

Mid-term update

May 2018



The Tasmanian Visitor Economy Strategy 2015-2020

[www.T21.net.au]





Premier's Message

The world-class visitor experience on offer in Tasmania is no longer a secret. Our unique landscapes, characters and rich history are drawing an unprecedented number of visitors to our state, generating benefits for all Tasmanians.

More than 1.26 million people visited Tasmania last year.

The growth in this sector is the result of industry groups, passionate operators and government, working together to achieve the ambitious goals set in the T21 – Tasmanian Visitor Economy Strategy.

Since the strategy was implemented in 2015 Tasmania's visitor economy has gone from strength to strength, and we are making solid progress towards achieving the targets set for 2020. It's not just about bringing more people here. We want visitors to Tasmania to stay longer, explore further and spend more.

Annual visitor spending in Tasmania since the launch of T21 has grown by over half a billion dollars and tourism now employs 37,200 Tasmanians.

The visitor economy benefits all Tasmanians. It generates employment, stimulates investment and infrastructure development, and enhances trade and education opportunities.

As with previous T21 strategies, conducting a 'half-time' review provided an opportunity to reflect on our achievements and consider any necessary fine-tuning to ensure we reach our goals over the next three years.

It's about acknowledging the unprecedented growth in visitors to the state, and making sure T21 continues to pave a well-considered path to success. This ensures T21 remains an effective, contemporary and relevant visitor economy strategy for Tasmania.

The Hodgman Liberal Government is committed to achieving the objectives of T21 and taking Tasmania's tourism industry to the next level, with targeted sustainable growth that protects the things we cherish most about this great state.

We're spending an extra \$12 million to market Tasmania to the world. This funding will enable Tourism Tasmania

to create bespoke marketing campaigns that target high value travellers in domestic and international markets.

We're making it easier for people to travel to Tasmania by delivering two new, next generation Spirits of Tasmania, in the single biggest infrastructure investment by a Tasmanian Government. We brought forward this \$700 million investment by two years and the new Spirits are expected to be ready for sailings by 2021.

The Hodgman Liberal Government is also:

- working with airlines to introduce new routes to increase air capacity
- establishing a tourist driving journey in every region of Tasmania, to ensure regional Tasmania enjoys a greater share in our billion dollar tourism industry
- providing \$4 million for an Events Attraction fund to actively target and secure mass participation events
- investing \$35 million to improve the visitor experience at Cradle Mountain
- spending \$69.4 million on a Visitor Economy Roads package.

I commend Tasmania's many wonderful tourism and hospitality operators for their commitment to providing world-class experiences to visitors from all over the world. I'm confident that together we will achieve the targets set in the T21 Visitor Economy Strategy.

We will make sure Tasmania's visitor economy grows sustainably and provides economic, social and cultural benefits for all Tasmanians.

The Honourable Will Hodgman MP

Premier

Minister for Tourism, Hospitality & Events

Minister for Parks

Minister for Heritage

Minister for Trade



Industry Message

T21 is the most enduring and successful tourism strategy in any state or territory in Australia.

In the two decades since the original Tourism 21 was signed in 1997, annual visitor numbers to Tasmania have increased 150% and our industry has grown from a largely fragmented and unsophisticated one to arguably Australia's most exciting and contemporary tourism destination with a string of major investment and innovations unmatched anywhere else in Australia.

This has not happened by accident but by successive Tasmanian Governments working in partnership with our industry, recognising that for tourism in Tasmania to truly prosper we need to work together on shared priorities and common goals. This approach has seen governments commit to major visitor infrastructure investment that has reshaped our industry and created the conditions to encourage private investment in new products, experiences and services.

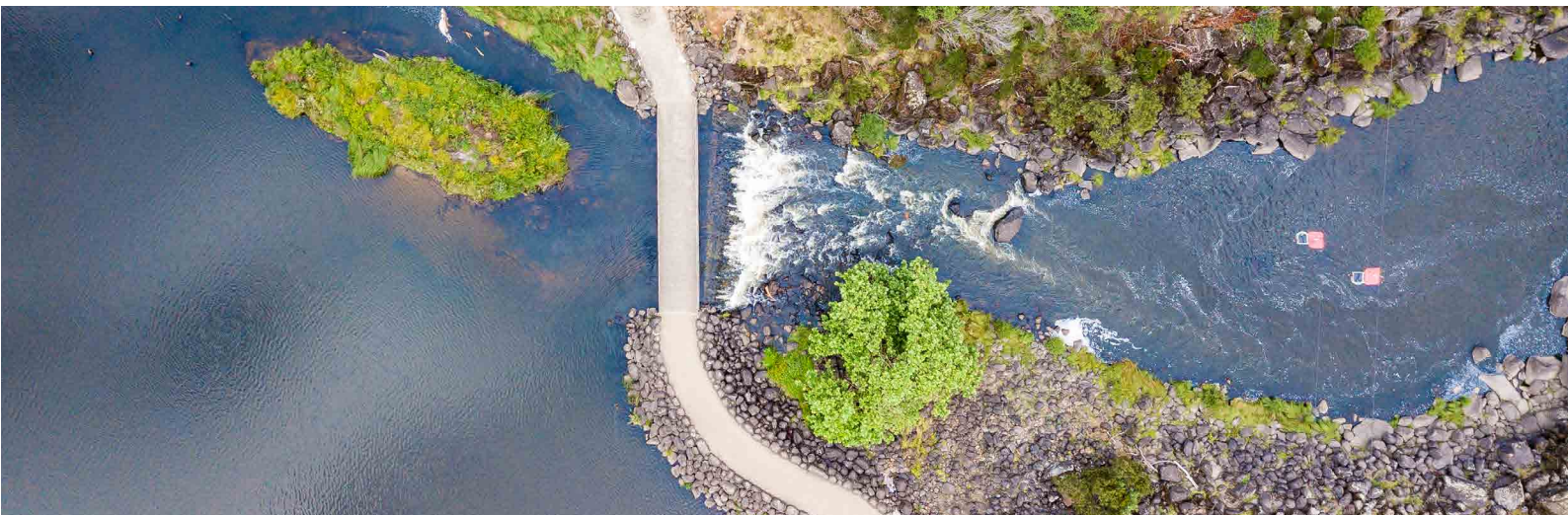
The current T21 – Tasmanian Visitor Economy Strategy 2015 – 2020 has evolved our thinking beyond the traditional tourism and hospitality sectors to look at Tasmania for what it really is – a vibrant and growing visitor economy where visitation touches many sectors of the economy and community. This has prompted different parts of government to think about the role they play in attracting and managing visitation across the state, while engaging other sectors with a stake in the visitor economy.

As a tourism industry we know that as we continue to grow and evolve as a destination more Tasmanians will join and share in our journey. We'll need to look at visitor infrastructure as core economic infrastructure for the state and be willing to invest in national parks and reserves as the key assets that attract and underpin visitation into regional parts of Tasmania. We'll also continue to be brave and back innovators and entrepreneurs with bold ideas for new experiences that enhance Tasmania's brand and qualities, not just draws upon them.

The Tourism Industry Council Tasmania is proud of our T21 agreement with the Tasmanian Government and look forward to paving the way to an exciting future for our tourism industry and visitor economy.

Daniel Leeson

Chair Tourism Industry Council Tasmania



A Mid-term Review

This T21 – Tasmanian Visitor Economy Strategy update focusses on actions by the Tasmanian Government and industry to continue growing the state’s visitor economy over the next three years and achieve the current goals for 2020.

Tasmania’s visitor economy leaders and influencers also acknowledge that now is the appropriate time to start considering where Tasmania is headed beyond 2020 and what shape Tasmania’s visitor economy should take during the next decade and beyond.

In July 2017 a visitor economy roundtable was hosted in Hobart to review and discuss progress with the current T21 strategy, and to begin considering potential future T21 goals beyond 2020.

The roundtable involved around 70 industry leaders from a broad range of sectors connected with the state’s visitor economy. They represented the education and training sectors, primary industries, business, retail and commerce, hospitality and tourism, and local and state government.

Key themes to emerge from the discussions highlighted the importance of looking to **increase yields** from visitors to Tasmania; improving the **dispersal of visitors** to regional communities; the need for **bold innovation** and **new product development**, especially in regional areas; and the need to **build a quality workforce** in Tasmania through **career pathways**, closer engagement between employers and training providers, year-round employment opportunities and **cultural change**.

There was general consensus that Tasmania’s future visitor economy needed to focus on regional dispersal and visitor spending, either through longer visits or higher daily spending, as key growth measures for the future.

Government and industry leaders acknowledge that while state and regional visitor numbers have grown,

and regional share of visitor nights are being sustained, the benefits of Tasmania’s successful visitor economy have not been spread evenly throughout the state or within local communities.

In recent years, there has been significant private investment in new and innovative visitor accommodation, experiences, services and infrastructure in Hobart and Launceston to meet growing visitor demand.

Introducing a stronger emphasis on dispersal and visitor spending would focus government and industry efforts on spreading the benefits to the state’s regional economies beyond 2020.

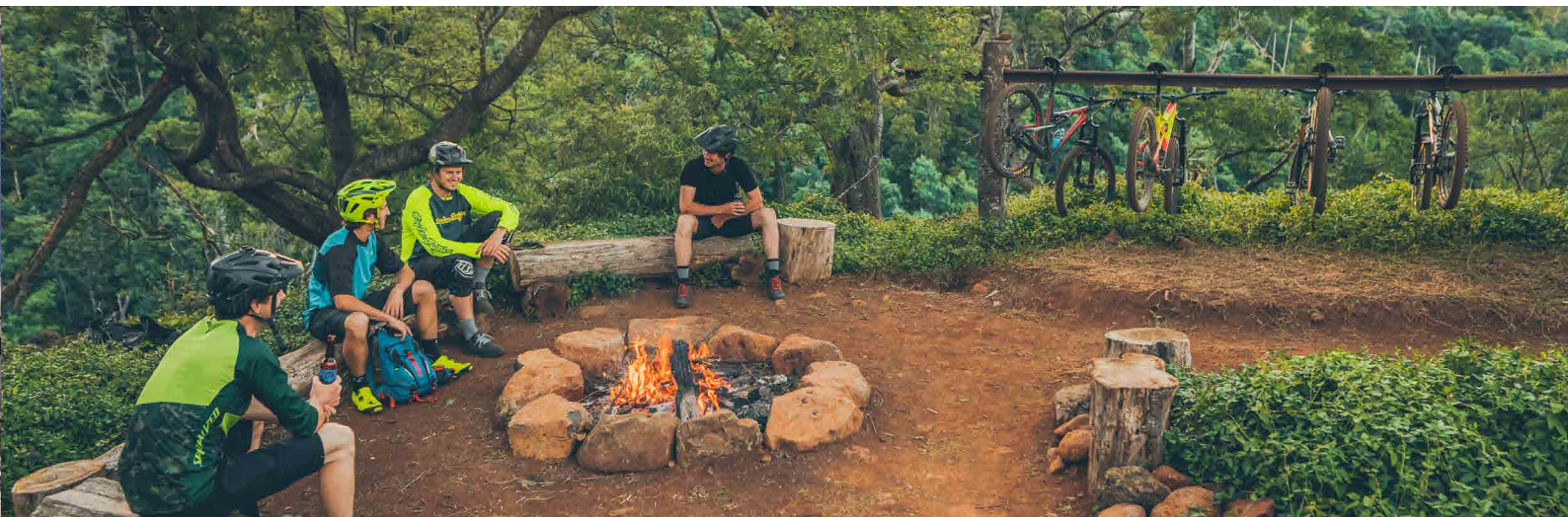
This would include identifying, understanding and targeting visitor markets and types of travellers who are likely to spend more and visit more of Tasmania.

It also includes addressing the challenge of seasonality and seasonal trading, and with that, the challenge of year-round employment, creating tourism and hospitality career pathways, and attracting and retaining skilled workers in regional areas.

It will also require more private and public investment in new innovative and uniquely Tasmanian experiences and events, especially those that appeal to and attract visitors to **regional communities**, and encourage them to spend more and share their experience with others.

And finally, it will require existing businesses to continue to invest in refurbishing and upgrading their products and services, and further investment in visitor infrastructure to better manage future demand and enhance the visitor’s experience.

These are some of the challenges and opportunities that form the basis for our actions over the next three years for both the state government and the industry.



Tasmania's Visitor Economy

There are many reasons why people visit Tasmania – and all contribute to the visitor economy.

People visit Tasmania to spend time with **friends and relatives** living here or to visit interstate and international students **studying in Tasmania**. Almost half of all visitors who come to Tasmania every year come for a **holiday** and many are also drawn here to attend a variety of **sporting and cultural events**.

Travel for business is another important part of the visitor market and **business events** are a lucrative opportunity for the state as they deliver high yielding outcomes and contribute to our knowledge economy.

Regardless of their reason for travelling to Tasmania, visitors spend money throughout the state. Tasmanians also contribute to our visitor economy, spending money in our communities while travelling in the state for leisure or business.

This all benefits the Tasmanian economy and communities in many ways – by stimulating the creation of new businesses and sustaining existing businesses; by creating and sustaining jobs, by encouraging population growth and by supporting cultural endeavours, the arts and creative industries.

Having more airline seats, more Spirit of Tasmania crossings, better tourist roads and highways, new exciting accommodation, better parks and reserves infrastructure, new cafés and restaurants, more retail options and more vibrant local festivals and events, doesn't just benefit visitors.

It makes it easier for Tasmanians to travel, to eat out and be entertained. It also makes it easier for Tasmanians to be able to buy goods and services in their local

community, to start new businesses and to enjoy the wonderful local lifestyle, experiences and events we have throughout the state.

There are many examples of how the visitor economy is reshaping regional communities and driving their resurgence. The mountain bike-led renaissance occurring in the Tasmanian townships of Derby and Maydena is just one example. Through the development of new mountain biking infrastructure, the local community is now investing in accommodation and services to support the growing number of visitors and enthusiasts, keen to test their skills on the world-class tracks.

The introduction of two new world-class golf courses on King Island is another example of how visitor economies are being strengthened through new visitor experiences and services. The new golf courses have not only raised more awareness of King Island, but are changing people's perceptions of the island, attracting a new type of visitor and stimulating the growth of services to support this new market.

The demand for new services and products to meet the needs of visitors in Tasmania has also stimulated a stronger sharing economy throughout the state. The introduction of new planning provisions to support accommodation based sharing options is now giving Tasmanian homeowners the opportunity to participate in the visitor economy and generate additional income from the spare capacity in their homes.

Tasmania's strong visitor growth has also stimulated the construction of more new hotels in Hobart and Launceston, with some to be operated by globally-recognised brands like Marriott, Hyatt and Crowne Plaza.



Not only does the construction of new hotels provide employment for a range of tradespeople and planners during the construction phase, but when opened, they will create jobs for hospitality workers, support services and food and beverage producers.

And Tasmania's reputation for high quality produce is recognised globally. With international research showing food and beverage to be a key factor in people's travel decisions, Tasmania's agricultural sector is well positioned to participate in the visitor economy and diversify their business through farm gate and agri-tourism experiences that successfully combine people, produce and place.

Tasmania's great strength is the authenticity of place and its people – the extraordinary natural environment, capacity to generate outstanding produce, the island's ancient aboriginal culture, its unrivalled colonial and industrial heritage, and the vibrant contemporary arts and cultural sector.

As an island economy many local industry sectors rely upon local, interstate and international visitors for their growth and sustainability. A growing visitor economy with improved access, more services and better infrastructure enhances the desirability and opportunity to visit the state, and provides a range of cultural, social and economic benefits for Tasmanians.

T21 – The Tasmanian Visitor Economy Strategy acknowledges that there are many reasons to visit Tasmania, many reasons to explore its regions and many individuals, businesses and organisations that are involved in attracting visitors, meeting their travel needs and benefitting from their time and spending in Tasmania.





Visitation to Tasmania

In the year ending December 2017, Tasmania attracted 1.26 million visitors. This was 10 per cent more than two years ago and continued the record number of visitors to the state.

Statistics from Tourism Research Australia show that Tasmania outperformed the nation as well as individual states and territories in relation to both interstate and international visitor growth during 2017. Tasmania has performed well on the domestic and international visitor front for a number of years and is expected to achieve the current T21 goals if the state's recent performance is sustained over the next three years.

Tasmania's visitor economy is dominated by Australian travellers. About 83 per cent of all visitors to Tasmania in 2017 came from mainland Australia², with the three source markets of Victoria, New South Wales and Queensland representing the mainstay of the state's visitor economy.

While the dominance of these interstate markets is unlikely to change, the performance of individual state economies, improvements in access and levels of consumer confidence in each source market are likely to influence future visitor growth and market opportunities.

Internationally, Tasmania's visitor growth continues to outperform the rest of Australia. While international visitors currently make up around 22 per cent of all visitors to Tasmania, the potential for even stronger growth in international visitor arrivals exists. Increasing the proportion of international visitors in Tasmania's overall visitor portfolio will help 'future proof' the local visitor economy, reducing the state's current reliance on the domestic travel market and the economic conditions that influence it.

People visit Tasmania for many reasons. This includes coming to Tasmania for a holiday, to visit friends and relatives who live here (VFR), for business or employment purposes, to study, or for a specific business, cultural or sporting event.

The challenge is for all elements of Tasmania's visitor mix – holiday, business, VFR, event and education travel sectors – to continue growing to support the achievement of these goals, and for the state to continue enhancing its capacity to welcome the extra visitors and provide them with exceptional experiences.

The greatest benefits are delivered when all elements of our visitor economy align to the Tasmanian brand.

² *Tasmanian Visitor Survey 2017, Tourism Tasmania*



Our Priorities

Delivery of the T21 vision and goals over the next few years to the end of 2020 will require a coordinated and collaborative approach across government and industry.

To guide the growth and development of Tasmania's visitor economy, T21 will continue to focus on four strategic priorities below.

- **Building capability, capacity and community**
- **Investing in quality visitor infrastructure**
- **Growing Tasmania's air and sea access capacity**
- **Generating more demand for travel to Tasmania**

All these priorities are complementary and need to be balanced as Tasmania grows. This ensures that the growth in demand and visitor numbers is matched with the supply of adequate air and sea access, new visitor experiences, accommodation, visitor services and infrastructure, as well as a suitably skilled workforce and supportive community.

PRIORITY: Building capability, capacity and community

Tasmania has a welcoming culture. The friendliness and helpfulness of Tasmanians is a regular and frequent response from visitors about their Tasmanian travel experience.

Around 91 per cent of visitors to Tasmania say they are either very satisfied or satisfied with the level of customer service during their visit³, and around 58 per cent of Tasmanian visitors surveyed between June and September 2017 said they recommended Tasmania to others upon their return home⁴. Tasmania is ranked as one of the most recommended Australian states or territories by past visitors.

These statistics represent a very solid platform for the future growth of Tasmania's visitor economy and for dispersal, given the growing influence of word-of-mouth on preferred destinations to visit.

However there is still a need to build the state's reputation through the ongoing commitment to quality assurance, enhancing the customer experience through a high quality workforce, and ensuring our communities are engaged with their local visitor economy.

There is also a need to continue championing entrepreneurialism, fostering innovation and encouraging a culture of excellence and quality across the Tasmanian visitor economy.

This will also require the perceived status of a career in tourism and hospitality to be elevated beyond that of a part-time, temporary or transitional job.

Achievements and projects underway to build capability, capacity and community in Tasmania

Since the launch of T21 – the Tasmanian Visitor Economy Strategy in 2015, the government and industry have:

- ✔ Completed a tourism and hospitality workforce audit to align workforce development programs with the needs of the tourism and hospitality industry
- ✔ Released the Tasmanian Tourism and Hospitality Workforce Development Plan – Servicing Our Growth and established an industry-led workforce taskforce
- ✔ Supported and enabled the state's regional tourism organisations, Business Events Tasmania, the Tourism Industry Council Tasmania, the Tasmanian Hospitality Association and Brand Tasmania to deliver programs that support the growth of Tasmania's visitor economy
- ✔ Released the Tasmanian Visitor Engagement Strategy, which aims to enrich the experience of visitors by providing personal opportunities to connect with the local and authentic nature of Tasmania and its communities through its gateways, visitor information

³Tasmanian Visitor Survey 2017, Tourism Tasmania

⁴Tourism Info Monitor, September 2017 Quarter, Tourism Tasmania



- centres, drive journeys, personal interactions, digital channels, collateral and signage
- ☑ Provided funding to stage sporting and cultural events throughout Tasmania, and supported event management scholarships to train Tasmanian event organisers and develop their skills
- ☑ Introduced the Great Customer Experience Program to encourage hospitality and tourism businesses and employees to develop a high quality customer experience culture
- ☑ Committed \$3.2 million to develop Drysdale TasTAFE into a centre of excellence, and established an industry representative sub-committee to oversee its operations
- ☑ Introduced a Quality Tourism Program and initiated the development of a cycle tourism accreditation framework
- ☑ Launched a young Hospitality Ambassadors Group to promote hospitality as a career in schools
- ☑ Led the delivery of quality assurance and customer experience programs for tourism and hospitality in Tasmania, including support for around 1,000 Tasmanian businesses to participate in the Australian Tourism Accreditation program
- ☑ Introduced the 'Tourism. It's a Team Effort' social media campaign to build pride and promote the diverse careers and employment opportunities that are directly and indirectly supported by visitors
- ☑ Released the Tasmanian Global Education Growth Strategy and promoted Tasmanian educational opportunities in South Korea as well as hosting welcome events attended by 1,700 international students in Tasmania's north and south
- ☑ Introduced a tourism industry job match program with the University of Tasmania to place Mandarin speaking international students with 15 tourism operators across Tasmania
- ☑ Provided funding to TasTAFE for training positions to support adventure tourism businesses
- ☑ Conducted a number of industry and individual recognition programs including the annual Tasmanian Tourism Awards, the annual Tasmanian Hospitality Awards for Excellence, and regional tourism organisation programs
- ☑ Delivered an annual Tasmanian Tourism Conference to improve knowledge, understanding and skills of Tasmania's tourism operators
- ☑ Completed Destination Action Plans (DAPs) for 32 communities or locations throughout Tasmania, including the formation of local leadership groups to implement the DAPs and the introduction of a DAP-Visitor Engagement Fund to support the implementation of DAP priorities
- ☑ Released a Cultural and Creative Industries Strategy
- ☑ Released for public consultation a draft Agri-Tourism Strategy and Hospitality and Heritage Tourism discussion paper
- ☑ Introduced a Fujian-Tasmania Tourism Exchange, including an exchange visit between a Fujian and a Tasmanian tourism professional
- ☑ Commenced the implementation of the Tasmanian Hospitality Association's Workforce Plan
- ☑ Partnered with Tourism Research Australia to commission Access Economics to produce Regional Tourism Satellite Accounts for Tasmania's regions
- ☑ Contributed to the development of a tourist-tracking project in conjunction with the University of Tasmania
- ☑ Commenced an east coast tourism industry staff accommodation survey to understand seasonal employment needs in Bicheno, Coles Bay and Swansea



Actions for the next three years to build capability, capacity and community in Tasmania

Together, the government and industry will:

- Establish a statutory authority to manage and promote a whole of state master-brand for Tasmania
- Implement the Tasmanian Visitor Engagement Strategy
- Lead the delivery of quality assurance and customer experience programs across the visitor economy and increase participation in the Australian Tourism Accreditation Program (ATAP)
- Support and enable Tasmania's regional tourism organisations, Business Events Tasmania, the Tourism Industry Council Tasmania, the Tasmanian Hospitality Association and Brand Tasmania to deliver programs that support the growth of Tasmania's visitor economy
- Implement the recommendations of the Servicing Our Growth Tasmanian Tourism and Hospitality Workforce Development Plan
- Encourage tourism and hospitality operators and local tourism associations to be ambassadors for their industry and the visitor economy
- Support the implementation of local Destination Action Plan priorities throughout Tasmania
- Strengthen partnerships with education providers on outcome-focused tourism and hospitality industry training programs
- Continue to implement the Tasmanian Global Education Growth Strategy to support education providers and industry to embrace international students as active members of our community and long-term advocates for Tasmania
- Highlight the contribution and importance of the visitor economy throughout Tasmania's communities, and develop strategies for improving career perceptions and promoting tourism and hospitality job pathways
- Continue to build understanding of the key responsibilities of state and local government, organisations and

associations within the visitor economy

- Support Tasmanian businesses to deliver quality services for visitors through capability and capacity building programs
- Deliver the Digital Ready for Business program in Tasmania's regions, with a focus on the visitor economy
- Work with the University of Tasmania and the education and training sector to develop an approach to increasing international education in Tasmania
- Conduct an annual tourism research roundtable to ensure the government and industry's ongoing visitor research requirements are maximised
- Attract and train the next generation of tourism, hospitality and events workers
- Implement visitor satisfaction and quality assurance strategies for Tasmania's parks and reserves
- Continue to deliver industry and individual awards and recognition programs and continue to improve the knowledge, understanding and skills of Tasmania's tourism operators through an annual Tasmanian Tourism Conference and regional forums
- Deliver in Launceston the *You're Welcome* program to reduce barriers to hospitality employment for new migrants and a pre-employment program for 50 positions in a new hospitality venture
- Develop a suite of videos and materials to teach culinary skills, promote hospitality careers and showcase the Tasmanian hospitality industry
- Invest an additional \$7 million over four years to boost the number of frontline staff in the Parks and Wildlife Service with up to 15 additional workers

Supporting information

- Tasmanian Hospitality Association Strategic Plan, Hospitality Twenty20...and beyond
- Tasmanian Government Events Strategy 2015-2020
- TICT Directions 2018-21
- Regional Destination Management Plans and Action Plans



- Parks 21 Agreement
- Tasmanian Visitor Engagement Strategy
- Department of State Growth Corporate Plan
- Tasmanian Global Education Growth Strategy

PRIORITY: Investing in quality visitor infrastructure

Investment in private and public infrastructure is essential for a growing visitor economy. To achieve 1.5 million visitors a year by 2020 requires the ongoing development of exciting new visitor experiences to drive interest in Tasmania, stimulate visitor demand, encourage travel within the state and exceed visitor expectations.

It also requires an ongoing investment in appropriate public infrastructure to manage visitor demand and enhance the visitor's experience.

While Hobart and Launceston are expected to grow significantly as visitor destinations through greater accommodation capacity and more business travel and events, ensuring visitors move beyond these cities and travel to Tasmania's regional areas is a vital element of T21 over the next three years and beyond.

Creating an environment for private investment attraction, facilitation and implementation in regional Tasmania, which includes the right environment for sustainable development in natural areas, is a key priority. Strategic investment in public infrastructure that enhances the visitor experience and encourages travel to and within regional areas is also critical.

Tasmania must provide better touring facilities and amenities, access to its stunning natural areas, and more rooms to accommodate the extra visitors needed to reach the T21 vision. Tasmania also needs more and better facilities, engaging airports and ports, better and safer tourism roads and world-class facilities for access to its parks and World Heritage Areas.

Tourism operators must also continue to invest in their businesses so they can offer visitors relevant, contemporary and quality visitor services and experiences throughout the state.

Private investment in new and existing visitor services, experiences and infrastructure, will be crucial to Tasmania's ongoing economic performance and the jobs that flow from a strong and healthy visitor economy. This includes creating the right environment and confidence for businesses to invest in new services, experiences and visitor infrastructure, as well as employing more Tasmanians.

Tasmania has already seen the effect of new innovative visitor products, experiences and infrastructure over recent years. The challenge is to foster a bold, brave and innovative culture, and continue the momentum created by unique experiences like Mona, Saffire, Pumphouse Point, Blue Derby and Maydena Mountain Bike Trails, the Three Capes Track and MACq01, so that Tasmania can support the next generation of world leading visitor experiences and infrastructure.

Achievements and projects underway to develop quality visitor infrastructure and experiences throughout Tasmania

Since the launch of T21 – the Tasmanian Visitor Economy Strategy in 2015, the government and industry have:

- ☑ Attracted over \$1.5 billion of tourism investment for accommodation; arts, recreation and business; and aviation infrastructure in 2016-17, and a further \$1.1 billion in mixed-use developments that include tourism accommodation
- ☑ Launched the world-class Three Capes Track coastal walking experience and completed the Cape Raoul stage



- ✔ Prioritised infrastructure needs in the state's natural areas and invested \$8 million under the Parks and Wildlife Service's Tourism Infrastructure Program to construct new tourism infrastructure at key locations
- ✔ Introduced the Tourism Accommodation Refurbishment Scheme (TARLS) to support existing accommodation providers to bring forward the upgrading and refurbishing of their rooms, and have approved over \$5.2 million of loans to eligible Tasmanian businesses through the scheme
- ✔ Completed a Northern Tasmania Infrastructure Audit
- ✔ Completed accommodation demand studies for Tasmania's east coast, north-west, King Island, Launceston and Hobart, and commenced accommodation demand studies for the Huon Valley and Flinders Island
- ✔ Successfully implemented an Expression of Interest process for world-leading, sensitive tourism development and activity in Tasmania's Wilderness World Heritage Area, national parks, reserves and crown land
- ✔ Reviewed the Ten-Year State Roads Strategy and commenced road shoulder widening on popular cycling routes
- ✔ Introduced and developed the Great Eastern Drive touring experience along the state's east coast
- ✔ Administered around 200 commercial leases and licenses in Tasmania's national parks and reserves
- ✔ Administered around \$10.5 million in government funds to support the upgrade and development of new tourism experiences and visitor infrastructure under the following grants programs:
 - Regional Revival Fund
 - Tourism Demand-Driver Infrastructure Program
 - Regional Tourism Infrastructure and Innovation Fund, and
 - Tasmanian Jobs and Investment Fund
- ✔ Implemented a statewide tourism Wi-Fi Hotspots project, providing over 547,000 users with internet access at 164 access points across 68 locations on the government's free Wi-Fi network
- ✔ Introduced a regulatory framework for Airbnb in Tasmania and passed legislation to facilitate the operation of ride-sharing services, including Uber services
- ✔ Completed a statewide tourism signage audit
- ✔ Released a draft Cradle Mountain Master Plan to provide a high quality visitor experience while sustainably managing increased visitors numbers to Cradle Mountain
- ✔ Opened the new Ibis Styles Hobart hotel and the MACq 01 storytelling hotel, increasing Hobart's accommodation stock by 410 rooms
- ✔ Invested in the development of other hotels and visitor accommodation to complement the above, including but not limited to the Silos and Gorge hotels in Launceston and the Marriott, Crowne Plaza and Hyatt Centric hotels in Hobart
- ✔ Announced the development of a new Western Journey and established a government, industry and regional tourism working group to deliver the first stage of a Tasmanian Journeys Program
- ✔ Supported the Tasmanian Aboriginal community to establish the guided multi-day wukalina cultural walk
- ✔ Launched a Tasmanian Cycle Tourism Strategy and a \$4.2 million cycle tourism fund
- ✔ Completed a pre-feasibility report on conference infrastructure in Hobart and a convention centre financial feasibility study for Hobart



Actions to undertake or continue over the next three years to develop quality visitor infrastructure and experiences throughout Tasmania

Together, the government and industry will:

- Implement the Cradle Mountain National Park and Freycinet National Park masterplans
- Complete a new visitor gateway at Cradle Mountain – Lake St Clair National Park and a new visitor shelter at Dove Lake
- Identify and advocate for priority state-wide visitor infrastructure, asset maintenance and new investment opportunities especially in regional Tasmania
- Maintain the Unsolicited Proposal Framework for new, innovative and unique ideas and investment by the private sector
- Continue to invest in priority tourism infrastructure and products, including public infrastructure and transport systems that enhance visitor experiences
- Invest a further \$8 million in priority infrastructure throughout Tasmania’s national parks, reserves and waterways, and adopt a demand-driven approach to investment in visitor infrastructure
- Operate six free Wi-Fi hotspots along the Great Eastern Drive as part of the Tasmanian Government’s free Wi-Fi network, and deliver 95 per cent mobile phone coverage from Buckland to Binalong Bay
- Implement the Australian Government’s pilot Regional Tourism Infrastructure Investment Attraction (RTIIA) strategy for Tasmania’s east coast
- Develop the \$45 million Kangaroo Bay luxury hotel and hospitality training school
- Continue to support new tourism investment in Tasmania’s national parks and reserves, under the Expressions of Interest process
- Continue to administer the statewide Tourism Accommodation Refurbishment Scheme to support existing accommodation providers to bring forward the upgrading and refurbishing of their rooms
- Continue to invest in the Maria Island Re-discovered project to create a sustainable new visitor destination on the East Coast
- Embrace the sharing economy and new technology platforms to improve access to services for the visitor
- Remain committed to strong quality assurance and the highest level of voluntary industry accreditation in the Australian tourism industry
- Encourage the state and local government to collaborate and participate in regional economic development planning, including the prioritising of tourism infrastructure and product development projects in consultation with regional tourism organisations
- Deliver the Tasmanian Journeys Program, including the Western Journey project, to engage the touring market and maximise visitor length of stay and dispersal
- Encourage and support the development of new visitor experiences and innovative visitor infrastructure that complements Tasmania’s strengths and enhances the Tasmanian brand
- Create a T21 government and industry infrastructure sub-committee to enhance collaboration across government agencies and the private sector on regional infrastructure plans, resources and projects
- Continue to identify priorities for the growth and management of nature-based and eco-tourism within Tasmania’s national parks and reserves
- Invest \$72 million to improve Tasmania’s iconic tourism roads to ensure they meet the needs of visitors and locals



- Invest over \$1 million in west coast tourism icons over the next four years
- Develop a unique night-time light-show in the natural amphitheatre of the Cataract Gorge
- Implement a new \$10 million Heritage Renewal Loans Scheme to help reuse or refurbish heritage-listed properties to support new business ventures
- Establish an annual Tourism and Heritage Rail weekend with access to the operational network for accredited Tasmanian railway organisations, and enable more access to non-operational rail for tourism operators and heritage rail operators

Supporting information

- Tasmanian Government Unsolicited Proposal Framework 2015
- Parks 21 Agreement
- Tasmanian Government Access 2020 Strategy
- Department of State Growth Corporate Plan

PRIORITY: Grow air and sea access capacity

Access is a critical element of the Tasmanian visitor economy. Tasmania's recent growth in visitor numbers has been supported by increased air capacity and more visitors travelling to Tasmania on the Spirits of Tasmania service.

As an island, the supply of adequate air and sea services connecting Tasmania to the Australian mainland and the world is crucial for the growth and development of its economy and achieving the vision of 1.5 million visitors a year.

At the same time, in-state transport solutions and infrastructure are important for a growing visitor economy and enhancing the visitor experience.

Achieving the T21 visitor goal of 1.5 million will require around 400,000 additional airline seats to and from Tasmania by 2020, or an average of 140,000 extra airline seats every year to 2020. Since the launch of the new T21 Visitor Economy Strategy in 2015, this growth target has been delivered through increased capacity on existing routes and the introduction of new direct routes.

Sea access to Tasmania has also improved with increased sailings between Melbourne and Devonport on the refurbished Spirits of Tasmania. This has seen visitor numbers to Tasmania on these ships grow by around 15 per cent over the past two years. Sea visitors stay longer, spend more and explore more areas than air visitors, making a significant contribution to the state's regional visitor economies.

Cruise ships may also provide benefits for Tasmania through increased shore excursions, overnight stays, fly-cruise connections and seasonally-based port and ship provisioning solutions.

Achievements and projects underway to increase air and sea access to Tasmania

Since the launch of T21 – the Tasmanian Visitor Economy Strategy in 2015, the government and industry have:

- ✓ Launched Tasmania's Access 2020 Strategy, a plan that focusses on ensuring air and sea service to and from Tasmania meet future demand and creating a whole of government and industry approach to aviation and access development as a state-wide economic development priority
- ✓ Developed a cross-agency and industry Access Working Group to oversee the implementation of Access 2020
- ✓ Invested in improving air and sea access to Tasmanian island destinations



- ☑ Increased the number of airline seats on major flight routes in and out of Tasmania by around 412,500 seats since June 2015
- ☑ Completed airport upgrades including a \$6.55 million redevelopment of Launceston Airport, the \$40 million runway extension and \$26 million terminal and car parking upgrades at Hobart Airport, and \$5 million runway overlay project at Devonport Airport
- ☑ Introduced and supported new direct airline routes between Tasmania, Avalon Airport, Adelaide and the Gold Coast, including hosting a major trade event in Adelaide
- ☑ Supported the introduction of Qantas – China Eastern and Qantas – American Airlines codeshare agreements to make it easier for international travellers to book flights to Tasmania from China and the USA on a single ticket
- ☑ Completed the \$31.5 million refurbishment of the Spirits of Tasmania, increased the total number of sailings each year between Devonport and Melbourne, and worked with TT-Line to implement their growth plans for the Spirits of Tasmania
- ☑ Invested in new research to better understand Tasmania's cruise ship market, and conducted a review with consultations on eight Tasmanian cruise destinations
- ☑ Invested in marketing and infrastructure to encourage growth in cruise ship arrivals, including a \$1.5 million mooring dolphin at Burnie and port upgrades at Macquarie 2 and 3 wharfs in Hobart to accommodate larger cruise ships
- ☑ Increased fresh freight capacity to and from Tasmania with expanded capacity provided by Virgin Australia Cargo



Actions to undertake or continue over the next three years to increase air and sea access to Tasmania

Together, the government and industry will:

- Implement the Access 2020 Strategy, including an additional 140,000 airline seats on average each year to and from Tasmania
- Pursue a direct international air service to Hobart
- Introduce and maintain effective air freight solutions for time sensitive premium Tasmanian products and support investment in additional air services to Tasmania, including Hobart Airport's development of a \$14 million new freight precinct
- Continue to advocate within the Tasmanian community to promote the critical role access plays in the economic and social wellbeing of the state
- Complete a cruise ship review of Tasmanian ports
- Support initiatives to provide greater access capacity to Tasmania through infrastructure investment, marketing and partnership activities with carriers
- Continue to support the cross-agency and industry Access Working Group to oversee implementation of Access 2020



- Work with TT-Line to implement their growth plans for the Spirits of Tasmania
- Invest in marketing activities and infrastructure to encourage the sustainable growth in cruise ship arrivals and expedition cruising in Tasmania
- Develop in-state transport solutions and infrastructure for a growing visitor economy and enhance the visitor experience

Supporting information

- Tasmanian Government Access 2020 Strategy
- Tourism Tasmania Corporate Plan 2017-2020
- Department of State Growth Corporate Plan

PRIORITY: Generating more demand for travel to Tasmania

This priority is fundamentally about marketing Tasmania effectively to create a growing appeal for the state, a desire or reason to visit, and the means for people to purchase their trip and travel here. This means generating more demand for leisure and other travel to Tasmania.

Tasmania is already recognised as a highly desirable and outstanding destination. Consumer research consistently shows that the state is one of the most appealing domestic holiday destinations among Australian travellers and around 30 per cent say they are considering a holiday in Tasmania in the next three years.

Tasmania is also currently recording the highest rate of international visitor growth in the nation. With a growth rate of around 18 per cent for the year ending December 2017, the rate of growth in international visitors to Tasmania is higher than every other Australian state and territory, and higher than the national average.

The outlook for further international growth is also very positive with research showing that around 8 per cent of international visitors intending to holiday in Australia in the next two years are actively planning to visit Tasmania as part of their holiday. This puts Tasmania on par with destinations like Kakadu and the Great Ocean Road, and ahead of well-known areas like the Barossa, Kimberley, Uluru and Margaret River regions.

To achieve the T21 goals, Tasmania needs to not only attract more interstate and international visitors, but also attract more high value visitors who can contribute to the growth of the state's economy through their spending.

Over the past few years, all tourism regions in Tasmania have experienced visitor growth. However the benefits of Tasmania's growing visitor economy have not necessarily been shared evenly across our regional communities and businesses. The T21 mid-term update introduces a greater emphasis on regional dispersal to ensure the benefits of a growing visitor economy are spread more widely throughout Tasmania.

The state's spectacular natural environment and heritage presents an ideal opportunity to stimulate regional dispersal through the promotion of world-class activities that focus on our product strengths, many of which are experienced throughout regional Tasmania. This includes activities like golf, cycling, mountain biking, history and world heritage experiences, fishing and walking holidays as well as drive tourism.

With word-of-mouth and third party endorsement exploding through social media and digital communication, every Tasmanian can also be an advocate for our state. Harnessing the passion of Tasmanians plays an important role in creating great visitor experiences and stimulating more demand for travel here.



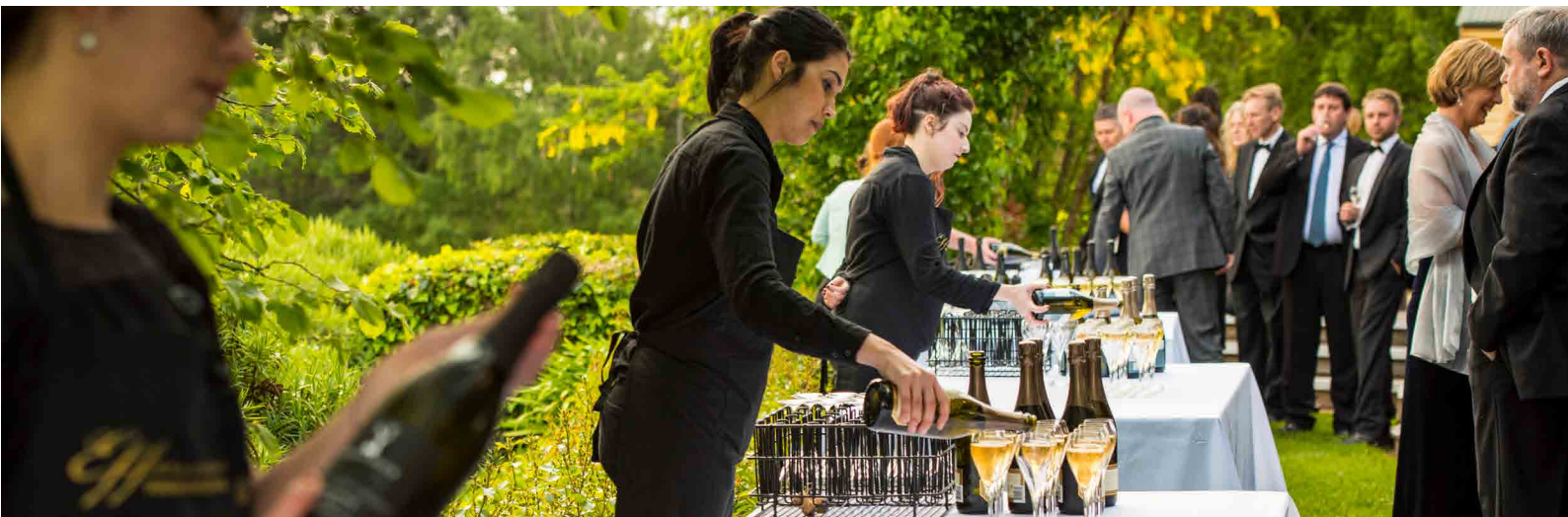
Achievements and projects underway to generate more demand for travel to Tasmania

Since the launch of T21 – the Tasmanian Visitor Economy Strategy in 2015, the government and industry have:

- ✔ Invested over \$40 million through Tourism Tasmania to implement an annual domestic and international tourism marketing strategy for Tasmania
- ✔ Invested in the Tasmanian Visitor Survey, the Tourism Info Monitor and other market research programs to guide and evaluate Tourism Tasmania’s marketing strategy
- ✔ Delivered the Asia Engagement Strategy and launched Tourism Tasmania’s new approach to international markets, including the recruitment of in-market tourism representatives for selected markets
- ✔ Supported domestic and international media, travel trade and influencers to visit Tasmania, participate in local experiences and promote the state through their channels
- ✔ Implemented the Tasmanian Events Strategy, including the support of major events and the development of events that attract and disperse visitors to regional communities in Tasmania
- ✔ Introduced a summer advocacy program to encourage visitors and Tasmanians to share their Tasmanian travel experiences through social media
- ✔ Implemented a global approach to social media
- ✔ Invested in strategic marketing partnerships with domestic and international travel partners, including travel agents, wholesalers, airlines and sea carriers



- ✔ Worked with Tourism Australia to promote Tasmania’s strengths under their global Aquatic and Coastal campaign, and continued to participate in Tourism Australia’s ongoing global Restaurant Australia campaign
- ✔ Promoted Tasmania through sales missions with Tasmanian tourism operators in China, Hong Kong, Singapore, Malaysia and India, and participated in travel trade shows in Europe, Asia and North America
- ✔ Conducted international student recruitment missions and hosted education agents in Tasmania to promote Tasmania’s vocational education training and higher education facilities



Actions to undertake or continue over the next three years to generate demand for travel to Tasmania

Together, the government and industry will:

- Evolve a Tourism Tasmania Marketing Strategy for 2018-2020
- Encourage a consistent, singular destination voice to interstate and international markets
- Review and continue to implement a program of market research, consumer insights and business intelligence to inform and guide Tourism Tasmania's and partner marketing programs
- Undertake digital transformation of marketing assets to better target and communicate with audiences.
- Complete the review and implementation of the Tasmanian Visitor Survey to enhance understanding of visitors to Tasmania
- Connect people culturally and emotionally to Tasmania through domestic and international marketing programs that reflect Tasmania's tourism brand
- Finalise Tasmania's Tourism Brand 2.0 Project to review and update Tasmania's tourism brand and introduce a global tourism brand platform for Tasmania
- Invest in strategic marketing partnerships with domestic and international travel partners (travel agents, wholesalers, air and sea carriers)
- Collaborate with Tourism Australia to promote Tasmania's experience strengths as a premium Australian travel destination
- Implement the Tasmanian Events Strategy to attract visitors and showcase Tasmania's appeal as a destination
- Develop and support events and activities that underpin the Tasmanian brand and provide rich content for marketing activities
- Support the state's regional tourism organisations to promote the distinct characteristics, products and experiences of each region within the Tasmania offering
- Support the ongoing development of new and innovative visitor infrastructure and experiences in Tasmania to stimulate visitor demand
- Support and foster the Tasmanian tourism brand and a coordinated strategic approach to destination marketing at an industry, local and regional level
- Invest an additional \$12 million over four years enabling Tourism Tasmania to target new high-yield markets, promote unique Tasmanian experiences and secure additional new flights to Tasmania
- Establish a new \$4 million Events Attraction Fund to actively target and secure over the next four years mass participation events for best return on investment
- Invest \$1.4 million over three years to develop and market another three drive journeys, augmenting the Western Journeys project and Great Eastern Drive to create five unique drive experiences across Tasmania's regions
- Promote both Tasmania's world-class trout fishery and saltwater fishing to attract recreational fishing visitors
- Invest up to \$20 million to develop and construct Tasmania's next iconic multi-day bush walk

Supporting information

- Tourism Tasmania Corporate Plan 2017-2020
- Tasmanian Government Events Strategy 2015-2020
- Parks 21 Agreement
- Tourism Australia's Tourism 2020 Strategy



Measuring Progress to 2020

In building its visitor economy, Tasmania looks beyond visitor numbers alone to determine the contribution visitors are making to the Tasmanian community.

T21 – The Tasmanian Visitor Economy Strategy measures five key indicators of growth in the Tasmanian visitor economy and progress towards achieving annual visitor numbers to Tasmania of 1.5 million by 2020.

These are:

Volume – the number of visitors coming to Tasmania

Expenditure – how much visitors are spending in Tasmania

Employment – direct and indirect jobs created in Tasmania by visitors

Dispersal – the proportion of visitor nights spent in Tasmania’s regional communities

Satisfaction – the quality of our visitors’ Tasmanian experience

The mid-term review of progress with Tasmania’s visitor economy, which also considered the state’s regional capacity and the current travel environment, has determined that the existing T21 goals for 2020 remained ambitious yet achievable. The State Government and industry determined that the existing goals will be retained. A new T21 with goals for Tasmania’s visitor economy beyond 2020 will be jointly investigated, considered and established during 2019.

VOLUME Measuring how we are tracking towards our target of annual visitor numbers to Tasmania of 1.5 million by the year ending December 2020. Visitor growth generates additional visitor spending, job creation and regional dispersal.
2020 GOAL: 1,500,000 visitors for YE 2020
PROGRESS: 1,260,000 visitors at YE December 2017*

*Data Source: Tasmanian Visitor Survey, year ending December 2017, Tourism Tasmania



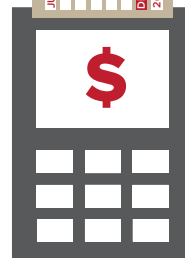
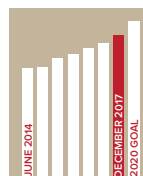
1.26 MILLION VISITORS WELCOMED TO TASMANIA in year ending DECEMBER 2017*



EXPENDITURE How much our visitors are spending across the Tasmanian economy is a measure of the export value of the Tasmanian visitor economy. Increased visitor spending generates capital investment, employment growth and helps sustain a diverse range of small businesses throughout the state.
2020 GOAL: \$2.47 billion in 2020
PROGRESS: \$2.33 billion at YE December 2017*

**2020 employment goal based on known variables as at 2014-15

***Data source: State Tourism Satellite Accounts 2015-16, Tourism Research Australia



RECORD \$2.3 BILLION visitor spending 2016-17



EMPLOYMENT How many direct and indirect jobs within the Tasmanian visitor economy measures growth in the tourism industry, capital investment, and its flow through the broader Tasmanian economy.
2020 GOAL: 20,000 direct + 24,500 indirect in 2020-21**
PROGRESS: 18,900 direct + 19,000 indirect in 2015-16***

**2020 employment goal based on known variables as at 2014-15
 ***Data source: State Tourism Satellite Accounts 2016-17. Tourism Research Australia

MORE TASMANIANS PER CAPITA EMPLOYED IN TOURISM THAN ANY OTHER STATE OR TERRITORY**



DISPERSAL Measuring the share of all visitor nights spent outside Hobart City is a practical measure of whether regional Tasmania is sharing in the visitor growth.
2020 GOAL: Maintain 66 per cent of visitor nights in Tasmania being spent outside Hobart City
PROGRESS: 67 per cent of visitor nights in Tasmania were spent outside Hobart City in the YE December 2017*

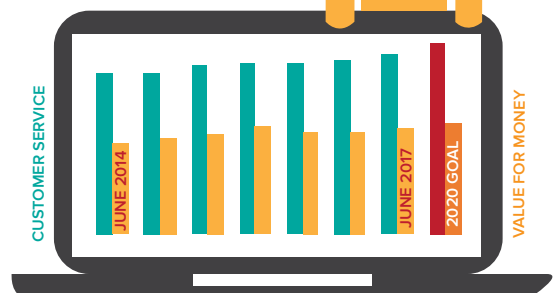
*Data Source: Tasmanian Visitor Survey, year ending December 2017, Tourism Tasmania



SATISFACTION Measuring visitors' level of satisfaction with their Tasmanian trip is a useful indicator of the extent to which the destination and the workforce have exceeded expectations. This is likely to result in more word of mouth endorsement and repeat visits.
2020 GOAL: 60 per cent satisfied with customer service and 35 per cent satisfied with value for money
PROGRESS: 57 per cent of visitors were very satisfied with customer service in 2014, and 34 per cent were very satisfied with value for money, YE June 2017

*Data Source: Tasmanian Visitor Survey, year ending December 2017, Tourism Tasmania

57% VERY SATISFIED customer service*





T21 – Governance

Premier’s Visitor Economy Advisory Council

The Premier’s Visitor Economy Advisory Council monitors overall progress on the actions and agrees on new, strategic actions required to achieve the Government and industry’s shared T21 goals. The council also engages with stakeholders in the visitor economy to identify new opportunities for growth.

The Premier of Tasmania chairs the council.

Membership of the council includes:

- Minister for State Growth (Deputy Chair)
- Chair, Tourism Tasmania
- Chair, Tourism Industry Council Tasmania
- President, Tasmanian Hospitality Association
- CEO, Tourism Tasmania
- Secretary, Department of State Growth
- Secretary, Department of Primary Industries, Parks, Water and Environment.

The council meets quarterly and issues public reports on progress against the T21 priorities every six months. One report is presented to the annual Tasmanian Tourism Conference in May of each year and provides the previous calendar year’s results, while the second report is released in December each year and provides the previous financial year’s results.

T21 Steering Committee

The T21 Steering Committee oversees and coordinates the delivery and reporting against the T21 actions by the relevant organisations. The committee meets quarterly and reports on progress to the Premier’s Visitor Economy Advisory Council.

The CEO of Tourism Tasmania chairs the T21 Steering Committee.

Membership of the committee includes:

- Secretary, Department of State Growth
- Secretary, Department of Primary Industries, Parks, Water and Environment
- CEO, Tourism Industry Council Tasmania
- General Manager, Tasmanian Hospitality Association
- Chief Operating Officer, Tourism Tasmania
- Deputy Secretary, Parks & Wildlife Service
- Deputy Secretary, Cultural and Tourism Development, Department of State Growth.



[www.T21.net.au]

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