

Why Local Government Should Invest In Tourism

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Local government participation and support is crucial to the planning, management and development of tourism in Victoria.

The ability of local communities, the private sector and small business to benefit from tourism is strongly dependent on the underpinning role played by local government. To be successful in the long term, tourism must be integrated into the local environment in a way that is sustainable, encourages cooperation and coordination and improves the quality of life for the local community and the experience of visitors to the area.

Some communities find tourists are already attracted to their area because they are close to a major city or town or they have well established attractions. Many of these communities are positive about the benefits of tourism and are seeking to increase their share of the tourism market.

Other communities want to develop a viable tourism industry but find it difficult to get started. While others have experienced negative reactions from residents who feel there are too many tourists. Indeed, in the eyes of some ratepayers and residents, tourism is a problem rather than a benefit and they would not like to see the industry expanded.

Local government has a major role to play in the way tourism develops in the community. As tourism encompasses a wide range of activities, services and amenities, local government input is critical to ensure

that tourism is well planned, managed and developed and is sustainable and beneficial to the community.

HOW CAN LOCAL GOVERNMENT BENEFIT FROM TOURISM?

Apart from the more obvious functions such as planning and developing infrastructure, councils functions include provision of recreational and cultural services for the community. For example: sporting facilities, art galleries, museums, parks, gardens, historic buildings and public entertainment. Other council functions include those relating to the peace order and good governance of the municipal district including encouraging employment, commerce, industry and environmental protection. (Local Govt Act, Victoria 1989). Tourism can play an important part in assisting and supporting local government in fulfilling its role.

Employment Opportunities

As a labour-intensive industry, tourism provides employment opportunities especially for young people who are then encouraged to stay in local communities. Job opportunities created by tourism also assist areas experiencing the consequences of structural change. There are more than 50 categories of employment and over 200 occupations in the tourism, hospitality and recreation industries.

Improved Facilities for Residents

Tourism generates additional demand and therefore has the potential to improve the financial viability of community-owned

recreational and cultural facilities such as clubs, sporting venues, art galleries and museums. Growth in tourism results in new and expanded infrastructure, services and facilities which in turn benefit the community.

Opportunities for Business

Tourism creates commerce opportunities through establishing new products, facilities and services, and expanding existing businesses which would not be sustainable if based on the resident population alone.

Multiplier Effect

Visitors purchase goods and services, injecting new dollars into the local economy. A percentage of each new dollar is spent in the community by the recipient and this is spent and re-spent, creating a 'multiplier effect'.

When more tourist dollars enter a local economy and a larger percentage is retained locally, the economic benefit is greater. The more a community is self-sufficient (i.e. the resources used by the visitor are produced wholly or substantially by the local community) the greater the multiplier effect.

Diversification

Tourism can provide diversification, particularly significant for rural communities. This strengthens the local economy by making it less reliant on single traditional base (e.g. agriculture or mining) which are subject to commodity price fluctuations.

Preservation of the Environment, Culture and Heritage

Tourism demand on local environmental, heritage and cultural assets provides the impetus for important educational programs for promoting a better understanding of their value to both visitors and the community. Tourism can ensure that the environment, heritage and culture of an area is preserved through effective policies and planning.

A Catalyst for Residential Development

In many places, people have subsequently returned to a visited area to become residents, attracted by a better quality of life.

Improved Transport Services

Tourism can stimulate demand for the establishment of new and improved transport services to and within a local area or region.

Educational Opportunities

Tourism can provide expanded opportunities for residents through the introduction and support for specialised and adult education training.

A Broader Social Outlook

Tourism provides the opportunity for residents to interact with people from other States, Nations and cultures increasing awareness and bringing new ideas into the community.

HOW CAN TOURISM BENEFIT FROM LOCAL GOVERNMENT?

Tourism is dependent on local government for its sustainability - to manage and protect the social, economic and environmental components of the local area that tourism interacts with.

Infrastructure/Facilities

Visitors to any region require infrastructure which local government provides, for example: reasonable roads; footpaths; signage; car parks; and water treatment. Visitors to an area seek a high level of environmental quality, generally they like attractive, clean unpolluted destinations. Visitors often use other community facilities such as parks and gardens, pools and museums.

Tourism Enterprise Investment - Visitor Information Centres (VIC)

Councils often set up Visitor Information Centres (VIC) to service visitors to the shire. VICs increase visitors' understanding about what there is to do and see in a region and where to stay and how to get there and therefore encourage visitors to stay locally for longer.

Planning

Local government's statutory and regulatory role in local area planning is imperative in that it assists in maximising the benefits from tourism, and minimising any negative social and environmental impacts, for example local residents may experience problems with:

- increased commodity and pricing in high seasons
- car parking
- queuing
- litter
- noise
- vandalism
- increased real estate prices (this may be positive if residents wish to sell however it may be negative if they wish to buy in their own area and can no longer afford to.)

Planning is needed to understand and protect those things that are currently valued and will be valued in the future by the local and wider community. Without planning, resources are degraded or destroyed and tourism will not succeed.

Often council planning departments provide guidelines for tourism developments or at least developments which will in some way affect the tourism industry. These guidelines or plans are important in retaining the look and feel of an area which in turn is important to the quality of tourism.

Funding

Local Government is not only a direct source of funding for the growth and marketing of tourism in a region, it is often the vehicle for securing State and Federal funding, private investment and sponsorship to support the industry. For example, councils may provide funding to a Local or Regional Tourism Organisation or to support the development of infrastructure

which has a particular benefit for tourism such as interpretive centres, walkways and trails.

Business Development

Councils often undertake a business development and business networking role in order to grow and diversify the local economy and facilitate local employment. Councils facilitate links for businesses to Chambers of Commerce, education, training providers, other like businesses to assist in connecting businesses to the community and ensure they understand that they are not working in isolation. The tourism industry benefits from councils seeking to create a climate conducive to business growth. Visitors to a destination rely on good business for transport, food and beverages, accommodation and activities.

Developing businesses to serve the tourism sector benefits both the industry and the local economy.

Marketing

While tourism marketing is often the responsibility of a Regional Tourism Organisation, many councils undertake tourism marketing in order to attract visitors to their region or to increase visitor yield. Tourism also benefits from local government's understanding of the regional brand and therefore pursuing business growth and marketing that supports the brand.

Expertise/Experience

One of the less recognised benefits local government brings tourism is experience and expertise of its personnel. This is especially apparent in remote, rural and regional areas where staff employed by council have sound tourism planning, marketing, development and management experience often as a result of previous work and study.

Many councils employ a Tourism Officer who is responsible for managing or coordinating much of council's activities which affect tourism as outlined above. They usually assist with the administration and projects of Local and Regional Tourism Associations or support council's tourism advisory panel which acts as a vehicle for the community and industry to feed into the council framework.

Image and Identity

There is a connection between the “health” of a community and its attractiveness to visitors. So how well the council does things, sometimes little simple things like having clean public toilets in the main street, providing public seating and good signage, the better disposed visitors and then tourism businesses will be to having a good relationship with local government.

TOURISM PLANNING

Planning for tourism is a challenge, however; by using a planned approach tourism can generate economic, social and environmental benefits to the local community and any negative impacts can be minimised.

Local government is a key player in devising plans for tourism. It is one of the authorities responsible for developing land use planning schemes and devising appropriate controls. The controls are governed by the Planning and Environment Act 1987 (amended in 2000). Local government, therefore, takes responsibility for planning for local tourism so that it can: manage external factors that influence local tourism; balance the needs and values of residents and local businesses; and provide for visitor demands and expectations.

Tourism Planning in Action

The planning framework varies from council to council depending on the nature of the community, the character of the environment, the culture of the council and the history of planning in the region. So there is no one framework or hierarchy of plans but all councils in Victoria have a Local Planning Scheme which is used as a tool for tourism planning and most council's will at least have a Tourism Policy and a Council Plan or a Corporate Plan which includes tourism in some form.

Tourism Policy

Local council's that either seek to grow their local tourism industry or recognise

the existing role of tourism as an economic driver within their local government area will develop a Tourism Policy. Having a council policy that specifically relates to tourism, provides the principles under which councils may support the management and/or growth of tourism within their shire.

Council Plans

Councils usually have a 3-5 year strategic plan. They are the vehicle through which councils will exercise their leadership of the municipality and its communities. They contain broadly based strategies. In addition, they also contain an integrated 12 month plan providing an outline of the activities a council intends to achieve in a 12 month period and how it intends to achieve them.

A council's Tourism Policy will guide those elements of the Council Plan which relate to tourism. The Plan will usually include:

- Identification of the municipality's economic, social, environmental and built assets and constraints which contribute to tourism
- Specific, measurable, achievable goals and objectives which can be implemented and managed by council including the need for more specific council strategies such as a Local Tourism Strategy or Economic Development Strategy.

Tourism and the Councils' Municipal Strategic Statement

Each local government area is covered by a Local Planning Scheme which sets out policies and provisions for the use, development and protection of land for that area. The Planning Scheme is one of the tools used by local government in implementing its 3-5 year strategic plan.

Municipal Strategic Statements (MSS) form part of Local Planning Schemes. They contain the strategic planning, land use and development objectives for the council area along with strategies for achieving those objectives. The MSS is

considered in the assessment of planning permit applications and proposals to amend the Planning Scheme.

It is therefore important to recognise the role of tourism within a council's MSS. Usually tourism is featured within the MSS under an Economic Development Local Planning Policy (LPP).

The LPP relating to Tourism is a policy statement of intent or expectation. It gives the council an opportunity to state its view of a tourism planning issue and its intentions for an area. It provides guidance to decision making on a day-to-day basis and it can help the community to understand how the council will consider a proposal. The consistent application of policy over time should achieve a desired outcome. When preparing amendments to the Local Planning Scheme and before making decisions about permit applications, councils must take the LPP's into account.

Regional Tourism Planning

Local government often initiates a specific local plan for tourism, particularly in areas where tourism is one of the most prominent local industries. A local tourism plan sets out:

- where the community is now with respect to tourism
- the community vision for tourism in the local region
- a plan the council and community can use to work towards the vision
- priorities, important milestones and measures of success

Usually council will develop the local tourism plan via a steering committee or community reference group with the assistance of a tourism consultant.

A local tourism plan's effectiveness is dependent on a number of criteria. Some of these are set out below. It is unlikely that the plan will meet all the criteria but it usually seeks to address most of them.

Local or Regional Tourism Plan Contents

Stakeholder Participation

- 1 The time dimension of the planning process reflects a long-term orientation.
- 2 The following took part in the Planning Process
 - Local & State Government Agencies
 - Relevant Regional Tourism Organisations
 - Local Tourism Industry (operators)
 - Representatives of existing visitor groups
 - Other local organisations (non-tourism)
 - Local residents
- 3 The opinions of the aforementioned groups and individuals influenced the final strategic direction selected.

Vision and Values

- 1 The planning document identifies:
 - Locally important community values
 - Locally important lifestyle features
 - Current issues which are critical to residents
- 2 The planning document assesses:
 - Community attitudes to tourism
 - The overall quality of life in the area
- 3 The planning document includes a vision for the future which aligns with local community values, attitudes and lifestyles.

Situation Analysis

- 1 The planning document describes:
 - The area's principle geographic features
 - The main characteristics of the local climate

- Flora and fauna which are unique to the area
- The resilience and/or fragility of the physical environment
- Current population levels and demographics
- Current land use and ownership patterns
- Major economic activities in the local area
- Relative importance of tourism compared with other industries to the economic development of the local area
- Economic benefit of tourism to the local area
- Employment creation ability of local tourism activity
- The principal tourism sites in the area

2 The planning document evaluates:

- the current capacity of tourism plant and infrastructure
- adequacy of business skills possessed by local tourism industry operators

3 The planning document includes quantitative analysis of current visitor numbers, length of stay and spending.

4 The planning document acknowledges a need to integrate local tourism strategies with regional, state and national policies for tourism development.

Goals and Objectives

- 1 The planning document includes broadly based goals related to:
 - The nature and scale of future tourism development
 - The economic benefits of future tourism development
 - Environmental protection

- Community values and lifestyle protection

- 2 The planning document includes broadly based goals which emphasise the local benefits of tourism development.
- 3 The planning document identifies a range of alternative strategies by which broadly based goals may be achieved.
- 4 The planning document evaluates each strategy option prior to determining a range of specific objectives.

Specific Objectives

- Support previously established broad goals
- Selected are based on supply capability as opposed to market demand
- Target the equitable distribution of tourism's economic benefits throughout the local area
- Selected are realistically achievable in the context of the current situation analysis
- For future tourism activity are quantified and readily measurable

Implementation and Review

- 1 Specific objectives are prioritised in terms of implementation urgency.
- 2 The planning document:
 - Clearly assigns responsibility for key task implementation
 - Contains a clearly articulated review and evaluation mechanism
 - Estimates the resource costs of the recommended development strategy
 - Indicates specific methods by which the identified resource costs are to be allocated to development participants