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Mr STONE (Tourism): Madam Speaker, I rise to make a ministerial statement on Northern Territory Tourism. I made a statement 8 months ago and I undertook to report back to members closer to the end of this year, which I now do.

I make this statement against a background of declining tourism numbers in the rest of Australia, particularly from the continuing difficulties in the Asia Pacific region. Notwithstanding the downturn in other parts of Australia, the industry in the Northern Territory continued to grow and develop. This growth is a direct consequence of the innovation and determination of the private sector, the strategies that have been developed in partnership with the private sector by the Northern Territory Tourist Commission and the continuing commitment of the CLP government, particularly in marketing the Territory as the real outback.

A partnership between the industry and the Northern Territory government in continuing to grow this sector serves as a role model to the rest of Australia. It is not only my assessment, but also that of commentators throughout Australia who look to the Territory with considerable envy as to what has been achieved during the last 6 months in a relatively difficult period.

In April this year, in a ministerial statement to the Legislative Assembly, I undertook to oversee a number of changes including significant reforms which would see a more streamlined Tourist Commission Board and a bold marketing strategy of the Territory, both domestically and internationally. I undertook this task after consulting widely with the tourism industry throughout the Territory and meeting with the executive of each of the regional tourism associations at that time. I provide members of the Assembly with an update on the progress to date.

First an overview of the tourism industry. By way of an overview, the Northern Territory tourist industry remains the biggest employer and the second largest wealth creator in our economy. An estimated 1.2 million visitors came to the Territory last financial year and contributed around \$702m to the Territory's economy. The tourism industry remains the largest employer of thousands of Territorians in mainly small and medium size businesses from one end of the Territory to the other.

In 1997-98, total visitor nights in the Northern Territory remained relatively static with an estimated decline of 1% in total nights, 2% in terms of visitor expenditure and

11% in visitor numbers due to the continuing decline in the domestic sector throughout Australia. While the annual result could be better, the Territory's performance in comparison with other states is quite good and this is directly attributable to international visitation growth. The Northern Territory Tourist Commission is committed to reversing this domestic trend in the short term whilst continuing the strong growth from the international market.

The total number of nights international visitors spent in the Territory increased by 14% during the same period. That is demonstrated at Attachment 1 which is appended to this ministerial statement. This significant increase is even more important given that nationally, international holiday leisure visitors dropped by 5.6%. The Territory was able to maintain international growth in this period due to strong performances in North America, United Kingdom and European markets. The Northern Territory Tourist Commission offices in these markets continue to effectively promote and grow visitation to the Territory.

The Australian Bureau of Statistics - which I will refer to as the ABS in subsequent comment in this ministerial statement - figures released on Monday, 10 November, also indicate that the European and North American markets - the Territory's primary source markets - remain robust. From January to August 1998, arrivals to Australia from the United Kingdom increased by 17%, and from the Americas by 12%, even though international arrivals to Australia were down overall as a result of the Asian decline. The ABS results also showed that the number of internationals choosing the Territory as their main destination increased by 19%. Whilst this growth is from a small base, it was against the national trend of declines in New South Wales, Queensland, Victoria and Tasmania.

Following the launch of the new Northern Territory Tourist Commission domestic marketing campaign in February this year, the June quarter showed an increase in short-term visitor nights of 11%, and preliminary results from the September quarter indicate that the strong performance in the June quarter has continued. Results from the September quarter indicate total short-term guest nights in commercial accommodation increased by 12% in comparison with the previous September quarter. I refer members to Attachment 2 to this ministerial statement. The visitor hostel and caravan park sector showed particularly strong growth in the quarter with 23% - that is, an additional 127 000 nights - and 26% - that is an additional 35 000 nights respectively.

Katherine achieved strong growth during this quarter, particularly with caravan visitors. I must make special mention of the hard work and determination of Katherine people after the disastrous floods of Australia Day this year. Katherine is now well and truly back on track and I congratulate the president of the Katherine Region Tourism Association, Fay Miller, and the executive officer, Sharon Innes, for their leadership in a very difficult time, and the industry generally in Katherine, for a job well done.

The CLP government is committed to tourism. The Territory government remains absolutely committed to ensuring that we maximise tourism visitation in the time ahead. This can only be done by a strong combined industry, together with the government marketing effort, if we are to achieve growth.

The Northern Territory government has provided \$26.424m in its 1998-99 budget for the Northern Territory Tourist Commission, as well as substantial funding for a number of allied tourism infrastructure projects by various agencies. These include the Parks and Wildlife Commission - Park Estate, including Desert Park; Department of Lands, Planning and Environment - Discovering Darwin, Katherine, Tennant Creek and Alice Springs, and Explorer Highway; and Arts and Museums - Araluen Precinct, to name some examples of this government's commitment to the tourism industry.

As the Minister for Tourism I have and will continue to maintain regular communication with the tourism industry to keep them informed of current activities and government initiatives. During my relatively brief period as Minister for Tourism I've distributed 7 industry letters so far and also invited the industry to advise me on how we can more effectively grow our industry. My new ministerial officer, Mr George Dunne, who is located within my office also acts as a very important liaison officer with the industry as such and does an outstanding job in keeping me abreast with industry concerns and issues. In April this year I announced that I intended to oversee a number of changes including significant reforms, which will see a more streamlined Tourism Commission Board and involve marketing with the Territory both domestically and internationally.

I turn now to the third topic, Northern Territory Tourist Commission Board. Following consultation with industry, I acted to change the number of commission board members from 12 members to 6, 5 of whom will be appointed including the chairman together with the Northern Territory Tourist Commission Managing Director Mr Tony Mayell. Members would be aware that the amendment to the *Northern Territory Tourist Commission Act* was passed in October this year. The commission advertised in all major newspapers seeking expressions of interest from persons wishing to nominate for the board. The nominations closed on 13 November 1998.

No doubt, because of the commission's outstanding reputation we received applications both from within the Territory and around Australia. A number of quality applications were received. Can I say before I announce the new Northern Territory Tourist Commission Board that I understand that there will be some people who will be disappointed. However, there were limited positions on the board and we have endeavoured to make appointments across the spectrum of the industry and which represent a diversity of views. This includes people who in the past, have been critical of the Tourist Commission and of the Northern Territory government and ensures that we have a balance in an open transparent forum.

The current Northern Territory Tourist Commission Board Chairman, Mr John Rowe AM, has been asked to stay on until the new board is in place and the new membership has found its feet. I extend my sincere appreciation to John Rowe for his excellent leadership, representation and commitment to the Northern Territory. Without him I would not have been able to oversee a number of the major reforms that I have carried through in tourism in the short time that I have been the minister. A new chairman will be announced in the New Year.

The new board members are, as I've just indicated: Mr John Rowe AM, current

Chairman until the New Year. He is also the Deputy Chairman and life member of Pacific Asia Travel Association, known by the acronym PATA, and President of the Association of Australian Convention Bureaux, Sydney. The other new board appointees are:

- Mr Gunther Gschwenter, Managing Director of Brits Australia, Melbourne;
- Mr Grant Hunt, Chief Executive Officer, Ayers Rock Resort Management, Yulura. Mr Hunt is, in fact, a continuing member of the board, to ensure that we have a degree of continuity and history that can be passed on to new members;
- Mr Brian Measey, Managing Director of Thrifty/Territory Rent-a-Car, Darwin. I'm sure that Mr Measey wouldn't mind me singling him out as someone who has been critical from time to time and does bring a different perspective to the new Tourist Commission Board and we look forward to his contribution in the time ahead;
- Mrs Janet Chisholm, owner and operator of Tilmouth Well Roadhouse, Napperby Station, central Australia, who brings a different dimension yet again; and
- Mr Tony Mayell in his Managing Director capacity of the Northern Territory Tourist Commission.

With the appointment of a new chairman, from either within the board or from outside, that will afford an opportunity for a further appointment in the New Year.

It is anticipated the new board will meet in the near future, I would, in fact, hope before Christmas. I look forward to working closely with new board members and welcome their expertise and advice in developing and promoting the Northern Territory as the lead holiday destination in Australia – the real outback.

I now turn to the domestic market. Last year the Northern Territory Tourist Commission undertook a series of domestic consumer and trade surveys which have enabled them to evaluate their core role and redirect their primary efforts to address the decline in the domestic market. The success of the February advertising campaign is highlighted by the figures I outlined to members earlier - increased growth in the June quarter of 11% and the September quarter of 12%.

The August-November campaign has committed around \$1m in media spending with a mix of direct response television, magazines and newspapers. The campaign is largely tactical, promoting shoulder season travel to both the Top End and Central Australia. In this period 'Alice is Wonderland', the 'Red Centre Explorer', self drive car and a campervan packages with Qantas holidays and Bali-Darwin packages with Ansett holidays make up the bulk of the schedule. I draw the attention of members to Attachments 3 and 4 to the ministerial statement.

This advertising is being supported by a first for the Australian market, the introduction of consumer booking through the Northern Territory Holiday Centre's sophisticated Internet sight. Feedback to the Northern Territory Tourist Commission from the retail trade indicates a continuing high level of consumer inquiry of the Territory and I expect conversion in terms of visitation should be realised as the

Commission continues its new strategies.

I come now to the fourth part of the Ministerial Statement, being 1999 advertising initiatives. The broad domestic marketing campaign for the Territory in 1999 will feature the television commercials that were launched in February 1998, along with television commercials that promote specific product offers. This mix of destination and product offers will be continued through other media including newspapers and magazines. The television campaign will also be extended to run in regional areas of Australia, and in Adelaide and Perth in 1999. This will relate to and complement other marketing activities in these areas.

The Northern Territory Tourist Commission will also be utilising more innovative media in the new year including direct mail offers, outdoor billboards and boutique cinema to promote the Territory as a destination. Advertising in these mediums will be leveraged through associated trade partners offering Territory products to the consumer. The commission has also been extremely successful in increasing its budget for domestic marketing activities through industry partnerships and cooperative marketing agreements. Industry partners have committed approximately \$1m to the commission's domestic campaign initiatives.

I come now to the Northern Territory Tourist Commission's wholesaling initiative 'Territory Discoveries'. In addition to the domestic marketing activities I have outlined the commission is embarking on a major new strategy to boost the domestic market with the establishment of a wholesale unit to be called 'Territory Discoveries', the trading name of a newly established government business division, GBD, subject to the approval of Cabinet. It will be a tourism wholesaler operating in association with the Northern Territory Tourist Commission but trading as a separate entity. Treasury has commenced work on a business plan which, among other things, will ensure that Territory Discoveries operates in line with national and Territory competition policy.

There have been some concerns raised about unfair competition by existing wholesalers who have Territory product in the domestic market place. I am sympathetic to their concerns and understand their view on the new strategy. However, I want to assure them that the Northern Territory Tourist Commission will continue its level of support for those very same established wholesalers and continue to work cooperatively and in partnership with them where that is possible.

I come now to the interim product brochure for the shoulder season. The Northern Territory Tourist Commission has packaged local Territory tourism product to form innovative and value added product not contained on other domestic wholesale programs, targeting the shoulder and off-peak seasons with offers to 1 April 1999. The new Territory Discoveries interim brochure has been distributed to Territory connection agents and other travel agencies during November. I table a copy of that brochure which appears at Attachment 5 in the ministerial statement.

I turn now to international market growth. I would like now to look at how international tourism is developing and make some comments. During the 1997-98 fiscal year there was substantial growth recorded in the number of international visitors. International visitor nights grew 14% and visitor expenditure by 10% during this period.

Major growth markets have been Germany, the United Kingdom, Ireland and North America. In these markets, the softening of the Australian dollar has meant consumers view Australia as providing better value for money. In recent weeks, we have observed very strong growth in the Italian market, and the Northern Territory Tourist Commission is working hard to foster this and other emerging markets for Territory tourism product.

We intend to maintain its market prominence in the potentially high-yield areas of the United Kingdom, Ireland, Europe and North America, to protect its positioning as home of the 'Real Australia' and 'Australian Outback'. I refer members to Attachment 6 in the ministerial statement.

As I have mentioned on previous occasions, the Territory is facing increased pressure from other Australian states in our key markets following the Asian decline. If you believe the advertising that is currently flowing out of Australia, the whole of the country is the outback. Whilst not wanting to take anything away from the dedicated efforts of our colleagues interstate, there is only one real outback and that is Australia's Northern Territory.

While opportunities in these markets are enhanced, given the soft Australian dollar, the other side to this is that the Tourist Commission's Australian based marketing budgets now provide fewer advertising activities. In order to maintain our position against the increasingly competitive activities of other Australian state tourist offices and other destinations, the Northern Territory Tourist Commission international offices have provided fully costed proposals for new initiatives to grow further visitation from these vital markets. I look forward to making an announcement of these initiatives early in 1999.

I can indicate that we had already received a preliminary submission to Cabinet which has been returned to the Northern Territory Tourist Commission for further work. I anticipate that we will be able to take a number of decisions, particularly in relation to marketing, before the end of this year. This would be welcome news for the industry, given that the value of the Australian dollar particularly against the pound sterling and the American dollar is such that, if we are to remain competitive, we are going to have to commit more funds into those 2 particular areas.

I come now to unstructured international visitor initiatives. The Northern Territory Tourist Commission has also devised a series of strategies designed to capture a larger portion of what is termed 'unstructured visitors' - that is, visitors who are not on packages and who arrive in Australia and then decide where they go and what they want to see.

These visitors are difficult to target as their sources of information, methods of booking and their travel patterns are diverse and difficult to track. The Northern Territory Tourist Commission is taking on the challenge of developing imaginative ways of informing this market about holidaying in the Territory.

One crucial information source used by this market is the Internet. The usage of the NTTC's website will be increased through international promotion and continuing

development of the site, and potential tourists encouraged to use the Northern Territory Travel Centre for detailed information and the state-of-the-art booking service. Publications and travel guides read by this market will be targeted for cooperative advertising promotions and increased editorial content.

I now turn to the Japan office closure. As part of the reforms, the Tourist Commission's functions in secondary source markets have been reorganised to guarantee a better outcome for the industry. The Singapore office has been reorganised to a more cost-effective operation and, more recently, the Japan office has been closed. These decisions are not about saving money, they are about freeing up resources that are spent on administration, office rentals and overheads that are better spent on marketing the Territory.

The Northern Territory Tourist Commission Board recommended this action be taken earlier this year after a careful review of the Japanese market, trends in the market and its current allocation of financial resources to this market. The Northern Territory Tourist Commission board included a representative from each of the 4 Region Tourism Associations.

Japanese tourists make up 12% of international visitors to the Territory, with their main destination being Ayers Rock. Approximately 2000 Japanese tourists travelled to other Northern Territory destinations apart from Ayers Rock. The travel patterns of Japanese tourists is such that they collectively contribute 7% of total international visitor expenditure to the Territory economy. Conversely, the Japan office was requiring up to 20% of the Northern Territory Tourist Commission international budget, with nearly 50% of this allocation covering office overheads. Those working in the private sector would recognise this as a totally unacceptable commercial situation.

The reallocation of resources servicing the Japanese market will result in an additional \$200 000 which we can now spend on marketing, including Japan. The new arrangements will ensure that the Commission will build effectively on the solid platform established in Tokyo. The newly appointed Regional Director, Japan, Mr Richard Doyle, will continue the role of working closely with major wholesalers in Sydney, where many are based. In addition, a Northern Territory Tourist Commission public relations representative will be based in Tokyo, similar to action taken in other international offices.

The Northern Territory Tourist Commission plans to work closely with Japanese wholesalers and Territory operators who are active in this market to ensure these changes are for the better. To commence this process, the Deputy Chief Minister, the honourable Mike Reed MLA, and the Northern Territory Tourist Commission Managing Director, Mr Tony Mayell, at my direction, led a team of 3 of the 4 key Territory tour operators to Tokyo to formally announce the closure of the Commission's Tokyo office. This decision was explained to the Japanese industry, together with the new arrangements that are proposed.

Most importantly, the Deputy Chief Minister acknowledged the valuable contribution of our office staff over the past 12 years, and I formally thank them for their contribution. I have every confidence that the new arrangements will work.

I come now to industry participation. It is also acknowledged that the growth in international markets has, to a large extent, been achieved by the hard work and investment of a relatively small number of Territory operators who participate directly in the marketplace. The presence of these local operators, combined with destination and product awareness campaigns, has a flow-on benefit to most Territory businesses, and the increased activities of these businesses in turn helps make the Northern Territory a more attractive tourist destination.

Some of those tourist operators had their success and commitment acknowledged nationally through the Australian Tourism Awards held in October. My congratulations to the Ayers Rock Resort Corporation, which received the Meetings Industry Award, and also the Restaurant Award with 'Sound of Silence'. The other winners were the Alice Springs Desert Park for Tourism Development Projects, and the NT Adventure Tours for the Major Tour and Transport category. NT Adventure Tours were also outright winners in the NT Export Awards. We should not underestimate the commitment of the private sector, particularly these award winners, to excellence and success in the national arena in further promoting tourism in the Northern Territory.

I come now to the new International Marketing Support Scheme. It is encouraging to see new initiatives being offered by the Northern Territory Tourist Commission, such as the International Marketing Support Scheme. This was introduced to assist the development of new product and new market opportunities for Territory operators with the commitment of \$185 000. The scheme commenced recently with 3 Central Australian operators travelling to the United Kingdom and Europe to promote the Territory as an international tourist destination. The scheme has been extended with \$57 000 support being offered to the active operators attending the International Tourism Bourse (ITB) Berlin, one of the most influential tourism forums in the world.

Partnerships are also important. I see partnerships as an important element in our continued market development. The activities I have just outlined are complemented by working closely with industry and other organisations in partnership programs. Of particular importance is the Partnership NT Agreement between the 4 Region Tourism Associations and the Northern Territory Tourist Commission. During our meetings with the association executive committees early this year, the key issue was the need for a better understanding of the role and operations of the associations, and how the funding from the Tourism Market Duty, TMD, is being spent on behalf of its members. I noted a strong commitment by the associations to direct funds towards marketing their respective regions, and more importantly to avoid the unnecessary duplication of roles and responsibilities. This is achieved and monitored through the Partnership NT Agreement.

I come now to the CLP government's commitment to the partnership and it is a considerable amount of money. This CLP government's partnership commitment to the 4 Region Tourism Associations amounts to \$1.633m in 1997-98. A total of \$6.534m was raised through the Tourism Marketing Duty during this period and the balance of 75% paid to the Northern Territory Tourist Commission for marketing. This money was not returned to consolidated revenue. Under the Coalition tax reform package, the target date for the repeal of the Tourism Marketing Duty is 1 July 2000. Over the first 10 years, it is estimated that Territorians will be \$350m

better off than under the present funding arrangements with the Commonwealth and this will provide the capacity to fund important tourism infrastructure projects. The package will not be introduced until the year 2000. It will give everybody time to prepare for its introduction and I want to assure our tourist industry that it will not be disadvantaged by the new financial arrangements.

Let me reassure the Region Tourism Associations that they will continue to receive funding direct from the Northern Territory government that they previously received from the tourism marketing duty.

Madam Speaker, I come now to partner across borders. Several other Northern Territory Tourist Commission partnership agreements are in place to develop mutual opportunities across state borders. Examples are the Explorer Highway with South Australia and current negotiations with Queensland over the proposed Overlander Tourism Drive connecting Tennant Creek to Townsville via the Barkly and Flinders Highways. The marketing slogan for that venture will be 'from the reef to the outback'.

I turn now to intergovernmental partners. Under the Planning for Growth review and further to my reform statement, a greater emphasis will be placed on more effective marketing by allied government agencies. In addition to the Parks and Wildlife Commission, the Northern Territory Tourist Commission will take over the marketing responsibility for Arts and Museums, and Sport and Recreation to ensure their marketing activities are coordinated. As I have demonstrated above, Planning for Growth means exactly that. It is not about saving money, cutbacks to the public service or the loss of jobs. It is about using what we have in our budget across government to produce better outcomes and levels of services for Territorians. Any responsible government will at least ask the question from time to time as to whether we can do things better. This includes the way that the Northern Territory Tourism Commission operates and the way that it spends your taxes. It is all about growing our various industries, growing our job opportunities, getting even better at what we already do well.

I come now to the role of the Coalition government. Territorians are fortunate to have in Canberra a Coalition government which recognises the importance of the tourist industry and is prepared to work in a close partnership with the CLP government in the Northern Territory to further develop this vital industry in this area. This contrasts sharply with the attitude of the previous Labor government and the failure of the now returned federal Labor member, Warren Snowdon, to deliver a single initiative in tourism, notwithstanding his 9 ineffectual years in the House of Representatives.

Under the federal Cultural Heritage Program, the Araluen Centre for Arts and Entertainment in Alice Springs received \$2.3m to build a gallery and study research facility. It should also be noted that the Territory government is providing the bulk of the non-Commonwealth funding which will further enhance the Araluen Precinct for the benefit of locals and visitors alike.

The Territory has also received in excess of \$1m funding from the Federal Regional Tourism Program in the past 2 years. This has greatly assisted the promotion and infrastructure developments for the regions, including the Explorer Highway program,

the CATIA Visitor Information Centre and the Tennant Creek Visitor Information Centre to name a few.

I come now to some areas of concern and I refer in particular to Northern Territory standards and service. This above program has provided funding to develop a Tour Operators' Licensing and Training Scheme. This is to ensure that access to protected areas is carried out with appropriate levels of sensitivity for the environment and cultural values. It involves input from both Parks agencies and the tourism industry. The Region Tourism Associations have recently written to me in relation to industry standards for tour operators and this scheme may assist in government's consideration of their concerns. In addition, my colleague the Minister for Transport and Infrastructure, the honourable Barry Coulter, is currently addressing the issue of tour operator standards. A draft code of conduct for tourist vehicles and drivers is being developed and distributed to the Region Tourism Associations and meetings have commenced with members seeking their input.

I turn now to caravan park standards. As Minister for Tourism, unfortunately one of the most regular complaints I receive is in relation to caravan parks, a market sector which is vital throughout the Territory. This issue of our caravan parks is of serious concern, which is supported by the Northern Territory Caravan Parks Association and the Region Tourism Associations. All ministers whose portfolios relate to the caravan park standards issue, support the need for Territory standards to be developed and coded through appropriate legislation. The Northern Territory Tourist Commission is convening a meeting of government agencies and an industry working party to review the needs for Territory wide legislation on 2 December 1998. This will include wayside inns, which are also part of the review of visitor services and facilities for the self-drive market. The Department of Transport and Works developed a discussion paper titled *Roadside Rest Areas* which has been distributed to industry for comment.

I turn now to drive market initiatives. A major component of our tourism infrastructure investment has been put in place to attract the drive market. As well as special publications such as the *Motoring Guide*, *The Great Outdoors*, *4WD*, there has been a major investment in infrastructure with the Explorer Highway signage, and 9 shelters will be installed by the end of this year. I refer members to Attachments 7 and 8 of this statement. In addition, there has been the physical development of the 'Discovering' programs in Darwin, Katherine and Alice Springs. The Tennant Creek program will be delivered in the near future. The first 4 trails under 'Territory Wide Discovering Trails' will be completed in early December. These are Coomalie, Pine Creek, Mataranka and Gove.

I come now to other major CLP government initiatives. Some other major Northern Territory government initiatives impacting on the tourism industry include the formation of the Northern Territory Events Unit with Paul Cattermole as General Manager. The unit's first outing led to the success of the Shell Touring Car event in Darwin which attracted over 37 000 people in an upgraded Hidden Valley in July this year. This event has now been rescheduled in 1999 for 4 and 5 June. This is a move which I expect will receive the full support of the tourist industry. The new dates will ensure that there is a reasonable timeframe between the Shell Touring Car event and the Darwin Cup Carnival.

The Northern Territory Events Unit will soon have an officer based in Alice Springs who will identify and work with existing Centralian events to provide support and sponsorship. The first such event that has been identified is the Finke Desert Classic. Meetings and discussions have been held with the organising committee to maximise the flow-on effects of this event for Central Australia.

Mr Elferink: Hear, hear!

Mr STONE: I am pleased that the member for MacDonnell, with his interjection, gives his approval to such activities. The Northern Territory Events Unit was successful in its bid to secure the exclusive location for the Australian Safari in the Northern Territory, commencing in August 1999. This exciting event will provide wide Territory involvement and economic and social benefits. It is anticipated by the organisers that the rally will pass through all urban areas up the track and, subject to cooperation of the 2 major land councils, will include a number of Aboriginal communities and possibly loop through Nhulunbuy on its way into Darwin. All of these issues are yet to be resolved through negotiation and discussion.

Madam Speaker, lest anyone think that the NT Major Events Unit is all about motor sports – it is not. It will embrace a number of other activities in time that reflect the diversity of the community in which we live.

I come now to the Honda Masters Games in Alice Springs - another success story. I would like to congratulate the people of Alice Springs, the organisers and sponsors for their outstanding achievements in hosting the most successful Honda Masters Games held to date. From past analysis, this year's event is estimated to have put in excess of \$1m per day into the local economy. The next Masters will be held in the year 2000, immediately after the Olympic Games in Sydney.

I would also like to congratulate the Department of Sport and Recreation, under the leadership of Mr Richard Galton, for the important contribution that it made to the success of this event, and Honda for their continuing corporate support – it is greatly appreciated and acknowledged. Without Honda, the Masters Games would simply not be the success that they are today.

Olympics 2000 - what does it mean for the Territory? The Northern Territory Tourist Commission has formed a task force to identify and analyse opportunities likely to flow from the Olympics. Separate to the task force is the Torch Relay. Organisers and the Northern Territory Tourist Commission will coordinate media requirements for this stunning opportunity for the Northern Territory, commencing at Ayers Rock with Territorian and Olympic and Commonwealth gold medallist Nova Peris-Kneebone. I understand the disappointment of the people of Tennant Creek at not being included in the Torch Relay, but I want to assure them that the Northern Territory government continues to make representations on their behalf. I can only express some surprise that the local member, who is the Leader of the Opposition, seems incapable of persuading her Labor colleague in New South Wales of the merits of including her own constituency in the relay.

Media planning has commenced with NBC, who are filming in Central Australia and

will return to the Top End in April next year to depict on film, for American audiences prior to the Olympics, what Australia is about. It is important that we have strategies in place for this major event that we believe will generate solid and long term benefits for the Territory. Members should have regard for some of the facts and statistics that flow from the Olympics being in Sydney. They include the following:

- in 1999-2000 some 2500 international media will be visiting Australia, generating \$900m in worldwide publicity;
- the opening ceremony will be watched by 3500 million people;
- an extra 1.6 million tourists will visit Australia between 1997 and 2004, and during this time 100 000 extra jobs will be created;
- additional visitors will generate \$6100m in tourism export earnings;
- the biggest year of impact is expected to be 2002, two years after the event; and
- it is anticipated that whilst the larger states will be the main beneficiaries, the Northern Territory will receive approximately 9% or 130 000 additional international visitors.

The Northern Territory is well positioned in terms of planning to maximise our opportunities. After all, we do represent the real outback and we will start to reap the benefits of very effective marketing campaigns that we have run in the United States, the United Kingdom and Europe over the past few years.

I turn now to conference facilities in Darwin and Alice Springs. It is generally recognised that despite the best efforts of the Northern Territory Tourist Commission Conventions Bureau and the tireless efforts of those in the private sector to promote conventions and conferences, both Darwin and Alice Springs suffer from a lack of suitable venues for such events. Whilst I acknowledge the capacity of a number of venues, including those within our existing hotels and the Darwin Entertainment Centre, it is consistently urged on the Northern Territory government that we need facilities that can match those to be found in other destinations such as Adelaide, Melbourne, Sydney and Brisbane. The Northern Territory government is not in the business of running convention centres. We do however recognise that we have an important role to play in facilitating those convention centres, consistent with what has happened in every other state and territory in Australia.

What is evident from our research to date is that there are no substantial convention centres in any capital city that have been wholly built, financed and run by the private sector. Rather, such convention centres are seen as important tourism infrastructure that government has a role in facilitating. It is not a case of picking winners or of intervening in the private sector, it is a matter of facilitating infrastructure and until such time as government does exactly that, the Territory will continue to miss out on large conventions and conferences that generate many visitors, employment opportunities and income for the tourism industry.

To that end, I have requested the Minister for Transport and Infrastructure

Development, the honourable Barry Coulter MLA, to commission and identify possible sites in Alice Springs and Darwin. At a Cabinet meeting held in the last fortnight, Cabinet has considered the recommendations and we are acting on 2 sites, one in Darwin and one in Alice Springs. In the intervening period I have received a submission with a proposal from the Alice Springs Town Council, which will now also be considered in the context of our deliberations.

Minister Coulter has been charged with the responsibility of entering into discussions and negotiations with a view to recommending back to Cabinet the course of action that should be taken by the Northern Territory Government in conjunction with the private sector. The process will be open and transparent, and the industry will be widely consulted on what is proposed. I expect that we will have the usual critics who, if they had their way, would have ensured that the Ayers Rock Resort had never been built. These are people without any vision or imagination as to what is required to build the tourism industry in the Northern Territory.

In the event that the Northern Territory government decides to work on plans for major convention facilities in Alice Springs and Darwin, it is crucial that this is done with the support and encouragement of the tourist industry. If the industry wants the facilities, the jobs and economic spin-off, it is vital that the various arms of the industry articulate that view widely in the community. It must be understood and appreciated that such initiatives build employment right across the board and generate wealth.

I come now to the Darwin cruise ship strategy. It stands to reason that access is the key to successful tourism development. Currently we have in place the Northern Territory Aviation Committee, which regularly puts detailed proposals to airlines to improve linkages, capacity and frequency of their services to the Northern Territory. Similarly, we have a Northern Territory drive market strategy and offer a unique rail holiday experience. Last week, Madam Speaker, you officiated on my behalf at the launch of the expanded Ghan services from Melbourne to Alice Springs with 37 carriages. A new service from Sydney will commence in 1999. The Northern Territory Tourist Commission is working closely with the operators, Great Southern Railway, as these rail services to the Territory develop.

The launch of the Darwin cruise strategy 1998-2001 will take place at the Darwin Wharf Precinct today, Wednesday 2 December, as I indicated in Question Time. This strategy builds on the strong reputation that the Port of Darwin has established as a friendly and efficient stopover for the new generation of cruise ships. By the end of this year, Darwin will have hosted 18 cruise liner visits, including 5 maiden visits. Darwin has become the preferred changeover port for the *Coral Princess*, and already 14 cruise ships have booked in for visits in 1999, including another 5 maiden visits. During next year, we will see the first series of visits from the big European cruise liner *Norwegian Star*, which has made Darwin part of its regular itinerary. I refer members to Attachment 9 to this ministerial statement.

The impact of naval ships calling into the Port of Darwin in many ways is similar to that of cruise ships. Naval officers and crew undertake onshore tours and use transport, retail outlets and restaurants. In addition, it is common practice for personnel to be accommodated in hotel rooms while their ships are in port, adding to

the benefit to tourism. There is increasing use of the Port of Darwin by naval vessels using Darwin for rest and recreation and military exercise programs. In 1997, Darwin received 73 naval ships of which 52 were Australian and 21 were overseas vessels. Most Territorians would probably express some surprise at the number of ships that have visited our port. Generally these ships are in port for a number of days and each ship carries up to 400 personnel, all with a propensity to spend freely while on shore.

The draft strategy has been widely circulated to cruise operators and others involved in the cruise industry. It has been well received and will guide the industry over the next 3 years. It will also complement the construction of the new cruise terminal, at a cost of \$1.3m, which will be completed in the new year.

Madam Speaker, I now turn to the Northern Territory Tourism Development Masterplan 2005. The current Northern Territory Tourism Development Masterplan, which was released in 1994 and established a framework for government and industry decision over the last 4 years, expires in 1999. This report received strong industry and community support. It is timely, with the appointment of the new Northern Territory Tourist Commission Board, the Planning for Growth initiatives and the fact that tourism development is the responsibility of several agencies, that this document be revised and refocused to take the tourism industry to 2005.

This new Tourism Development Masterplan 2005 will follow the previous successful formulae and have the direct involvement of the appropriate government agencies with wide industry and community consultation in the process. This new revised masterplan, which will provide leadership and direction for the tourism industry to 2005, will commence in early 1999.

In summary, as I stated from the outset, many of the pundits predicted a downturn in the industry in the Northern Territory. The Territory continues as one of the lead economies in Australia, with high growth and very low unemployment. When I led the CLP government to our election victory in 1997, I did so with the commitment of 15 000 new jobs for the Territory. In August this year, according to the ABS, 12 months on we had already accomplished 9700 new jobs. A lot of those jobs are in tourism.

Those predictions about a downturn in the tourism industry have proved unfounded. It is no accident or just good luck. In the same way that the cattle trade collapsed, it is now regaining momentum with new markets. The CLP government set about the task of putting in place strategies that delivered growth in tourism. With the willing partnership of the private sector in the tourism industry, the CLP government has been able to achieve a trend against the trend compared with all other states.

I congratulate all the hard working staff of the Northern Territory Tourist Commission for the tireless work that they have put in on behalf of the Territory and the Territory industry. I thank the outgoing members of the Northern Territory Tourist Commission Board for the important role that they have played over the last 12 months. They include the chairman, Mr John Rowe AM, who will carry on in the intervening period; the deputy chairman, Mr Barry Bucholtz from Alice Springs, who has given a very long period of outstanding service; Mr Ron Archer AM, who brought to us his own expertise; Mr Grant Hunt, who will be remaining on and has been reappointed to the

board; Mr Col Fuller, who has gone on to become Secretary of the Department of the Chief Minister; Mr Justin Sinclair; Mr John Malligan; Mr Robert Lee; Ms Fay Miller; and Ms Libby Prell; all of whom made an outstanding contribution in their own right and a number of whom represented the Regional Tourism Associations which were the forefront of the notion to rationalise the board in any event, and the managing director, Mr Tony Mayell, who will be remaining in that capacity as a member of the board. I also congratulate the private sector Regional Tourism Associations for their continuing trust and faith in the direction of government.

Tourism remains our largest employer and our second-largest wealth generator. While 'you'll never, never know if you never, never go', we have now moved into very sophisticated markets which have come to recognise the Territory as the real outback with all that that entails - Aboriginal culture, eco-tourism and the unique experience of a uniquely different place, Australia's Northern Territory.

I table each of the attachments that were appended to the ministerial statement. I regret that it was a long statement, but believe that I have a responsibility to give a report to Parliament on a very important industry that has been in my safe-keeping for the last 8 months, and I have made this report in that spirit.

Madam Speaker, I move that the Assembly take note of the statement.