

Progress Report 6

December 2018



The Tasmanian Visitor Economy Strategy 2015-2020

[www.T21.net.au]





Premier's Message

Tasmania is the kind of place that invites visitors to disconnect from the hustle and bustle, and reconnect with the things that really matter.

Our world class tourism businesses offer a broad range of experiences from nature and wilderness, arts and cultural heritage, food and beverages, and unique events. Proudly, around two thirds of tourists are repeat visitors.

The visitor economy is one of our success stories with tourism contributing around \$3.03 billion to gross state product and supporting around 38,000 jobs across Tasmania. Since 2014 visitor spending has increased more than 42 per cent to \$2.4 billion.

Encouraging visitors to spend more and travel further around the state is a key focus. Concentrating on yield and dispersal strategies will encourage visitors to spend more time in regional areas and ensure even more Tasmanians benefit from our strong visitor economy.

In the past year, access has strengthened with a new direct service from Perth and more seats on flights from Sydney, Melbourne, Brisbane, Adelaide and the Gold Coast. The Spirits of Tasmania have also increased sailings across Bass Strait to meet the growing demand for drive holidays, and the next generation Spirit of Tasmania ships, due in 2021, will further increase the capacity for sea travel.

Investment in tourism infrastructure is also growing strongly with more tourism experiences and new or refurbished accommodation opening.

As an island state, our touring program offers travellers freedom, flexibility and the opportunity for a digital detox. One of Australia's greatest road trips, the Great Eastern Drive exploring Tassie's east coast, will now be complemented by the recently launched Western Wilds.

The Western Wilds enables visitors to embark on a journey through the powerful landscape of western Tasmania, compelling travellers to explore the area at a slower pace and engage more deeply in the place and its people.

This journey is a fantastic example of collaboration with all levels of government and the tourism industry and supports our focus on increased visitor dispersal and yield.

I want to thank everyone who has contributed to the progress and success of T21 and look forward to continuing to work closely with industry to make sure our visitor economy continues to grow strongly and sustainably.

The Honourable Will Hodgman MP

Premier

Minister for Tourism, Hospitality & Events

Minister for Parks

Minister for Heritage

Minister for Trade



Visitation to Tasmania

- In 2017-2018, Tasmania attracted 1,300,000* visitors, 2 per cent more visitors to the state than the previous year.
- These visitors spent a total of \$2.4 billion throughout the state during their stay.
- They stayed a total of 10.91 million nights in the state, with each visitor staying an average of 8.4 nights.
- Around 645,400 people or 50 per cent of all visitors to Tasmania in 2017-18 came for the purpose of having a holiday.
- A further 334,500 people or 26 per cent of all visitors to Tasmania came to visit friends or relatives living here.
- Business and business event travellers accounted for another 249,600 visitors or 19 per cent of all visitors to Tasmania.
- A total of 1,081,900 million visitors or 83 per cent of all visitors to Tasmania in 2017-18 lived in Australia.
- Victoria, New South Wales and Queensland accounted for 86 per cent of all interstate visitors to Tasmania in 2017-18.

Hobart International Airport



- Tasmania welcomed a record 307,000 international visitors in 2017-18, with the United Kingdom, Hong Kong, USA and especially China and New Zealand recording strong growth during the year.
- Around 1,600 new international and interstate students at 11 campuses in Hobart and Launceston were welcomed during July student orientations and other activities.



Our Priorities

The T21 vision is for Tasmania to be a world-leading destination of choice, with a vibrant visitor economy supported by our tourism and hospitality industries, strong business and education sectors and a community that embraces our visitors and all the benefits they bring.

A mid-term review of the strategy established a renewed focus on visitor yield and dispersal which aims to increase the value of visitors and more widely share the benefits of growth in the visitor economy across Tasmania's communities.

The greatest gain from our visitors is realised by how widely they journey throughout our state, the contributions they make to the communities they visit and the economic and social value they bring.

This includes visitors dispersing further and travelling to new areas, staying longer or arriving outside of peak season and spending more in local visitor economies.

To deliver the greatest benefits for the community, a coordinated and collaborative approach between government and industry will support and guide future development, activity, infrastructure and investment in the state's visitor economy.

The actions delivered against the T21's four strategic priorities during this period, demonstrate the important work underway to build a sustainable visitor economy that strengthens Tasmania's regional communities and provides high quality experiences to our visitors.

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. There is a need to sustain and build the state's reputation further and ensure that Tasmania is able to provide a high quality workforce for the future.

Progress on actions

Since the previous T21 report in May 2018, together the government and industry have:

- provided funding support to the 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
- passed legislation to establish a statutory authority to manage and promote a whole-of-state master brand for Tasmania
- supported implementation of local Destination Action Plan priorities throughout Tasmania, including funding of \$36,400 to support the \$109,240 Waub's Beach walk at Bicheno
- developed and awarded 11 'Industry Trainer Scholarships' at Drysdale Centre of Excellence, to train tourism and hospitality professionals and give them formal qualifications to share their skills and knowledge with others in the industry
- continued a \$3 million investment over four years to implement the *Tasmanian Global Education Growth Strategy* to increase international student numbers in Tasmania
- launched the [You in a Year](#) campaign as part of the Population Growth Strategy, which encourages people in skills shortage occupations, including tourism and hospitality professionals, to move to Tasmania



- committed \$800,000 over four years to boost the Digital Ready program which provides information and resources to small business to maximise online services
- launched an enhanced version of the Digital Ready website, which includes a visitor economy microsite digitalready.tas.gov.au/visitor-economy
- delivered Digital Ready one-on-one sessions to over 220 people and 32 group events around Tasmania including visitor economy related topics
- convened a regular Tourism Research Roundtable so that insights from government's ongoing visitor research are maximised and shared
- implemented lease and licence reform to foster quality service in national parks and reserves and trained two tourism-specific compliance officers
- boosted the number of frontline staff in the Parks and Wildlife Service by 15 officers, with 13 appointed in 2018
- collaborated to deliver ongoing guided tour operator training with the Tourism Industry Council Tasmania and hosted the annual Parks 21 forum
- supported palawa Enterprises in developing the wukalina walk.
- continued to promote the Tourism Accommodation Refurbishment Loans Scheme (TARLS) which has approved ten projects for a value of around \$5.5 million helping to bring forward the upgrade and refurbishment of properties in Devonport, Penguin, Longford, Scottsdale, Launceston, Scamander, Burnie, Rosevears and New Norfolk
- progressed public consultation and design work for the Dove Lake Viewing Shelter and awarded a contract for the Cradle Mountain Gateway Precinct
- undertaken planning and promotion for expressions of interest for investment into the Cradle Mountain Visitor Gateway Precinct, with continuing work on a detailed cableway analysis and subsequent feasibility and business case
- commenced a new shuttle bus contract at Cradle Mountain which includes the first bus in a new hybrid electric/diesel fleet
- allocated \$8 million for priority infrastructure in national parks and reserves with projects at various stages of implementation including public amenities, car parks, walking tracks, bike tracks, viewing platforms and visitor centre improvements
- prepared visitor engagement and building use site plans for the *Maria Island Re-discovered* project to enhance a sustainable new visitor destination on the east coast, and implemented a marketing program in partnership with East Coast Tourism
- continued to facilitate new tourism investment in Tasmania's national parks and reserves under the Expressions of Interest process
- installed an additional two Wi-Fi hotspots on the East Coast as part of the Tasmanian Government's free Wi-Fi network bringing the network on the East Coast to 13
- continued implementing the Australian Government's pilot Regional Tourism Infrastructure Investment Attraction (RTIIA) strategy for Tasmania's east coast

PRIORITY: Invest in quality visitor infrastructure

Investment in private and public infrastructure and visitor experiences is the backbone for growing the visitor economy. For Tasmania 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 and encourage travel within the state.

Progress on actions

Since the previous T21 report in May 2018, together the government and industry have:

- launched the \$10 million Heritage Renewal Loan Scheme to assist owners to preserve, revitalise and reuse Tasmanian Heritage listed properties



- continued to facilitate the \$80 million Kangaroo Bay luxury hotel and hospitality training school
- launched the 'Western Wilds', the second of a series of five drive journeys designed to encourage visitors to explore and experience regional Tasmania
- funded 15 projects under the \$6 million Cycle Tourism Fund including opening of stage one of the Mersey Warrawee Trails and extension of the Blue Derby trail network
- progressed strategic visitor planning processes for Freycinet National Park, Maria Island, Cockle Creek and the Tasman Peninsula
- called for tenders for the tourism masterplan for the Tasmanian Wilderness World Heritage Area
- finalised the Cataract Gorge Night Light feasibility study, with State Government committing \$875,000 to co-fund the \$1.75 million project with Launceston City Council
- published the Tasmanian Rail Access Framework Policy, defining the roles and responsibilities of the below-rail operator and third parties, to streamline the procedures for access to operational lines on the Tasmanian Rail Network
- made funding available to tourism and heritage railway operators to assist with the costs of gaining necessary accreditation and for improving infrastructure on non-operational lines
- continued to work directly with investors and proponents with tailored, confidential assistance through the Office of the Coordinator-General, including development of collateral to promote tourism investment and the development of propositions for local developers seeking investment into projects
- promoted Tourism as a key sector for investment in Hong Kong during the Asia trade mission in September
- finalised a study to understand and test tourism industry staff accommodation shortages in Coles Bay, Bicheno and Swansea

PRIORITY: Grow air and sea access capacity

Access is a critical element of the Tasmanian visitor economy. 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.

Progress on actions

Since the previous T21 report in May 2018, together the government and industry have:

- added around 113,000 air seats on the main routes to Hobart and Launceston
- introduced new direct air services between Hobart and Perth (Virgin) and to the Gold Coast (Tiger Air)
- commenced work on attracting a dedicated international freight service to operate in conjunction with the new Hobart Airport freight facility to connect Tasmania's fresh produce with new and existing markets
- completed a \$4.5 million refurbishment of the departures lounge at Hobart Airport
- finalised a cruise ports review including suitability and capability for cruise ship visits at different ports, and agreed voluntary restricted access for larger vessels to Wineglass Bay to protect the natural experience for all visitors
- completed a mid-term review of the Access 2020 Plan through the Access Working Group, with revised goals and strategies aligned with increasing yield and dispersal
- conducted the Tassie Cruise Exchange with eight influential shore tour program managers participating in familiarisation visits and business-to-business sessions in the north west, north and south of Tasmania
- called for expressions of interest for the operation of a trial Hobart to Strahan air passenger service



- committed \$72 million for a roads package to support the Tasmanian Visitor Economy including upgrades to the Great Eastern Drive, Tarkine Road, Hastings Cave Road, Glenora Road and Evandale Main Road; this investment will seal gravel roads, build more passing lanes and add new courtesy stopping bays, which are critical for driving visitors, campervans and caravans visiting the state
- awarded a contract to build a new \$2 million overtaking lane on the Great Eastern Drive at Cranbrook north of Swansea as part of the roads package
- launched a road safety campaign to raise awareness with visiting motorcyclists about staying safe on Tasmanian roads.
- invested around \$6 million to deliver the largest ever campaign to a domestic audience, *Feed Your Curious*
- undertaken domestic cooperative marketing campaigns with trade partners; and hosted a major trade event, *TasTalk*, in Hobart with over 100 inbound tour operators and domestic travel sellers meeting with local tourism industry suppliers

PRIORITY: Generate more demand for travel to Tasmania

This priority aims to market Tasmania effectively, to create a growing appeal for Tasmania, a desire or reason to visit, and the means for people to purchase their trip and travel here.

Progress on actions

Since the previous T21 report in May 2018, together the government and industry have:

- reviewed and continued to implement a program of market research, consumer insights and business intelligence to inform and guide Tourism Tasmania's and partner marketing programs
- completed the review of the Tasmanian Visitor Survey and integrated new domestic segmentation in market evaluation
- launched a new website for the global travel trade, tassietrade.com.au including a revamped domestic online training program
- supported global media and tourism famils from key domestic and international markets, and conducted global cooperative marketing campaigns in North America, Europe, UK, New Zealand and China
- commenced two global PR contracts for Public Relations and media servicing in North America and Germany
- partnered with the Cruising Yacht Club of Australia to promote the *Rolex Sydney to Hobart Yacht Race* in the lead up to the 75th anniversary in 2019
- delivered Tourism Tasmania's Asia Mission to Shanghai, Hong Kong, Kuala Lumpur and Singapore
- attended trade events including Tourism Australia's Corroboree East, ATEC's Meeting Place and the Adventure World Summit
- participated in Tourism Australia's *Aussie Specialist* program including content development, agent training, webinars and familiarisation trips
- created a visual identity for the Western Wilds drive journey with industry toolkit and collateral distributed
- called for public submissions for the next iconic bushwalk to support ongoing development of new and innovative visitor experiences to stimulate visitor demand
- launched the \$4 million Events Tasmania Attraction Fund to actively target and secure mass participation events that will bring more visitors to Tasmania
- provided funding support to winter and shoulder season events including Dark MOFO, Festival of Voices, The Unconformity, Farmgate Festival, Launceston Cycling Classic – Stan Siejka, Point to Pinnacle, Effervescence Tasmania and the Bicheno Food and Wine Festival
- announced the Tasmanian Hospitality Awards in August and the Tasmanian Tourism Awards in November recognising excellence across the industry
- committed \$200,000 to the Tourism Industry Council Tasmania and the Australian Tourism Industry Council to host the Qantas Australian Tourism Awards in Launceston in March 2019.



Measuring Progress

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

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: 1,300,047 visitors in FY 2017-18*

*Data Source: Tasmanian Visitor Survey, year ending June 2018, Tourism Tasmania



1.3 MILLION VISITORS WELCOMED TO TASMANIA FY 2017-18



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: \$2.40 billion in FY2018



RECORD \$2.4 BILLION 2017-18
 visitor spending



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 2016-17***

**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: 68 per cent of visitor nights in Tasmania were spent outside Hobart city in FY2017-18*

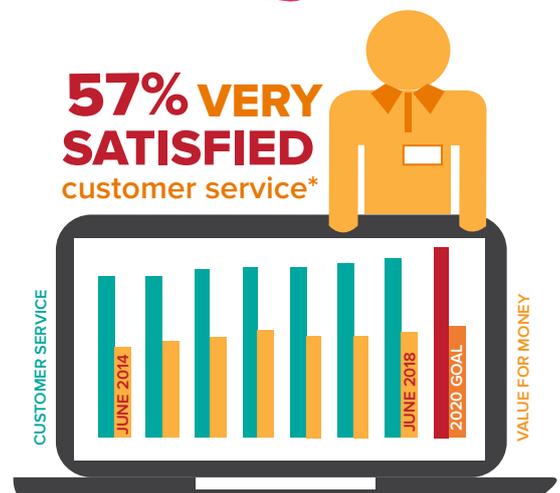
*Data Source: Tasmanian Visitor Survey, year ending June 2018, Tourism Tasmania



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, and 34 per cent were very satisfied with value for money, in FY2017-18*

*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
- Chair, Tasmanian Heritage Council
- Coordinator-General.

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 (Deputy Chair)
- Secretary, Department of Primary Industries, Parks, Water and Environment
- CEO, Tourism Industry Council Tasmania
- General Manager, Tasmanian Hospitality Association
- Director T21, Tourism Tasmania
- Deputy Secretary, Parks & Wildlife Service
- Deputy Secretary, Cultural and Tourism Development, Department of State Growth
- Coordinator-General.



[www.T21.net.au]

Copyright notice and Disclaimer

Copyright in the publication is owned by the Crown in Right of Tasmania. Information in this publication is intended for general information only and does not constitute professional advice and should not be relied upon as such. No representation or warranty is made as to the accuracy, reliability or completeness of any information in this publication. Readers should make their own enquiries and seek independent advice before acting on or relying upon any of the information provided. The Crown, its officers, employees and agents do not accept liability, however arising, including liability for negligence, for any loss resulting from the use of or reliance upon information in this publication. Images used within this publication remain the property of the copyright holder.

© State of Tasmania December 2018

Cover image: Mt Farrell © Jess Bonde