



Submission: Regional Development Victoria Review

24 March 2015

Outdoors Victoria, the voice for Victoria's outdoor community and industries, welcomes the opportunity to contribute to the review of Regional Development Victoria. This submission focuses on the profile of the outdoor community, its current importance as an economic development driver for regional Victoria, and opportunities to strengthen regional growth and jobs creation in this sector.

About Victoria's outdoors community and industries

Victoria's outdoor community encompasses a diverse range of organizations – public and private, for-profit and non-profit, community and business, voluntary and professional – all of which share a common interest in helping people experience our state's wonderful natural environments.

The outdoors community crosses many traditional boundaries between industry sectors as usually defined, such as tourism, education, sport & recreation, manufacturing and retail. Outdoors-focused organizations active in Victoria include:

- Approximately 485 outdoor experience providers, focusing primarily on delivering led outdoor experiences to the school and tourism markets;
- 145 accredited camps and around 155 caravan and holiday parks;
- An estimated 300-400 general outdoor retail outlets across the state, in addition to activity-specific specialist shops (such as 925 bicycle shops) ;
- Approximately 1,500 voluntary outdoor clubs, spanning 22 different activity groups (such as fishing, horse-riding, bushwalking, sailing, canoeing, orienteering, and so forth);
- Formal outdoor education programs offered at 214 secondary schools;
- VET outdoor recreation qualifications offered at 15 training providers, and outdoor education degrees offered at 5 universities;
- 188 state and national parks managed by Parks Victoria, accounting for 17% of Victoria's land area, and thousands of other natural areas and parks managed by a diverse range of land holders.

Outdoor industries are a major driver of economic growth and resilience, especially in regional Victoria. Whereas the past two decades have seen erosion in traditional regional economic bases such as agriculture, forestry and manufacturing, outdoor industries have been a source of consistent expansion.

In some regional areas, such as the Grampians, Philip Island and Murrindindi Shire, nature-based recreation, tourism and outdoor education are now the major employer and major source of economic growth. And in

many more areas these sectors are a vital complement to other industries, helping to diversify growth, maintain community wellbeing and smooth out volatility in other sectors.

Consistent data on the economics of outdoors industries are not readily available, particularly because the industry crosses many existing of the conventional industry categories. However, several recent studies give us some indication of the overall importance of the sector:

- Victoria's boating industry employs around 17,700 FTE, with an overall contribution of \$4.5 billion to the state's economy (Boating Industry Association);
- Victoria's bicycle industry employs around 10,000 FTE, with a near doubling of participation and economic turnover in the decade to 2012 (ACIL Tasman);
- Annual economic value of three high-profile natural areas (Wilson's Promontory, Port Campbell and the Grampians) of \$481 million; annual value of alpine resorts of \$505 million; and annual value of beach and coastal visits of \$734 million (Victorian Nature-Based Tourism Strategy);
- Employment of 2,425 FTE in Victoria's 485 direct program delivery operators, with turnover of \$182 million annually.

Outdoors Victoria has been commissioned by Sport and Recreation Victoria to conduct an analysis of the overall economics of outdoor activities in Victoria. The initial report of that project, which will include a more comprehensive survey of existing data and economic analyses across the various categories of outdoor industries, is expected to be released in 3Q 2015.

About Outdoors Victoria

Outdoors Victoria was formed as a membership body representing the state's outdoors community in 2013, with significant financial support from Sport and Recreation Victoria. Outdoors Victoria currently has 54 members, including other peak recreation groups, outdoor experience providers, educational institutions, and manufacturers and retailers of outdoor gear.

Outdoors Victoria's purpose is to build a valued and sustainable outdoor sector for the benefit of the community and natural environment. Currently our main strategies for doing this are (1) to be an influential voice for the outdoors community; (2) to improve the knowledge, networks and resources available to the outdoors community; and (3) to increase participation in outdoor activities.

Our current major activities include the following:

- A comprehensive update of Victoria's adventure activity standards, a set of guidelines designed to ensure sound risk management in all led outdoors activities in the state;
- Major events to build capacity and communication in the outdoors sector, including our annual outdoor leaders forum and annual outdoor education conference, as well as participating in other relevant forums;
- Development of a comprehensive online "knowledgebank" for the outdoors community; and
- Economic analysis of the outdoors community, as described above; and
- Policy engagement on issues and opportunities that concern the outdoors community.

Outdoors industries as a driver of regional development

Focusing on investment in outdoors infrastructure and activities has several unique advantages as an economic development strategy for regional Victoria.

First, the assets underpinning outdoor activities are a combination of multi-use natural assets and build visitor facilities. Unlike a conventional economic asset such as a factory or shop, outdoor assets provide multiple benefits simultaneously to multiple communities. A well-maintained national park provides an economic benefit in terms of nature-based tourism opportunities, as well as an educational and recreational resource for the local community, as well as an ecological resource for the state, nation and global community as a whole.

Second, because of the reliance on natural assets and the focus on providing experience rather than material product, outdoors activities tend to be relatively labour-intensive rather than capital-intensive. That is, they can create more jobs per unit of investment than relatively capital-intensive industries. A related point is that outdoors activities, done properly and in a well-regulated manner, are relatively less intensive in terms of their ecological impact, compared with resource- and pollution-intensive forms of production.

Finally, outdoor industries have multiple socially beneficial flow-on effects. Being active in the outdoors contributes to an individual's physical and mental wellbeing, thus alleviating pressures on the public health system, and increasing the population's overall productivity and wellbeing. For example, children who play outside regularly have a 27-41% less chance of suffering from obesity – yet only 19% of children currently meet recommended Australian physical activity guidelines. Outdoor activities present a highly cost-effective way of delivering preventative health outcomes.

Like any industry, the outdoors community has its share of challenges, both external and internal. Among the most pressing challenges are the following:

- **Workforce development.** Careers in outdoor program delivery are highly appealing for many, but much work in the sector is seasonal in nature, can involve long hours, and can involve substantial blocks of time away from home. More work is needed to develop professional pathways in the sector to attract, train and retain a high quality workforce. Similarly, effective use of volunteers is an ongoing challenge in recreational and community groups that depend on volunteer engagement.
- **Participation.** Maintaining high rates of participation in outdoor activities is crucial, especially among children. However, competition from screen-based entertainment, and an overall social trend towards highly programmed, “busy” lives can hinder participation, with four out of five children not attaining recommended physical activity guidelines currently.
- **Environmental change.** Climate change, loss of habitat and biodiversity, and other forms of environmental pressure will adversely affect the natural resource base on which outdoor activities depend.
- **Public profile.** Despite the size and importance of the sector, outdoor industries do not have the same profile as other economic sectors, such as agriculture and manufacturing, and often the outdoor community is subsumed in other categories – such as “sport and recreation” or “tourism”, in which the outdoor components are sometimes treated as secondary concerns. Similarly, the profile of outdoor activities in the media could be improved, and better ways of marketing adventure and outdoor tourism developed.

There are, both in Victoria and around the world, many outstanding examples where communities are turning outdoors experiences into powerful and sustainable economic drivers. Locally, the following instances are of particular interest:

- The cluster of outdoor camps, education programs and recreational facilities in and around Murrindindi Shire. Here, outdoor industries have steadily increased to a “critical mass” where the presence of local expertise, training programs, and well-maintained natural areas has created a virtuous circle, giving the area a competitive advantage in attracting additional outdoor industries. The area has a strong focus on providing outdoor experiences to school groups in particular. The increase in jobs in the shire in this sector has counterbalanced declining jobs in other industries such as forestry.
- The Grampians Peaks Trail and Great Ocean Walk, which are good examples where Victoria is learning how to build integrated experiences around a particular outdoor asset. The global “tracks and trails” movement continues to grow strongly year-on-year, opening up further opportunities to replicate this model with some of Victoria’s outstanding but lesser known tracks and trails. The Grampians Peaks Trail is expected to generate 80,000 visitor-nights per year by 2025, and \$6.4 million annually for the local economy, when it is completed
- The positioning of Port Phillip Bay and Western Port as premier destinations for sailing, scuba diving, fishing and other coastal outdoor activities. Particularly noteworthy here is the shift from commercial fishing towards recreational fishing, supporting both sustainability and economic outcomes.
- Outside Victoria, the deliberate positioning of both New Zealand and Tasmania as outdoors-oriented adventure tourism destinations is noteworthy.

In these and many other examples, success is underpinned by a combination of:

- Investment in infrastructure – including access infrastructure, ecological management, visitor amenities and facilities, tracks and trails, etc.
- Effective marketing – both to domestic and international markets, as well as less obvious but crucial markets such as schools, and religious and other community groups.
- Exciting programming – major events such as adventure festivals, outdoor sporting competitions, and ongoing programs to help people access the outdoors can help build the critical mass of interest and awareness needed to drive market development
- Integrated planning – nature-based tourism development should be integrated with other complementary strategies, such as food and wine tourism, indigenous economic development strategies, and local government recreational facilities planning.

Opportunities

We submit that the following opportunities should be explored as strategies to create greater prosperity, wellbeing and resilience in regional Victoria:

- 1) **Revitalise Victoria’s Nature-Based Tourism Strategy.** This strategy, covering 2008-2012, was an outstanding effort to position tourism and sustainability as mutually-reinforcing goals for regional development in Victoria. Some of the strategy has been successfully implemented, including efforts to diversify and deepen visitor experiences around prominent sites such as the Twelves Apostles and

Philip Island Penguin Parade, and improving the profile and infrastructure for nature-based experiences along the Great Ocean Road and the Grampians. Unfortunately, some of the key elements of the strategy remain unimplemented, and the emphasis in tourism policy and marketing overall seems to have shifted to major events, often with a Melbourne-centric focus.

Many of the barriers identified in the strategy remain equally relevant today, as well as many of the strategic directions. We strongly encourage an updated Nature-Based Tourism Strategy to be developed, based on the yet-to-be-implemented portions of the 2008-12 strategy.

- 2) **Develop a priority outdoors investment list.** Just as the \$25 million investment in the Grampians Peaks Trail is creating a locus for economic revitalization for the entire Grampians region, similar opportunities exist around the state for key infrastructure investments to stimulate economic activity.

Such investment should combine improved visitor facilities, transport and access infrastructure, ecological infrastructure and sustainable land management, and planning and marketing efforts to support the industry.

For example, Victoria's only formalized canoe trail – with dedicated entry points, campsites, signage, toilets and promotion – is the Glenelg trail, which attracts over 10,000 visitors annually. (By contrast, New South Wales has five canoe trails totaling over 600km.) But many other opportunities exist for canoeing or even sea kayaking trails to be developed. From 1983 to the drought in the mid-2000s, a formal and well-utilised trail existed along the Thompson, but it has not been maintained or refurbished since the drought. Other opportunities exist along the Mitta Mitta, Murray and Snowy, among others.

Additional terrestrial trail opportunities exist as well, particularly to increase the visitor experiences along the trails identified in the "Great Trails Victoria" website.

- 3) **Ensure adequate resourcing for parks maintenance and land management.** It is deeply concerning that funding for basic maintenance and land management in our national and state parks and forests has declined in recent years. According to the 2014 state budget, the percentage of facilities in state parks requiring replacement within the next five years is at all-time high of 46%, up from 28% in 2012 and just 18% in 2006. Resources available for forests, parks and public land have declined from \$331 million in 2009-10 to \$291 million in 2014-15, at a time when both the size of the estate and visitor numbers have increased. Our parks cannot meet increasing usage and a maintenance and replacement backlog, on a declining resource base, much less invest in new infrastructure opportunities.

In this light, the commitments of the new Government to a modest increase in maintenance funding for Parks Victoria is most welcome. However, higher levels of funding would better equip our parks service to maintain and improve the facilities needed to achieve both ecological and economic goals. In particular, we are not confident that existing funding levels will support the increased visitor numbers that can be expected as a result of ambitious investments like the Grampians Peaks Trails, while still supporting communities in less prominent areas.

- 4) **Invest in getting kids outdoors.** Starting in September 2015, every grade four student in the United States, and their families, will have free access to the USA’s national parks. Announced by President Obama as part of the “Every Kid in a Park” Program, the initiative is the most ambitious effort in a generation to get kids involved in the outdoors – and by doing so to strengthen links between rural and urban America. In addition to the primary health and educational outcomes of this initiative, it will also be an economic boon for outdoor industries and regional communities.

This is just one example of the policy innovations and initiatives loosely characterized as the “new nature movement”, which emphasizes the importance of connection to nature especially for children. Closer to home, governments in Western Australia, Queensland and South Australia have committed millions of dollars to “Nature Play” initiatives designed to get kids experiencing nature and active outdoor play.

To date, Victoria has not invested in a similar way, but there is great interest among the outdoor sector in supporting and participating in such an initiative.

Victoria has a relatively long tradition and an ongoing leadership position in outdoor education on a global level. Some of our school-based outdoor education programs, as well as our tertiary programs, are among the best in the world. Yet outdoor education is far from universal in Victoria, and some students – particularly in smaller schools, urban areas, and socially disadvantaged areas – will have limited or even no formal outdoor education programming.

Outdoor education should be an essential component of every child’s education, throughout their entire developmental journey. The primary reason for this is to improve developmental and wellbeing outcomes, but such a shift would have important regional economic benefits as well. Outdoor education not only delivers direct economic turnover through camps and journey-based programs, located overwhelmingly in regional Victoria, but also helps to build an individual’s connection with a particular place or activity. That connection in turn helps to build a lifelong practice of visiting natural areas, and thus building the regional nature-based tourism economy.

Outdoors Victoria would be pleased to discuss any aspect of this submission with the review panel; please feel free to contact Chuck Berger, CEO, on 0417 447599 / charles.berger@outdoorsvictoria.org.au

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