

## 7. GOVERNMENT RESOURCING AND SUPPORT

### BACKGROUND

- Tourism and events play a significant role in Victoria's economy. In 2003/04 the industry contributed \$10.9 billion or 5.3 per cent of Gross State Product and employed 159,000 people or 6.6 per cent of the State's workforce.
- If recent growth continues, the contribution of the tourism and events industry to Victoria's economy will double to almost \$18 billion by 2016, and will create at least 66,000 new jobs.
- This expansion requires significant resources and support. Industry is addressing its role, with significant new investment planned over the medium term. These efforts need to be encouraged with an equally significant increase in Government investment.
- Between 1999 and 2006 the Government has made a record investment of nearly \$350 million in tourism and events related marketing and product development.
- While the importance of private sector investment is central to long-term viability, Government plays a vital role in terms of skill development, marketing, investment promotion, infrastructure planning, regulations and policy direction, all of which have a significant impact on the success of the industry. Government also has a vital role to play in providing leadership, direction, and long-term confidence and certainty to industry and investors.

### KEY ISSUES

- Government provides resourcing and support both directly and indirectly. It provides this directly, through funding, undertaking infrastructure projects, and taking on a key leadership role. It also provides resourcing and support indirectly, by ensuring the planning system encourages appropriate private sector investment (for example, extending tenure for commercial development on public land), giving the industry greater access to Government and greater priority in Government policy and decision-making on economic, social and environmental issues.
- Government resourcing and support currently takes a number of forms, including resourcing and support in new areas such as new infrastructure. It also includes maintenance and expansion of existing areas. This may include an expansion of existing training programs, making them more targeted to the specific needs of the industry. Both types of resourcing and support are needed to ensure Victoria's tourism industry remains competitive and is able to capitalise on future growth.
- For Government resourcing and support to be effective and efficient, a 'whole of government' approach is required, with improved coordination across all levels of government and between all relevant areas. Improved reporting mechanisms between agencies are also required, including strengthening information flows, linkages and networks between tourism agencies, institutions and businesses.
- More emphasis should also be given to ensuring there is a greater level of cooperation between industry and Government. A more integrated approach is needed, especially regarding communication and promotion, and must include both metropolitan and regional tourism needs. In line with this, there must be opportunity for the Government to develop a broader understanding of the industry's needs, and the impact that wider Government policies have on the industry.
- Specific areas in which further Government resourcing and support is needed are as follows:
  - Continuing its role in advocating the development of aviation policy reform to deliver more flights to Victoria.
  - Promoting economic and environmental benefits of sustainable tourism development. In line with this, the Government should provide support and resources to develop a system of accreditation and recognition, to provide assurances of legitimacy for environmentally

friendly products and services, and related industry competencies, including carbon offset schemes.

- Facilitating, at the national level, high quality, competitively priced and accessible telecommunications infrastructure, with broad reach. Allied to this, ICT policy and delivery needs to better understand the importance of new technologies and their applications to the development of the industry – particularly with regard to the delivery of tourism products and services.
- Maintaining Government-owned or managed major attractions, planning and provision of tourism infrastructure and the attraction and/or staging of events.
- Commissioning and publishing of relevant research.
- Supporting the provision and maintenance provision of ‘visitor service’ infrastructure on public land including national parks.
- Finally, these actions and responsibilities do not rest with State Government alone. Local Government has a role to play in investing sufficient resources to promote and support Melbourne as the “Gateway to Victoria”, and working with State Government to ensure it receives its fair share of Federal spending on roads under the Auslink program and that that money is used to develop and maintain a quality, safe, and efficient road network.

## POLICY POSITION

- VTIC supports a unified representative voice for the tourism industry at a State level.
- VTIC supports continued open and regular dialogue and consultation with Governments at all levels on key advocacy and related programs impacting on the industry.
- VTIC supports the progression and implementation of long-term strategic directions and performance measures, in order to encourage appropriate private sector investment.
- VTIC supports a doubling in current Government funding levels for industry development in the 2008/09 State Budget.

## AREAS FOR DISCUSSION

- What are the most significant changes required in Government policy and processes needed to further encourage appropriate and timely private sector investment in the tourism industry?
- What, if any, changes are required in terms of the Government’s role in marketing and promotion of tourism across Victoria?
- What does national and international trend analysis tell us about the future direction of tourism consumption?
- What are the major priorities for Government in terms of its role in providing leadership and direction for the industry – now and into the future?
- What are the areas with the most pressing needs in terms of Government resourcing?