended to ensure lower cost and greater transparency and timeliness for development approvals in conjunction with better environmental protection. Guidelines and principles for Eco-opportunities in protected and natural areas are approved by all Environment and Tourism Ministers. W.A.'s Naturebank provides pre-approved quality development sites in national parks. Qld's Nature Conservation Act will enable more tourism in national parks and Tourism in Protected Areas policy will streamline permits and increase certainty. The Victorian Government has committed to appropriate private sector tourism investment in national parks, as well as longer maximum lease terms. 	<ul style="list-style-type: none"> More efficient processes and reducing duplication while maintaining high environmental standards. 	<ul style="list-style-type: none"> New pre-approved "investor ready" development opportunities in protected areas to be identified by state and territory governments and promoted in the Tourism Investment Guide.
4. Accommodation supply initiatives	Mixed overall progress across jurisdictions	<ul style="list-style-type: none"> W.A. Government endorsement for new hotel development incentives including plot ratio/floor space ratio bonuses for new hotel development and land release. Ministers commissioned Accessible Accommodation Study reviewing the introduction of accessible room requirements for new buildings under Class 2 & 3 of the Australian Building Code under the National Construction Code. Victoria is creating new planning zones across regional and urban areas that will significantly increase their flexibility for developers. 	<ul style="list-style-type: none"> Easier for investors to invest in new accommodation. Tourism developments now more attractive than in the past due to these changes. 	<ul style="list-style-type: none"> Updated Tourism Guide to promote government incentives and new pre-approved "investor ready" development opportunities. Disability (Access to Premises – Buildings) Standards 2010 (BCA) review by 2016 with Accessible Accommodation Study input. Further National Construction Code amendments to be investigated.
5. Planning and development approvals	Fair overall progress across most jurisdictions	<ul style="list-style-type: none"> COAG support for development assessment reforms by state and territory governments, to avoid unnecessary delays for development proposals. The National Tourism Planning Guide, released Jan 2011 and endorsed by all state/territory Tourism Ministers, assists local governments to streamline tourism development assessments. S.A. Planning Policy Library, which specifically includes tourism, encourages a consistent approach to development planning and assessments statewide. Victoria has announced a number of reforms to the Victorian planning system to streamline processes and increase certainty. 	<ul style="list-style-type: none"> Savings in time and business costs increasing the financial return on your investment. The elimination of a significant development risk so your project is delivered on time and budget. 	<ul style="list-style-type: none"> State and local government planning processes to specifically consider tourism. Local governments to develop greater capacity to specifically consider tourism developments within planning processes.
6. Labour supply initiatives	Moderate overall progress across all jurisdictions	<ul style="list-style-type: none"> Business case put to Commonwealth Government for Working Holiday Maker visa changes. 3 year Seasonal Workers Program trial for the tourism industry commenced July 2012. 457 work visa guide developed for tourism and hospitality employers. 	<ul style="list-style-type: none"> Easier for businesses to attract and retain the right competent staff so productivity and quality of tourism product increases. 	<ul style="list-style-type: none"> Continued pressures warrant further attention. The Commonwealth is considering changes to the Working Holiday Maker Visa.

• See accompanying Progress Report for detail.

Next Steps

Commonwealth and state and territory regulatory reforms undertaken during the last 12 months are now starting to improve the tourism investment environment. Tourism development is becoming increasingly recognised as a desirable investment opportunity due to more efficient approvals processes, reduced duplication and stronger government support at all levels. Australian tourism investment opportunities are also being promoted overseas to attract much needed foreign capital, knowledge, technology and innovation.

Tourism developments over the last 12 months and those in the investment pipeline, together with other key measures related to growing demand from Asia, progressing labour and skills initiatives, boosting digital capability and improving quality, mean that Australia is well on the way to achieving the *Tourism 2020* target of doubling total overnight visitor expenditure to \$140 billion by 2020.

However, to reach this target, Commonwealth and state and territory governments need to continue regulatory reform to ensure Australia remains competitive not just in terms of attracting visitors, but also attracting investment into the tourism industry to meet the needs and expectations of these visitors. Tourism Ministers have committed to improving the environment for tourism investment and will publish an update on October 2013.



Images

1. Lizard Island, Great Barrier Reef, Qld. Courtesy of Tourism Australia.
2. InterContinental Hotel, Adelaide. Courtesy of South Australian Tourism Commission.
3. Diamant Hotel, Canberra. Courtesy of Australian Capital Tourism.
4. Bed and Breakfast Accommodation, Victoria. Courtesy of Tourism Victoria.
5. Quoin Head, Fitzgerald River National Park. Courtesy of Tourism Western Australia.
6. Lizard Island, Great Barrier Reef, Qld. Courtesy of Tourism Australia.
7. Black Ranges State Park, Victoria. Courtesy of Southern Grampians Shire.
8. Courtesy of NSW Trade and Investment.
9. Courtesy of Tourism Australia.
10. Southern Ocean Lodge, Kangaroo Island, South Australia. Courtesy of Southern Ocean Lodge.
11. Darwin. Courtesy of Tourism NT.
12. Canberra. Courtesy of Australian Capital Tourism.
13. Three Capes Track. Courtesy of Tourism Tasmania.
14. Courtesy of Tourism Australia.
15. Barwon Heads, Victoria. Courtesy of Tourism Victoria.
16. North Terrace, Adelaide. Courtesy of South Australian Tourism Commission.

