

Review of Nature Based Tourism

March 2007

Report to the Minister for the Environment and
the Minister for Tourism



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BACKGROUND

Nature based tourism is the main platform of the marketing image presented worldwide by Tourism WA - described as "a key component of the Western Australian tourism experience".

Tourism WA's www.westernaustralia.com website states that:

"Sun, adventure, an awesome natural environment and friendly people – it's what you'll find on a holiday to Western Australia whatever time of year you visit."

"Nowhere else in the world can you experience and interact with such unique natural attractions."

In 1997, the Western Australian Tourism Commission (WATC) released a Nature Based Tourism Strategy to "ensure that Western Australia's natural assets are recognised and managed in a sustainable way".

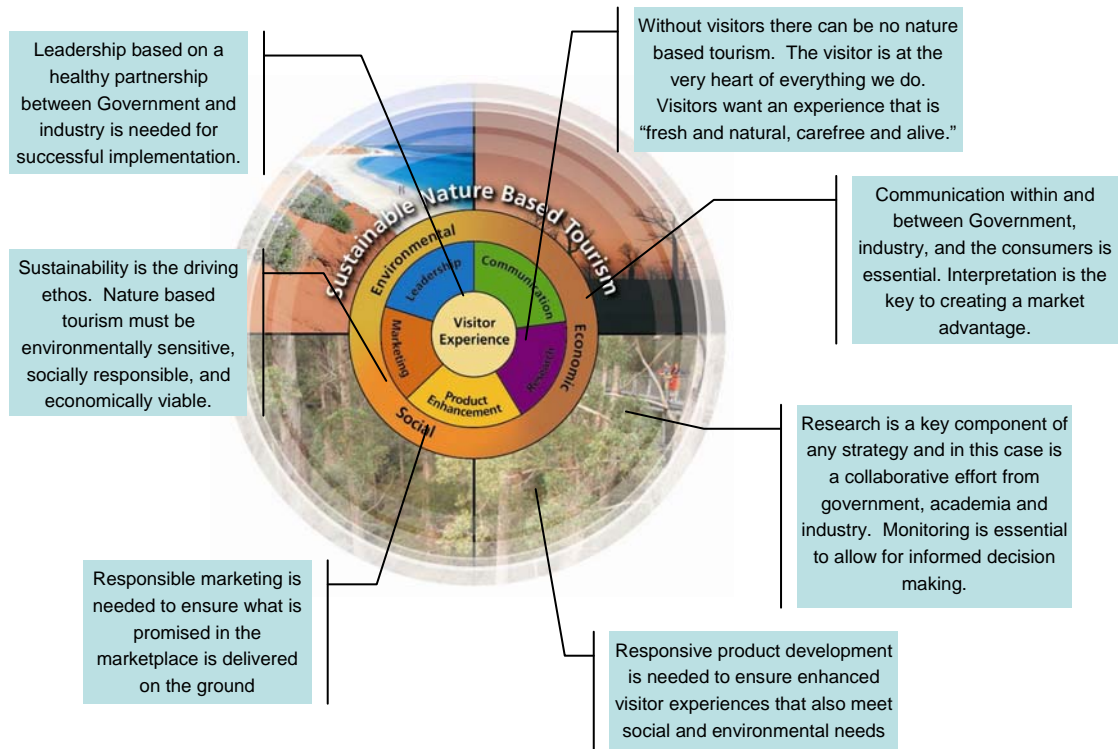
In 2003, under directions from the Board of Tourism WA, a review of the Nature Based Tourism Strategy for Western Australia (1997) was undertaken by the Nature Based Tourism Advisory Committee (NBTAC).

The NBTAC concluded that the basic thrust of the strategy was as relevant in 2003 as it was in 1997. It was also confirmed that the Guiding Principles and the Action Plan adopted in the original strategy should continue. However, the NBTAC considered that it was time to re-think the way future nature based tourism strategies should be formulated.

With the assistance of the Curtin University's Graduate School of Business, the NBTAC developed a new model for understanding nature based tourism. The new model is as follows:



Figure 1 – A new Model for Nature Based Tourism (Tourism WA 2004)



The development of nature based tourism in a sustainable manner is guided by the need to enhance the visitor experience.

In 2004, Tourism WA released the strategy *"Keeping it Real – A Nature Based Tourism Strategy for Western Australia"*, thus adopting recommendations by the NBTAC.

The vision for this strategy is:

That nature based experiences offered to visitors are real and sustainable.

Much of Western Australia's nature based tourism product is based on experiences in protected areas (national parks, State forests, marine parks and other reserves) and interaction with the State's unique wildlife. There has been a dramatic growth in nature based tourism over the past two decades, with the number of operators licensed to undertake commercial activities in protected areas increasing from around 50 in 1994 to around 400 in 2006.

As a consequence of this growth and the increasing complexities associated with managing nature based tourism activities, the Department of Environment and Conservation (DEC) and Tourism WA have been charged to undertake a "Review of Nature Based Tourism".



The initiative was jointly announced by the Minister for the Environment and the Minister for Tourism on July 17, 2006 (a copy of the press release is included as Appendix A).

Tourism Co-ordinates was appointed to undertake this review, to be conducted in accordance with the following brief:



REVIEW BRIEF

The review of Nature Based Tourism is to examine and provide comments/recommendations in relation to the statutory, regulatory and administrative framework applying to nature based tourism, with a particular focus on:

- The statutory coverage of existing leasing and licensing framework;
- The impact of terms and conditions of leases and licences on nature based tourism's economic and environmental sustainability;
- The management of risks to tourists and to the 'image' of Western Australia as a tourism destination;
- The role and impact of local government on nature based tourism;
- The roles and relationships of DEC, Tourism WA, tourism operators, the Conservation Commission and the MPRA in developing, promoting and managing nature based tourism and nature based tourism facilities or attractions;
- The roles and relationships of DEC, Tourism WA, tourism operators in the provision of visitor information in regard to protected areas;
- The communication and representation mechanisms between DEC (including the Tourism Industry Reference Group), Tourism WA (including the Nature Based Tourism Advisory Committee), tourism operators, the Conservation Commission and the MRPA regarding nature based tourism; and
- The opportunities to improve and accelerate the integration of 'whole of government' delivery of opportunities for nature based tourism (including specific initiatives such as "Landbank").



METHODOLOGY

The review has been undertaken with reference to numerous existing reports and reviews that cover a range of matters relating to Nature Based Tourism (NBT).

In particular, internal report documents of DEC have provided historical and technical information relating to commercial operator licensing/leasing and the processes that apply for application and approval.

Interviews were conducted with a wide range of stakeholders (refer to list in Appendix B). They included tourism industry representatives, operators and conservation groups, as well as relevant staff in the agencies involved.

Written submissions were invited through Tourism WA newsletters and notices posted on relevant websites. Eight written submissions were received (refer to list in Appendix C).

A number of meetings were held with representatives of DEC and Tourism WA to formulate a draft document for presentation to the Steering Committee to be finalized as the review report.

During the course of the review, Tourism WA commissioned a survey, "A Review of Nature Based Tourism Operator and Investor Consultation". The survey's objectives were to:

- Determine how DEC and other bodies impact current tourism operators and potential developers/investors;
- Ascertain current views regarding existing DEC licensing and leasing policies and procedures;
- Determine the impact of lease and licence terms, costs and conditions on operators;
- Suggest changes or improvements that could be made to current lease and licence system;
- Investigate the effectiveness of current forms of communication with operators regarding nature based tourism;
- Ascertain ways to develop, promote and manage nature based tourism, including the role of DEC and Tourism WA;
- Explore potential opportunities for delivery of nature based tourism products, including the need for additional infrastructure and services;
- Understand how local government procedures and policies affect operators.

The survey findings were made available to the NBT review process and are incorporated in this report. Generally, the survey objectives and the responses are consistent with the independent findings of the review, as reflected in this report.



The approach to the review has been to identify and find solutions to a range of issues that have been put forward by those having an involvement or interest in NBT. Where appropriate, recommendations based on maintaining close co-operation and harmony between the needs of conservation and the needs of the tourism industry, are included.

While each sector provides important and valuable complementary benefits to the other, it is also important that there are rewards to operators who demonstrate not just compliance, but a genuine move towards continual improvement and best practice.

The relationship between protected areas and tourism is a very important one, requiring a whole of government approach that confirms a commitment to protect Western Australia's natural heritage for the education and enjoyment of those who seek to visit.

All observations and recommendations in this review are based on the first priority being extended to the protection and sustainable management of the resource – the DEC estate.



STEERING GROUP

This review was conducted under the guidance of a Steering Committee comprising:

- representative of the Minister for the Environment (Chair);
- representative of the Minister for Tourism;
- senior officer from DEC; and
- senior officer from Tourism WA.

The Steering Committee met on three occasions.



SUMMARY OF REVIEW RECOMMENDATIONS

Following is a summary of the recommendations contained in this NBT Review Report.

The background to, and basis of, the recommendations is provided within the Issues Section of the report, with the recommendation and page numbers provided for easy reference.

The adoption of these recommendations will require a commitment by government to ensure that DEC and Tourism WA are appropriately resourced to meet the obligations that flow from this review.

There are outcome linkages between many, if not all, of the recommendations. Therefore, this review, if accepted, should be seen in its entirety, not in individual recommendations.

NBT is a key component of Western Australia's tourism industry and the objective of this review is to provide the directions that will see an integrated and complementary balance between the protection of our natural environment and the ability of the State to attract people to visit and enjoy the many unique experiences on offer.

It is recommended:

Licence/Lease Tenure – 'T' Class Licences

Pages 20 to 23

- 1) That 'T' Class licences remain available on an unrestricted basis, for a 12-month period, subject to appropriate accreditation being achieved within six months of issue.
- 2) That without operator accreditation, allowing tourism certification within six months, the licence is rescinded.
- 3) That the maximum period for annual renewal of a 'T' Class licence is five years, with the current options of one and three years renewal periods to remain.
- 4) That the two-month short season licence remains available where deemed appropriate by DEC.
- 5) That Tourism WA and TCWA confirm responsibility for, and establish clear processes to providing assistance to, start-up tourism operators (TOs) requiring accreditation as a prerequisite to applying for a 'T' Class licence. Tourism WA/TCWA to assist DEC develop its On Line Training Program (see recommendation 21) as a mechanism as part of the prequalification of TOs prior to a licence application.



Licence/Lease Tenure – ‘E’ Class Licences

Pages 24 to 28

- 6) That ‘E’ Class licences continue to be issued through the EOI process and that the initial period be extended to up to 10 years, with annual audits against predetermined Key Performance Indicators (KPIs) and with a renewal period of up to 5 years, giving a total licence of up to 15 years.
- 7) That the licence be subject to ongoing conformity with the issue conditions and KPIs applied by DEC, which will vary, and can be varied, from time to time, based on the circumstances of specific protected areas. A significant breach of those conditions or KPI performance failure, to empower DEC to rescind the licence.
- 8) That at the end of the maximum 15 years licence period, DEC has the option to reallocate the licence through a competitive EOI process. To reward best practice, part of the criteria for assessment should place high weighting on TOs who perform well in the annual audits and to take into consideration what is in “the public interest” when considering the options.. EOIs should commence at least two years out from the expiry of a licence.
- 9) That in adopting these recommendations, legal advice first be sought in relation to potential implications relating to proprietary value and possible government exposure to future compensation in the advent of a licence not being renewed.
- 10) That all ‘E’ Class licences have a caveat applied that will allow DEC to rescind the licence in circumstances where it is deemed that the continued operation of that licence poses a threat, or threats, to the environment.
- 11) That DEC has the ability to offer those licensed operators who have a proven track record, the option of converting the licence to a lease, where appropriate.

Licence/Lease Tenure – Leases

Pages 28 to 29

- 12) That DEC maintains the EOI process for issuing leases and applies an “each case on its own merits” approach in assessing the period of the lease. The lease period to be determined by such factors as environmental impacts, level of investment, the anticipated level of return on that investment, KPI compliance and conformity with protected area management plans. Lease terms to be set at the discretion of the Director General.
- 13) That a legislative provision be made to remove the current maximum lease period of 21 years, with a 21 years option.



Business Sustainability

Pages 30 to 31

- 14) That DEC takes into consideration the business sustainability factors associated with issuing a licence or lease to the extent that there may be an adverse impact on other tourism operators and/or the tourism industry, arising from such management actions and decisions.
- 15) That DEC draws on outside expertise, such as Tourism WA and/or business analysts, in taking economic factors into consideration before making a decision on an application for a licence or lease.
- 16) That the implications of the National Competition Policy in regard to Recommendations 14 and 15 be examined.

Transferability of 'E' Class Licences

Pages 32 to 34

- 17) That the current replacement licence process for 'E' Class licences remains, but to use the term "Transfer" in accord with S101(3) of the CALM Act.
- 18) That DEC maintains the right to not allow a transfer of an 'E' Class licence.
- 19) That DEC, in adopting Recommendations 17 and 18, first seek legal advice in relation to possible implications for Government in respect to conferring proprietary value on DEC commercial operations licences and the potential for claims of compensation in the event of licence withdrawal for reasons other than non-compliance with licence conditions.

Commercial versus Non-commercial

Pages 34

- 20) That non-commercial groups be given the option of a 12-month permit, where appropriate, for access to protected areas where their activities are conducted on a regular basis.

Licence/Lease Planning/Approval Process

Pages 34 to 37

- 21) That DEC/Tourism WA initiates the development of a tourism based website information and licence application facility, for both land and marine based tourism operators. The application system to have links with other relevant agencies (eg. Department of Planning and Infrastructure and Department of Fisheries), with the DEC licence application models proposed earlier in this review being applied.
- 22) That the online training component of the process be resourced and developed by Tourism WA and TCWA, as manager of the National Tourism Accreditation Program.
- 23) That a specific turn around time for processing applications be set by agreement of all agencies involved.



Booking System

Pages 37 to 38

- 24) That DEC makes available an internet based booking system for camping and other specific activities such as abseiling, climbing and caving, where appropriate.
- 25) That such a booking system be integrated with the tourism distribution networks and be developed as part of the Tourism Emarketplace that other organisations, such as Visitor Centres, can access.

The Role of DEC as a Tourism Operator

Pages 38 to 40

- 26) That when DEC directly operates tourism products it does so in line with established tourism business principles.
- 27) That a review be taken of the role of DEC's Tourism Unit and that the Unit be restructured and resourced at a level to enable it to carry out that role.
- 28) That DEC initiates a program of internal change that has all areas of the agency understanding and supporting DEC's important role in tourism. Also, Tourism WA to implement an internal program to ensure that its staff recognise and understand DEC's environmental and management requirements.

Accreditation

Pages 40 to 43

- 29) That Tourism WA and DEC, in association with TCWA and Ecotourism Australia (EA), finalise accreditation programs applicable to meeting the accreditation needs of protected area management and that those programs become compulsory for 'T' Class licences (after 6 months from issue).

DEC Communications – Tourism WA

Pages 43 to 46

- 30) That the DEC and Tourism WA continue to examine opportunities to strengthen their communication links and working relationship, including the possibility of applying a short-term (six-months) staff exchange system.
- 31) That the Memorandum of Understanding (MOU) that is in place with Tourism WA be revised to reflect the outcomes of DEC's important and expanding role in tourism.
- 32) That the Nature Based Tourism Advisory Committee continues to be operated by Tourism WA as a means of facilitating effective communication and providing a clearing house for issues, for the wide range of stakeholders in NBT.
- 33) That DEC and Tourism WA establish a Senior Officers Group to improve communication between both agencies and to provide a mechanism to efficiently address day-to-day issues relating to NBT.



DEC Communications – Marine Parks and Reserves Authority Pages 47 to 48

- 34) That DEC and the MPRA jointly examine their current roles and relationship in the license/lease consultation process and establish clear lines of communication to facilitate the ongoing decision making responsibilities of both agencies.

DEC Communications – TIRG Page 48

- 35) That the role of the Tourism Industry Reference Group (TIRG) be expanded to incorporate wider interests, albeit that the tourism focus remains the main charter of the group. As a consequence, consideration should be given to renaming the TIRG as the Tourism & Recreation Industry Advisory Group (TRIAG).

DEC Communications – Local Government Page 49 to 50

- 36) That DEC invites a WA Local Government Association representative to become a member of TIRG (TRIAG) and also to establish a clear point of day-to-day contact within that association.
- 37) That regional offices of DEC be required to establish and report on communication strategies and procedures applicable to their own local needs.

DEC Communications –Public Pages 51 to 52

- 38) That DEC, in partnership with Tourism WA and in line with recommendation 27 relating to DEC’s tourism role and structure:
- reviews all its publications to assess the effectiveness of tourism messages and consider reallocating resources to meet the needs of a broader market.
 - corporately resources the production of publications that serve the needs of the tourism market and complement nature based tourism marketing.
 - undertakes an audit of its information/education material and marketing collateral made available to the general public and ensures that mechanisms are in place for the distribution of appropriate material throughout the neighbouring regions of the relevant protected area (eg. accommodation houses, caravan parks, visitor information centres, local government offices, etc).
 - monitors the marketing publications of commercial operators and tourism bodies and initiates corrective action where the information provided is not consistent with the visitor experience that can be expected.



Interaction with Wildlife

Pages 52 to 54

- 39) That the current policy Section 8 of the Wildlife Conservation (Close Season for Marine Mammals) Notice 1998 Act continue to be enforced and that DEC obtains legal advice in relation to the Civil Liability Act 2002 and the Occupiers Liability Act 1985 and the application of these Acts to any circumstance that might arise from people being attacked by wildlife (e.g. a sea lion) in a protected area.
- 40) That the science associated with sea lions continues to be monitored and that marine tour operators be required to report all instances and circumstances under which sea lions have sought to interact with people.

Threshold Management

Pages 54 to 55

- 41) That DEC and Tourism WA closely monitor threshold situations and where concentrated visitation is impacting on the environment and experience, seek to encourage the tourism industry to respond with new programs that contribute to a spread of the visitor load.
- 42) That Tourism WA undertakes research into iconic tourism sites and the potential to use marketing to shift visitor loading to non-iconic sites.

New Sites – Landbank

Pages 55 to 56

- 43) That Tourism WA and DEC develop a structure and seek the resources needed to implement the Landbank initiative (as it applies to protected areas) as proposed by Government policy.

DEC Parks Pricing System

Page 57

- 44) That DEC seeks to have the setting of park fees and charges removed from the Parliamentary process and made subject to approval of the Minister for the Environment.

Social Research

Pages 57 to 58

- 45) That Government fund DEC in the development of a social research program (including co-operative arrangements) that will provide a range of data on park visitors and visitor use of protected areas.

Two Approaches Within DEC

Pages 58 to 59

- 46) That the Tourism and Marketing Unit of DEC be responsible for tourism licence/lease facilitating in consultation with other divisions of the agency that are best placed to provide scientific advice in relation to wildlife interaction and the overall use of protected areas.



Where any issue cannot be resolved by the divisions, the matter to be adjudicated by the CEO of DEC.

- 47) That DEC establish and distribute to the tourism industry, a clear process for tourism industry contact within the Department.

Penalties for Breach of Licence/Lease Conditions

Page 59

- 48) That DEC undertakes a review of its powers to set penalties for breaches of licence/lease conditions and establishes a specific schedule of fines that reflects the nature and seriousness of the breach, including minimum amounts for fines and where appropriate, restoration costs.

DEC Risk Management

Pages 59 to 60

- 49) That, as prescribed in Recommendation 39, DEC seeks legal advice to assist in reviewing the risk management policies to be applied to the full range of NBT activities.



INTRODUCTION

The methodology applied for the review of Nature Based Tourism (NBT) has been detailed earlier in this report and is strongly based on one-to-one interviews and a small number of written submissions.

During the past 15 years, NBT has been the subject of many studies and reports under a range of titles relating to eco-tourism, adventure tourism, wildlife tourism, tourism in protected areas, etc.

The growing relationship between protected areas and tourism during this time has prompted these reports, the majority of which generally seek to identify and address conflicts, real or perceived, that either have occurred, or may occur, from what many see as conflicting use requirements.

Rather than to duplicate important work already undertaken on NBT, this review has drawn on some of these reports, the views and findings of which are considered as relevant today as when compiled. In particular, the reports:

2003 CALM Licenced Tour Operator Survey Results

prepared by Curtin Sustainable Tourism Centre

and

Licensing Nature Tourism Operators in Western Australia A Review of Business Impediments and Recommendations for Reform

Prepared by Sabrina Genter, Jo Ann Beckwith and David Annandale

have been used as a source of information for this review.

While the brief for this review is specific and has been addressed item by item later in this report, it was considered that the most productive manner to achieve the outcomes desired was to first identify the issues considered by a range of stakeholders to be important for the future of NBT.

The following main section of the review is, therefore, a report on those issues, although the observations and recommendations are not necessarily supported by all stakeholders.

There is one unwavering principle in all aspects of this review report – that the sustainability of the protected areas is the number one priority at all times.

It is important, therefore, that the role and responsibilities of DEC be recognised and understood as a precursor to examining the issues.



DEC manages more than 25 million hectares of conservation and forest estate on behalf of the Western Australian public and the statutory bodies in which the land and water is vested.

These areas contain some of the State's most outstanding natural and cultural landscapes and wildlife, including tourist sites such as the Ningaloo Reef, the Purnululu massif, Mt Augustus, the tall karri forests and wildlife, including whale sharks and dolphins.

Western Australia's wildlife and national parks are the foundation of the State's nature based tourism industry. Without access to these areas and the opportunity to interact with wildlife, there would be no, or certainly a very limited, NBT industry.

NBT provides important economic and social benefits to the community. It is estimated that the value of the industry to the economy is in the billions of dollars. The economic impact of the Ningaloo Reef and Cape Range National Park to the Gascoyne community alone is estimated at around \$140m per annum.

However, there is a need to manage these resources for both their intrinsic and instrumental values. The tourism industry has a vested interest in ensuring that the very values that it depends on to create its products and generate revenue are not degraded.

While the tension between use and conservation has eased over the years, differences in use philosophies will persist and so the key to achieving sustainable futures for both the tourism industry and the protected area system is good management.

DEC has a statutory responsibility to ensure that these natural and cultural values are protected in perpetuity for all Western Australians and for the full range of purposes and interests for which these reserves are provided. While being a highly important and influential sector, the tourism industry is only one of many stakeholders with an interest in protected areas.

The Conservation and Land Management Act 1984, provided the statutory basis for the management of land vested in DEC. The primary functions of the Chief Executive Officer (CEO) of DEC include:

- to manage land to which the Act applies (i.e. national parks, marine parks, State forests, etc);
- to be responsible for the conservation and protection of flora and fauna throughout the State, and
- to promote and facilitate public recreation, in accordance with the Act.

In the case of national parks, marine parks and conservation parks, the CALM Act requires that these areas be managed in accordance with a management plan. The objectives of these plans are to:

“fulfil so much of the demand for recreation by members of the public as is consistent with the proper maintenance and restoration of the natural environment, the protection of indigenous flora and fauna and the preservation of any features of archaeological, historic or scientific interest”.



This provision provides a clear statement in regard to the constraints on the level and type of recreation and tourism activities that can occur in protected areas.

These statutory responsibilities are given further meaning in DEC's Corporate Plan 2002-2005, which identifies "creating sustainable community benefits" as one of four key strategic directions for the department.

Environmental sustainability is one of the primary objectives of DEC. In order to progress sustainability objectives in respect to NBT, DEC has instituted a system of licensing for any commercial activity that occurs on land and water it manages.

Licences are issued under the Conservation and Land Management Regulations 2002 by the CEO of DEC following consultation with relevant vested bodies (Conservation Commission of Western Australia or the Marine Parks and Reserves Authority) and with the approval of the Minister for the Environment.

The purpose of licences is to set conditions for the appropriate use of land and water to ensure that conservation and environmental sustainability objectives can be met. As such, licensing is a tool used to meet the statutory obligations placed on DEC under the CALM Act.

In a similar vein, DEC issues leases for persons and businesses to operate tourism ventures on land within national parks and State forests. Leases are issued by the CEO, following the same approvals and consultation process as for licences.



ISSUES

Licence/Lease Tenure

During the course of the review, the issue that raised the most comment from the tourism sector was that of the process of granting licences/leases for commercial operations within protected areas, and the terms and conditions under which they are approved to operate.

Whether marine or land based, many commercial tour operators have concerns with the licensing/lease process, the tenure of leases and their general ability as tourism operators (TOs) to plan long term for business development.

Generally, TOs understand the role that licensing/leasing plays in managing protected areas. However, some believe the system is not fair and equitable.

These sentiments were echoed in the 2003 CALM Licenced Tour Operator Survey conducted by the Curtin Sustainable Tourism Centre. Twenty-three 'E' class TOs and 67 'T' class TOs were surveyed – only 36% agreed with the statement that "Overall CALM licensing is fair and equitable for commercial operators".

While the principle of licences/leases is accepted, it is the processes, conditions and, in some cases, the cost that generates the most criticism from TOs – criticism that often is taken up on their behalf by Tourism WA and Tourism Council WA (TCWA).

DEC uses a two-class licence system – 'T' Class licences and 'E' Class licences.

The 'T' Class licence is a general use licence and, at the time of this review, 327 'T' Class licences were valid.

'T' Class Licence

General licensing information provided by DEC lists examples of 'T' Class licences as including safari tours, guided walks and general snorkel/dive charters. A 'T' Class licence is classified as unrestricted, with no current limitation on the number of licences available by application.

A 'T' Class licence must be renewed annually, unless specified levels of accreditation are achieved, so allowing an extension of the renewal period by either three or five years. 'T' Class licences are not transferable – a business purchaser simply applies for a new licence.

Special licensing provision is made for out-of-state operators who may seek to access protected areas in Western Australia once or twice a year. A two-month short season licence is available at a cost of \$100 plus \$50 application fee, compared with \$300 plus \$50 application fee for 12 months.



The initial 12-month licence period for a 'T' Class licence is regarded by some TOs as too short, with businesses having to meet additional administrative requirements and costs that apply when renewing on an annual basis. It also means that these licensees have to manage their businesses with little more vision than 12 months allows.

A five-year licence is available if the appropriate level of accreditation is achieved, recognising the reduced management risk factor to DEC from an operator who has undergone the accreditation process.

However, it is a fact that some 'T' Class licence holders who are accredited, and therefore, have the right to extend their licence period to three or five years, have chosen not to.

From both a tourism and conservation point of view, it is important for all operators to successfully complete the accreditation process.

Without accreditation, the ability of the licensee to perform at the required level is considerably less certain because many start-up operators have limited basic knowledge of business operational needs and, in some cases, little understanding of the responsibilities that go with operating in a protected area.

Unfortunately, it is a fact of life that many start-up operators are chasing a lifestyle "dream" without any real understanding of the demands and responsibilities that come with a tourism operation, let alone one venturing into protected areas.

New entrants to the nature based tourism industry (those seeking a licence from DEC, DPI, Fisheries and other agencies) should be fully informed of the requirements that will be placed on them before they enter the industry.

Ideally, 'T' class licences should be issued to only accredited businesses, i.e. accreditation becomes compulsory, albeit that there is a danger that this approach might stifle innovation and not allow new operators and new products to emerge.

The opportunity and encouragement should always be there for new entrants, particularly in remote regional areas where it is often difficult to develop new product.

Nonetheless, it is time for tourism operators, and particularly those accessing protected areas, to lift the minimum standards of their business operations and to improve their understanding of the tourism industry and the requirements of operating within a protected area.

Accordingly, it is desirable that it be a prerequisite to achieve accreditation before being issued any form of operator licence requiring access to a protected area – DEC only licences for protected areas. It is recognised that this may not always be practical given the requirements of some of the certification programs, therefore some alternative type of process to qualify TOs before they are licensed may be required.



Tourism WA and TCWA have important roles to play in nurturing start-up operators through the accreditation process. It is not the role of DEC to train 'T' Class licence TOs, but simply to certify that they are competent to be licensed by virtue of their accreditation endorsement or pre-qualifications.

Start-up indigenous TOs, particularly in remote areas, may require the support services of Tourism WA/TCWA in fulfilling the licensing/accreditation requirements and clear procedures need to be put into place to accommodate this need.

It is recommended:

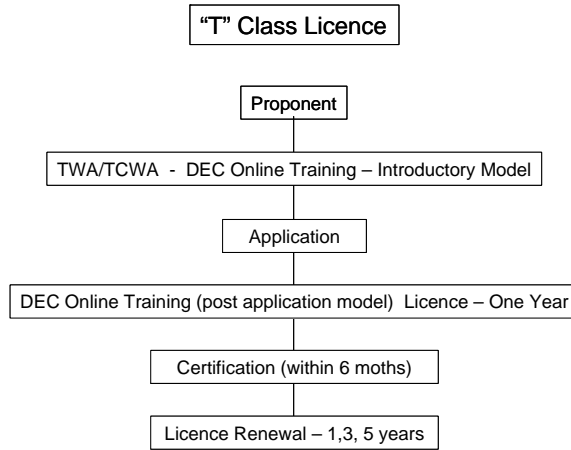
- 1) That 'T' Class licences remain available on an unrestricted basis, for a 12-month period, subject to appropriate accreditation being achieved within six months of issue.
- 2) That without operator accreditation, allowing tourism certification within six months, the licence is rescinded.
- 3) That the maximum period for annual renewal of a 'T' Class licence is five years, with the current options of one and three years renewal periods to remain.
- 4) That the two-month short season licence remains available where deemed appropriate by DEC.
- 5) That Tourism WA and TCWA confirm responsibility for, and establish clear processes to providing assistance to, start-up tourism operators (TOs) requiring accreditation as a prerequisite to applying for a 'T' Class licence. Tourism WA/TCWA to assist DEC develop its On-line Training Program (see recommendation 21 below) as a mechanism as part of the prequalification of TOs prior to a licence application.

There is also a need for government, as part of a whole of government approach, to take the requirements for TOs accreditation more seriously and to provide total support to the objective of lifting the standards in the delivery of tourism services.



The following process model is put forward as an example to be applied for a 'T' Class operator licence application:

Figure 1



The current fee for a 'T' Class licence is \$300 per annum (plus \$50 application fee) and \$100 (plus \$50 application fee) for a short term (two-month) licence.

Most TOs agree with the need for licensing and the application of a fee – 62% of the respondents to the 2003 CALM Licenced Tour Operator Survey agreed that licence fees should cover the cost of administering and monitoring the system. This view was further supported in the Tourism WA 2006 survey "A Review of Nature Based Tourism Operator and Investor Consultation".

The level of that fee will always be debatable. However, the present level of \$300 per annum could not be regarded as being excessive. Where business operators become critical of costs is when there are multiple fees, e.g. Fisheries licence, Transport licences, plus the cost of accreditation.

DEC could offer incentives by having the one-year fee at cost recovery (estimated to be \$500 [Fisheries fee is \$600]) but have staged discounting of the three and five-year fee to encourage more operators to take up these options.

However, all of these are legitimate agency fees and simply must be accepted by businesses wanting to operate in a protected area. There may be scope to reduce some fees as an incentive for improved performance and/or longer licence periods, reducing administration costs.

DEC should monitor the fees level and look for such initiatives as a demonstration of its partnership arrangement with TOs. There may also be scope to introduce reduced cost "packaging" arrangements with other agencies like the Fisheries Department and the Department for Planning and Infrastructure, where multi licences are required by TOs.



'E' Class Licence

The 'E' Class licence is generally required when there are environmental and/or management reasons why licence numbers are required to be limited. Examples of 'E' Class licences include whale shark tours and boat tours in confined areas.

An 'E' Class licence is granted by an Expression of Interest (EOI) process and is currently issued for an initial five-year period and may be renewed for an additional five years. At the end of the 10-year maximum period, the licence is again open to a competitive EOI process.

'E' Class licences are not transferable. However, a buyer of a business can apply to DEC for a replacement 'E' Class licence. A replacement licence expires on the expiry date of the original licence.

At the time of this review, 48 'E' Class licences were valid.

Accreditation is compulsory for the issue of an 'E' Class licence.

While the maximum 10-year period works to provide the opportunity for new operators to enter the market, particularly in areas where the number of operators are limited for environmental reasons, there is a downside to this approach in that it does not encourage planning or investment beyond a 10-year timeframe.

Generally it takes many years for new tourism operators to develop marketing links and distribution networks and this effort can be lost if a licence is not renewed after 10 years.

From a tourism marketing point of view any change in business operation can be a major disruption to both product and destination awareness and could take a number of years to rectify as the new 'E' Class licence operator establishes a position in the marketplace.

There is also the potential for the business to be allowed to run down in the latter years, as uncertainty of renewal can result in operators cutting back on equipment and service upkeep costs.

The principle issue with the 'E' Class licence is the need to return to the competitive EOI process after 10 years.

The Tourism WA 2006 survey "A Review of Nature Based Tourism Operator and Investor Consultation" further confirmed the very high levels of emotional and financial stress that TOs experience in relation to the renewal of licences.

Having spent 10 years developing a business, often as a family concern, the pressures of having to resubmit to an EOI process and the uncertainties that that brings, can be very telling on all concerned.

As a consequence, 'E' Class licence operators often have the approach that DEC is negative about NBT development, rather than a partner in helping their businesses grow.



The Tourism WA survey reports operators suggesting that:

“ ‘E’ licences operate for a longer period (ideally indefinitely provided there are no significant breaches) so that there is an enhanced opportunity for the business to clear debts and invest in service improvements/ the provision of additional tourist experience”.

This review supports such a view. However, consideration needs to be given to the implications of not having an expiry date on the licence.

The current 10 years maximum term allows DEC to review the progress of the business and to make environment impact assessments prior to re-applying the EOI process. A major concern for both DEC and Tourism WA is that without a specified maximum period for the licence, there is a risk that an underperforming operator would not be able to be removed/replaced. Such a situation would have an adverse impact on the development of NBT.

It can also be expected that the lower the professional level of business operation, the greater the chance of adverse outcomes to the environment.

There is also concern that without a specified period for a licence there is a high risk that a proprietary value might result, with future compensatory cost implications for government, should a licence be rescinded.

Therefore, it is a matter of trying to find an approach to ‘E’ Class licensing that provides security and encouragement to the operator, while at the same time allowing DEC and Tourism WA to have flexibility in ensuring a high standard of tourist product and service delivery. At the same time, it will be critical to not allow a situation to develop that generates a proprietary value to the licence itself.

“E” Class licences should:

- Protect and enhance the visitor experience.
- Protect the environment.
- Drive product improvement.
- Protect government from exposure to compensation and liability (as happened in the taxi industry).
- Improve business security.

It is also noted that on a number of occasions those looking to invest and develop high-quality bush camp type infrastructure developments have had to make do with a “E” Class licence instead of a standard lease. It is difficult to attract nationally and internationally branded operators to invest under these conditions because they do not face similar tenure conditions when dealing with competitor destinations.



It is recommended:

- 6) That 'E' Class licences continue to be issued through the EOI process and that the initial period be extended to up to 10 years, with annual audits against predetermined Key Performance Indicators (KPIs) and with a renewal period of up to 5 years, giving a total licence of up to 15 years.
- 7) That the licence be subject to ongoing conformity with the issue conditions and KPIs applied by DEC, which will vary, and can be varied, from time to time, based on the circumstances of specific protected areas. A significant breach of those conditions or KPI performance failure, to empower DEC to rescind the licence.
- 8) That at the end of the maximum 15 years licence period, DEC has the option to reallocate the licence through a competitive EOI process. To reward best practice, part of the criteria for assessment should place high weighting on TOs who perform well in the annual audits and to take into consideration what is in "the public interest" when considering the options. EOIs should commence at least two years out from the expiry of a licence.
- 9) That in adopting these recommendations, legal advice be first sought in relation to potential implications relating to proprietary value and possible government exposure to future compensation in the advent of a licence not being renewed.
- 10) That all 'E' Class licences have a caveat applied that will allow DEC to rescind the licence in circumstances where it is deemed that the continued operation of that licence poses a threat, or threats, to the environment.
- 11) The DEC has the ability to offer those licensed operators who have a proven track record, the option of converting the licence to a lease, where appropriate.

These recommendations seek to remove the most criticised aspect of 'E' Class licences – the requirement for TOs to have to return to a competitive EOI process, regardless of how successful their business operations are and how well they have met their licence conditions and KPIs.

On the other hand, DEC and Tourism WA need to ensure that the best level of operation is in place and can be upgraded through the competitive EOI process where standards of operation are not considered to be at a sufficiently high level.

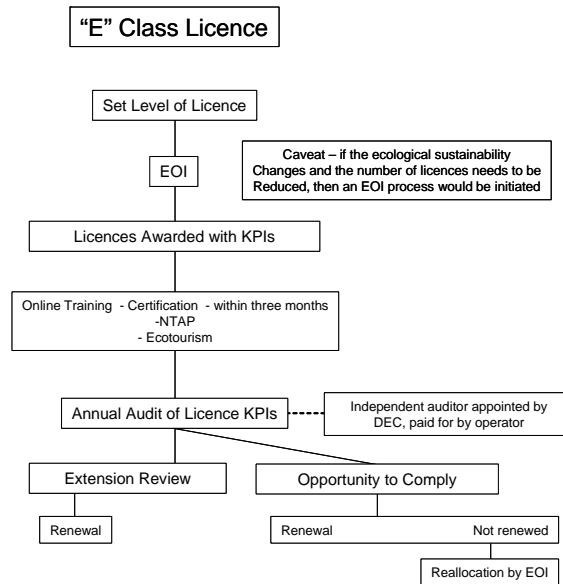
It is believed both aims can be achieved through the adoption of the above recommendations, provided that the question of proprietary value can be addressed.

To have a policy requiring a mandatory competitive EOI process after 15 years, even where the previous licence holder is a highly regarded and even the preferred operator, not only puts unfair pressure on that operator, but creates a situation that may see other applicants commit considerable resources for what, to all intents and purposes, is a forgone conclusion.



The following process model is put forward as an example to be applied for a 'E' Class operator licence application:

Figure 2



Where there is a fully issued limited number of 'E' Class licences in a particular area, this will mean that the only way a new operator can enter the marketplace within a 15-year period of the initial licence issue, is to buy out an existing business (subject to approving a replacement licence), or where the operators licence has been revoked for failing to meet licence conditions or designated KPIs, through the re-applied EOI process.

If there is only one licence in a particular area, there will need to be checks and balances in place to enable DEC to ensure that the business operates in an appropriate manner, in what would be a monopoly situation.

The effect of this approach will be to give business owners confidence in their future, which in turn will encourage further investment and commitment to product development. Marketing initiatives and distribution channels will also remain intact, protecting the business, destination and the customer from the disruptions that flow from a change in business operation.

The fact that the business and licence are currently regarded as separate entities is still somewhat of an issue as, in some cases, they are basically one and the same – each depending on the other. With the business and licence as separate entities, the owner equity situation becomes complicated, because the business is dependent upon the licence to have a value.



However, to recognise the licence and the business as one entity runs the risk of placing a proprietary value on the licence itself.

The fishing and taxi industries provide examples of licences having, in their own right, developed a value and becoming a tradable commodity.

It will be in both the government and the NBT industry's best interests to not create a situation whereby licences are able to generate their own proprietary value.

A caveat over the issue of all licences is that should the ecological sustainability change and the number of licences needs to be reduced, then an EOI process would be initiated.

Leases

Leases apply to land-based developments such as eco lodges, safari camps and other infrastructure associated with tourism operations within protected areas.

The terms of leases vary with the level of investment. However, it is generally accepted that the maximum period would be 21 years, with a 21-year option – considered to be an adequate period for most investment amortization.

Leases are subject to an EOI process and are assignable subject to DEC/Ministerial approval.

While a 21 by 21 years lease may be appropriate for the majority of investments and is the maximum period currently available under the DEC Act, there needs to be provision to consider longer periods if significant developments are to be attracted to support nature based tourism within protected areas.

There needs to be flexibility and a judgment of "each case on its own merits" if appropriate lease arrangements are to be put into place.

Before an EOI is called, DEC needs to clearly identify the land use area and identify/address matters that might have a commercial impact on any development, e.g. native title, no-go areas, water sourcing, access roads, etc.

The EOI process should also include input from Tourism WA and other relevant agencies, such as DPI and Fisheries, where marine licences are involved and require land-base facilities.



It is recommended:

- 12) That DEC maintains the EOI process for issuing leases and applies an “each case on its own merits” approach in assessing the period of the lease. The lease period to be determined by such factors as environmental impacts, level of investment, the anticipated level of return on that investment, KPI compliance and conformity with protected area management plans. Lease terms to be set at the discretion of the Director General.
- 13) That a legislative provision be made to remove the current maximum lease period of 21 years, with a 21 years option.

This recommendation addresses the most criticised aspect of being a lease operator within a protected area. Throughout the review, there was strong representation for a change in lease tenure to enable operators to see, and plan for, a future for their businesses.

A number of lease holders have large investments in both land-based facilities and transport vehicles. Despite the generally accepted position that DEC is unlikely to not renew a lease without there being a major breach of conditions or KPI performance, there is always a feeling of uncertainty.

The uncertainty can lead to lower levels of investment, reduced support from the banking sector and a lessened commitment to business development, particularly as the lease expiry date gets closer.

Regardless of the period of lease, the issue conditions and/or KPIs will be critical to the management process.

While there will be core KPIs in all agreements, each case will require specific provisions relevant to the site of operation.

A “one size fits all” approach will not work, with each set of KPIs needing to be specifically designed to meet the circumstances which will change with location, investment level, style of operation, etc.

The tourism accreditation program should be linked to the KPIs to add to the quality of management and to provide consistency in the delivery of services and facilities. The accreditation program is examined in greater detail later in this review.

KPIs should be reviewed annually and DEC needs to have the capacity to take immediate remedial action in circumstances where KPIs are not met. The ultimate action should be the termination of the lease where breaches are significant and clearly threaten the integrity of the protected area.

There should be facility to change KPIs at DEC’s discretion in circumstances where ecological conditions change and this should be undertaken in consultation with the lessee. In these instances, there needs to be recognition of the lead time for the tourism industry to effect changes that have an impact in the marketplace.



Business Sustainability

An issue raised by operators is the matter of considering business sustainability and competitive forces. There is a perception that DEC does not generally consider sustainability factors in evaluating an application for a licence or lease, leaving it to “market forces” to determine the outcome of an individual business enterprise, or for that matter, the business sector itself.

This approach is consistent with the direction that the State Government has taken in all tourism operator licensing areas over the past 20 years, particularly in the transport sector, e.g. coach, ferry, charter boat, etc. where business viability is a matter to be determined by the proponent.

There are three main scenarios that apply to this issue:

- DEC consideration of business sustainability issues when setting the level of licences for an area of activity;
- DEC consideration of the business sustainability impact of decisions (viability issues) on operators when changing the number of ‘E’ Class licences (usually increasing competition) for a particular area or activity, and
- DEC consideration of the business sustainability impact of other management decisions that may have viability implications on tourism operators.

The tourism industry overall can be adversely effected through the impact of a business performing badly, with a resultant outcome of bad customer relations, a reluctance of the wholesale sector to deal with like products and a potential to effect the viability of other operators.

As an example, the market may currently sustain two operators providing similar programs in the same location. These operators may have committed considerable time and resources to developing their product and distribution linkages to the point that their businesses have now begun to provide an acceptable return.

The entry of a third operator at this point can be devastating to the business success of all three unless the market is able to be expanded and so often this is not the case, with the new entrant basing business success on taking a share of the existing market rather than developing a new one.

Under this scenario all lose – the operators, the destination, the customer, the tourism industry and local communities that gain flow on benefits from visitors to their areas.

While it can be philosophically accepted as a “market force” outcome, these circumstances are very damaging to the tourism industry and the overall image of tourism in Western Australia. These effects are felt even stronger in regional areas where it is often difficult to encourage operators and where seasonality brings its own additional challenges.



An example of where “market forces” can have an adverse effect where seasonality is an issue is where other non-tourism businesses turn to tourism for a short-term gain at the expense of the long-term tourism operator. This could be a wet line fishing vessel that turns to tourism operator during the time the fishing industry is in recess or a school bus operator who becomes a tour bus operator during the school holiday periods.

As tourism is an adjunct to the core business of these short-term operators, they have the ability to operate at a lower price level and can undercut legitimate tourism operators who have invested in equipment and services that are generally at a far higher level.

It is a dilemma because governments do not want to be seen as trying to influence market forces, yet, on the other hand, want to see business develop successfully, want to encourage new businesses to start up and to generally foster development of tourism state wide.

The extent to which Government becomes involved in business sustainability factors will always be a balance, however, in the case of businesses operating in protected areas, DEC has a responsibility to ensure that outcomes have the greatest chance of success because the alternative can have an adverse effect on the protected areas themselves.

There are, however, implications in regard to the National Competition Policy and these will need to be addressed.

It is recommended:

- 14) That DEC takes into consideration the business sustainability factors associated with issuing a licence or lease to the extent that there may be an adverse impact on other tourism operators and/or the tourism industry, arising from such management actions and decisions.
- 15) That DEC draws on outside expertise, such as Tourism WA and/or business analysts, in taking economic factors into consideration before making a decision on an application for a licence or lease.
- 16) That the implications of the National Competition Policy in regard to Recommendations 14 and 15 be examined.

Transferability of ‘E’ Class Licences

There is no issue with the transferability of ‘T’ Class licences because these licences are readily available upon application, subject to the applicant meeting the necessary entry requirements.

‘E’ Class licences restrict competition on the basis of maintaining the ecological sustainability of the site or activity allowed by the licence. This is the only public interest criteria applicable in the National Competition Policy that actually allows a restriction of competition in a protected area.



It follows that the principle consideration of an 'E' Class licence is the protection of the environment. This is why applicants for 'E' Class licences have to demonstrate to DEC a high level of experience and qualifications (including an ongoing commitment to accreditation) when conducting businesses in sensitive areas and should expect a correspondingly higher level of monitoring and management in relation to these activities.

'E' Class licences are not transferable, and because of the limited competitive market in which they are obtained and subsequently operate, confers a certain value on the licence. The licence and the business are in effect separate entities, reducing the security of the business and as a result, can have the affect of taking away the incentive for further investment in and improvement and development of the business.

The 'E' Class licence currently requires an EOI process every 10 years and only allows for the purchaser of a business to be issued with a new licence for the unexpired period remaining at the time the business changed hands.

Other studies have identified this situation as a major issue for operators who believe that transferability of licences will generate greater investment in the industry and make it easier to secure funding from lending institutions.

These are valid claims and the issue is linked to Recommendation 8 of this review for the option to extend licenses beyond the initial 15 years period to allow for business continuity.

If the tourism industry is to develop in a strong and meaningful manner, the business structures to be applied to operators in protected areas should be the same as elsewhere and certainly not incorporate disincentives for growth.

While DEC allows licences to be replaced, the absence of an unfettered licence transferability policy is perceived to reduce the capital value of the business.

From DEC's stand point, the non-transferability policy maintains a level of control over the quality and experience of operators entering the elite (often environmentally sensitive) end of the protected area spectrum of tourism opportunities and ensures that expensive Government payouts are not required if licences need to be absorbed for environmental or other reasons.

It is also seen as protecting the integrity of the EOI process whereby unsuccessful applicants not able to demonstrate an ability to meet sustainability criteria can then enter the system via a replacement licence.

Current policy is that DEC licences should not be allowed to gain a proprietary (ownership) value so to remove the compensation risk to Government if, for appropriate reasons (such as the recent decision at Monkey Mia to reduce the number of licences), it were necessary to cancel or refuse to renew a licence.



It is recognised that proprietary value would be gained through an expectation, subject to compliance with conditions, that the licence will be renewed. Currently, DEC ensures no such value attaches by having conditions that ensure the licence holder is aware that at the end of the renewal (second) period of the licence, it ceases to exist and is reallocated through a competitive process.

The model proposed in this paper (see Figure 2) proposes to extend the maximum period for an 'E' Class licence to 15 years before, at the discretion of the CEO of DEC, it is either renewed, or reallocated by an EOI process. The potential to reactivate the competitive EOI process should protect against the risk of the licence gaining a proprietary value, with the annual audits providing existing operators a method of demonstrating their standard of operation.

The option for the reallocation of licences after 15 years by an EOI will not open the Government to the risk of compensation if a licence is cancelled or not renewed because of reasons other than non-compliance with conditions.

The CALM Act as it stands (Sections 97A (7) and 101(2)) gives absolute discretion to the Director General (CEO), which means that there are limits to those proprietary rights. This is consistent with the DEC position that it should retain the right to ensure that an operator conducting activities in sensitive areas is suitably experienced and qualified.

The current replacement licence process for E Class licences is consistent with the requirement of the Act and provides a process similar to a lease assignment, where the new licence holder assumes the same terms and conditions of the original licence.

The same requirements should apply to replacement licences as to lease assignments in that DEC should not unreasonably refuse a replacement subject to the applicant demonstrating that they meet the specified criteria.

Section 101(3) allows the CEO of DEC to transfer the rights of a licence at his/her discretion. Using the term "Transfer" may convey the concept more clearly than the current term "Replacement", as long as it is understood that DEC can refuse a transfer at its discretion.

It is recommended:

- 17) That the current replacement licence process for 'E' Class licences remains, but to use the term "Transfer" in accord with S101(3) of the CALM Act.
- 18) That DEC maintains the right to not allow a transfer of an 'E' Class licence.
- 19) That DEC, in adopting recommendations 17 and 18, first seek legal advice in relation to possible implications for Government in respect to conferring proprietary value on DEC commercial operations licences and the potential for claims of compensation in the event of licence withdrawal for reasons other than non-compliance with licence conditions.



Commercial versus Non-commercial

During the course of the review, a number of comments were received about perceived inconsistencies in the approach to commercial 'T' Class operators accessing protected areas, compared with non-commercial.

Commercial operators must have a licence, which is issued annually (or every three or five years), where non-commercial operators must apply for a permit for every entry into a protected area. Some non-commercial operators who use a protected area on a number of occasions in a year feel that this is an unnecessary administrative burden.

DEC is working with Outdoors WA to develop a permit system for non-commercial groups where it is appropriate.

School groups do not require a licence, even if the schools require a payment for participation. While "commercial" is defined in the regulations, the school group situation raises the question as to what is commercial and what is not.

It is recognised that if a school group engages a commercial operator to deliver the program, that operator still needs to be licensed even though the school group may be entitled to a waiver of entry fees where they apply.

These arguments lead to the view that, whether commercial or non-commercial, the same use is being made of protected areas. Therefore, the same conditions of access should apply.

DEC's position is that all users need to comply with the regulations.

There is a need to more closely align the use requirements and procedures for access to protected areas by users, be they commercial, non-commercial or free independent travellers.

It is recommended:

- 20) **That non-commercial groups be given the option of a 12-month permit, where appropriate, for access to protected areas where their activities are conducted on a regular basis.**

Licence/Lease Planning/Approval Process

All commercial users of protected areas are looking for the "one-stop shop" for the planning/approvals processes that apply for licences and leases.

In many cases, a number of government agencies are required to issue a licence to enable a single operator to commence business. The principle agencies are DEC, Fisheries and DPI, each with different requirements and each with a different process of administration.



Most start-up operators are small businesses, with some owners that find it difficult to understand the systems, points of contact and the fact that at every point there is usually a cost.

It becomes even more difficult for potential operators based in regional areas where the levels of advice and support may be harder to secure.

Many new operators are not business people in the true sense, but rather are people who have a passion for being in the tourism industry as an adjunct to their affinity with nature, further compounding the problems of dealing with the necessary administrative and regulatory requirements.

This can particularly apply to the start-up of indigenous tourism ventures.

Be that as it may, a number of these low level start-ups have, over the years, proven to be very successful for both the individual and the tourism industry and the administrative systems need to be in place to encourage more participants, not to frustrate them.

While a "one-stop shop" might be the ideal, this will be very difficult to achieve because of the different regulatory requirements of each agency, the objectives of which are sometimes in conflict with the other.

What is more achievable is a streamlining of the process, particularly through the application of information technology, e.g. use of the internet.

Through this medium, the planning and approval process can be designed to incorporate the needs of all authorities in an endeavour to as close as possible, create a "one-stop shop".

The Queensland Government is moving down this path with the creation of a website (www.smartservice.qld.gov.au) that will co-ordinate applications through various agencies. The site is under development, but already it offers a booking service for national parks – refer to the later Bookings Section of this review.

A website that provided the information required by each relevant agency and then enabled an online application to be distributed to each of them for processing, would go a long way towards achieving the illusive "one-stop shop".

While DEC has a responsibility for the licensing process to allow commercial access to protected areas, the agency arguable does not have a role in training for good business management or in providing education on the tourism industry. While these qualities are an influence in, if not a prerequisite to, obtaining a licence/lease, the delivery of this knowledge is more the responsibility of others.

DEC's current "Online Tour Operator Training" program has been well received by the industry and is currently mandatory for all licence holders within three months of obtaining the licence. The current format serves to demonstrate that tour operators have a general understanding of the basic



requirements for operating within the DEC estate. This online training was always intended as an introduction to the concept of online training.

The ultimate goal would be to develop a state-wide training package for tour operators and their staff which accredits them with a Certificate III in Nature Based Tourism. The package could be modelled on the National Training Information Service (NTIS) Tourism Training Package or draw together competency units to form a new package specifically for national and marine park tours.

The package would be required to address key issues associated with the management of commercial tourism operators, their staff and visitors and could deliver modules such as:

- General knowledge – licence requirements, safety, best environmental practice, managing social experience, etc.
- Activity knowledge – specifically deals with the management of particular activities in a general sense
- Park knowledge – specifically deals with individual park knowledge for parks which make up the tour, including interpreting the landscape, environment, species and cultural heritage.

Potential operators and staff would be required to nominate each park they intended to visit within the tour, allowing the training package to draw the nominated park units to make up the tailored package serving two purposes:

- the operator gets a tailored package specific to their requirements; and
- adding parks would make the modules larger, therefore discouraging application to all parks and ultimately reducing the latent capacity associated with 'broad scale' applications.

In order to meet the requirements of accredited assessment, the online tool would need to include at least three different assessment components, such as:

- a. online test (written, multiple choice and short answer);
- b. a case study scenario,
- c. delivery of DEC / Park information to park visitors (face to face or via video tape).

In order to engage participants, the package would need to be multi-sensory.

The training package development would need to be driven by a project officer responsible for coordinating a consultant to build the software and DEC staff to input into the material.

The training package would then need to be delivered by a large Registered Training Organisation, such as TAFE or a university, because DEC would not like to become involved in the administration associated with accredited teaching. If outsourcing delivery, a fee would need to be levied.



Two examples of where similar styles of package have been achieved include the Online Tour Operator Training for Kakadu Operators, as well as the Great Barrier Reef Marine Park Authority's "Onboard" tourism Operators Handbook for the Great Barrier Reef.

The development of this program would need to be resourced and could act as an entry qualification into NBT and would need to be phased in.

In particular, Tourism WA and TCWA have roles in this regard and should play a part in the licence/lease application process.

This can be facilitated through an internet application process that can be designed to draw on the advice and training programs provided by TCWA through the accreditation program, and guidelines for tourism developers available through Tourism WA.

It is recommended:

- 21) That DEC/Tourism WA initiates the development of a tourism based website information and licence application facility, for both land and marine based tourism operators. The application system to have links with other relevant agencies (eg. Department of Planning and Infrastructure and Department of Fisheries), with the DEC licence application models proposed earlier in this review being applied.
- 22) That the online training component of the process be resourced and developed by Tourism WA and TCWA, as manager of the National Tourism Accreditation Program.
- 23) That a specific turn around time for processing applications be set by agreement of all agencies involved.

Booking System

The lack of a booking system for camping within protected areas and available to the general public is seen by many users as a management deficiency.

Aside from not allowing DEC to more efficiently monitor park usage, those looking for a unique nature based experience are often disappointed when it transpires that one or more groups are at the same location at the same time. This can apply at sites such as camping areas, abseiling sites and rock climbing walls.

The nature based experience is somewhat diminished when visitors to the site (at the same time) get beyond a certain number – the actual number depends on the attraction/experience expectation.

A booking system would allow flexibility in planning for visits to protected areas, particularly by groups who have a larger impact on the ambience of a site.



A booking system must be internet based and could incorporate a number of support services, such as education material for individual areas, park pass issuing and payment, DEC Alert bulletins, links to other sites, etc.

The Queensland Government currently operates an internet booking system for its national parks – www.qld.gov.au/camping . This is an example of the approach that could be taken in WA.

It is recommended:

- 24) That DEC makes available an internet based booking system for camping and other specific activities such as abseiling, climbing and caving, where appropriate.
- 25) That such a booking system be integrated with the tourism distribution networks and be developed as part of the Tourism E-marketplace that other organisations, such as Visitor Centres, can access.

Introduction of a booking system is also relevant to the issue of threshold management examined later in this review.

The Role of DEC as a Tourism Operator

The review process encountered a number of philosophical arguments against DEC being a tourism operator where private sector management could be attracted, e.g. The Tree Top Walk.

Most of these arguments are based on the grounds that DEC's core business is conservation and land management (as indicated by the department's previous name – Conservation & Land Management) and environmental protection and that the agency's expertise in tourism marketing is very limited and under- resourced.

That tourism is also not a major focus of DEC is also seen as a restriction on the further development of a major attraction like the Tree Top Walk, which could benefit from the addition of additional facilities such as a coffee shop/café.

The fact that DEC is a government department is also seen to place it under political pressure when the agency is perceived to be engaging in commercial activities that compete with neighbouring businesses and communities.

Technically, the National Competition Policy guidelines should nullify any advantages Government might have in the running a business that may compete (or is perceived to compete) with private businesses. Nonetheless, the perception of unfair competition will always persist.

While there is some basis to these arguments, tourism industry operators interviewed during the review were generally most supportive of DEC's management of protected areas and the facilities within them.



As DEC is responsible for the control and management of some 70% of Western Australia's nature based product, there is no question that the agency has an important role in tourism.

During the last 15 years, this role has become more accepted within the agency, which has undergone a significant change in culture in the recognition of tourism as a legitimate management tool and source of revenue to be applied to greater protection of the resource.

The question is: to what extent does DEC become involved in day-to-day tourism activities? Does it restrict its activities to land/marine management, adding tourist attraction management and operation where the private sector is reluctant to participate? Or does it become a front line tourism operator as is the current situation with the Tree Top Walk?

From DEC's perspective, its operations that have a commercial element are not currently considered to be commercial operations. Rather, they are regarded as a platform for building awareness and delivering an understanding and appreciation of the natural and cultural world through professional education, interpretation programs and activities.

These sites are seen as providing a rare opportunity for the agency to sell its conservation and management messages to a significant numbers of people in a captured situation. The commercial returns that accrue from some of these facilities help to offset the costs of facility management, maintenance and conservation activities across the region.

DEC's approach to tourism is understandable and reflects a "means to an end" philosophy based on the agency's core role of environmental management. DEC has not, to this point, adopted a role as a front line tourism operator.

The relatively low level of resources applied to its tourism area is a further reflection of DEC's current commitment to not being fully in the tourism industry.

However, the fact is that the gradual evolution of DEC's involvement in the tourism industry has reached a point where it is no longer appropriate or practical to treat tourism as an adjunct to the agency's previous core land/marine management activities.

By virtue of the magnitude of the tourist attractions under its control, DEC needs to take the final evolutionary step and recognise that it has a role as a front line tourism operator.

Where DEC designs, constructs and operates tourism infrastructure, facilities or amenities, then the agency should operate similar to a tour operator. DEC should in this case be able to participate in tourism distribution systems where it is a good business decision to do so.

In doing so, it must be accepted that the role and resourcing of DEC's tourism unit must be significantly expanded and also supported by an overall internal cultural change. The cultural change must



recognise protected areas are tourism products and that tourism is a desired and legitimate industry in which the agency is to be a major player.

This expanded tourism role will incorporate trade and consumer marketing, participation at trade and consumer shows, co-operative involvement with regional tourism organisations, brochure production, advertising, etc and a revision of the Memorandum of Understanding (MOU) with Tourism WA.

At this point, no attempt has been made to quantify the resources that will be required for DEC to meet these new tourism obligations.

It is recommended:

- 26) That when DEC directly operates tourism products it does so in line with established tourism business principles.
- 27) That a review be taken of the role of DEC's Tourism Unit and that the Unit be restructured and resourced at a level to enable it to carry out that role.
- 28) That DEC initiates a program of internal change that has all areas of the agency understanding and supporting DEC's important role in tourism. Also, Tourism WA to implement an internal program to ensure that its staff recognise and understand DEC's environmental and management requirements.

Accreditation

Two main tourism accreditation programs operate in Western Australia.

The tourism business accreditation scheme – National Tourism Accreditation Program (NTAP) – developed by Tourism WA and managed under licence by TCWA. This program has subsequently been adopted by Victoria, Tasmania, Northern Territory, ACT and South Australia.

NTAP has developed a nature based tourism module that attaches to the program and applies to businesses operating in protected areas and other natural areas.

The Ecotourism Association of Australia (Ecotourism Australia or EA) operates a national ecotourism and nature based accreditation scheme, called Eco-certification. This is highly relevant to protected areas and provides three levels of increasing compliance. Eco-certification also includes a business module similar to NTAP.

However, the development of a national tourism accreditation program has not been without its difficulties.

In 1999, the Commonwealth Government's White Paper on Tourism highlighted the need to establish a genuine industry-led national, voluntary tourism certification system within an established, and more comprehensive national framework.



In 2003 a National Tourism Accreditation Working Group was established with \$2m in funding. Australian park agencies were included as key stakeholders, with the Department of Industry, Tourism and Resources (DITR) recognising that tourism certification programs have not adequately met the needs of protected area managers.

The 1999 model was dissolved and Tourism Accreditation Australia Limited (TAAL) created. TAAL is an Incorporated Association with Board membership reflecting the sectorial and geographic interests of the Australian tourism industry.

DITR also produced, in cooperation with state and territory park agencies, a draft Standard for Commercial Tour Operator Certification in Protected Areas. The Standard details the essential requirements to be included in any tourism certification program operating in a protected area.

The new National Tourism Certification approval body (TAAL) was to have ensured that these guidelines were addressed when approving applications for certification programs that operate in protected areas.

In 2004, the Federal Government withdrew funding for the implementation of the plan and in mid-2005, the Federal Minister for Tourism announced that the \$2m allocated in the Tourism White Paper for tourism accreditation would be reallocated to Decipher Technologies Pty Ltd (a business arm of the Sustainable Tourism Cooperative Research Centre) to develop a tourism business and accreditation portal.

The proposed website is meant to "assist industry to develop and market tourism accreditation and relevant products". As a consequence of this change in policy by the Federal Government, the draft Standard for Commercial Tour Operator Certification in Protected Areas has not been adopted.

The lack of a standard national accreditation scheme is most unfortunate and creates a range of problems, particularly in relation to operators who cross state borders.

Be that as it may, the TAAL managed NTAP scheme remains an effective model, albeit that there are a number of areas applying to Western Australia that require further enhancement.

The recognition of the accreditation scheme by DEC is undoubtedly the strongest endorsement given by any part of the tourism industry. The fact that DEC links its licensing processes with accreditation not only improves the quality of operator standards, but gives credibility to the scheme itself.

The biggest argument against accreditation by operators is that it is difficult to quantify the value of accreditation in a market sense when non-accredited operators are still generating business – "why should I go through all of the trouble and costs of accreditation when my competitor has not and accreditation is unlikely to make any difference to his or my business?"



For an accreditation scheme to work, it must have value to both the customer and the operator. Whether this outcome is currently being achieved is still debatable within the industry.

To date, the "carrot" rather than the "big stick" approach has been applied to attracting operators to the scheme, using incentives such as additional marketing opportunities with Tourism WA, reduced insurance premiums and, in the case of DEC, extended period for licence renewal.

These incentives have had almost no impact. The 330 'T' Class operators have had the opportunity since 2002 to obtain three- to five- year licences after achieving certification from one or more of the tourism certification programs. The number of 'T' Class operators with NTAP accreditation in Western Australian protected areas in 2004/05 was 95. This represents less than a third of 'T' Class businesses operating in the State's protected area system.

As at 30 June 2005, only 36 of the 95 'T' Class operators eligible to take out longer-term licences had chosen to take advantage of the privilege, suggesting that either security of licence is not a concern to operators or the costs associated with certification outweigh other benefits including the incentives offered by DEC.

Ideally, both types of accreditation should be compulsory and DEC is in a strong position to play a leadership role in this regard because of the sensitive nature of operating within a protected area.

However, a whole-of-industry approach is required. It is not appropriate for DEC to lead the further uptake of accreditation through policy of compulsory uptake, unless this is supported by complementary action by Tourism WA, such as conditional access to marketing and promotion channels and financial support for marketing of both accreditation programs and the improvements to auditing systems.

In the section of this review relating to 'T' Class licences, it has been recommended that accreditation becomes compulsory within six months of the issue of a 'T' Class licence, or that licence is rescinded.

Responsibility for assisting potential TOs to achieve the required training and accreditation rests with Tourism WA and TCWA. Tourism WA has a role in assisting operators in obtaining accreditation utilising such resources as the Better Business Blitz program.

It is recognised, however, that until NTAP, through TCWA, is able to deliver an accreditation program that meets DEC's requirements, which will require separate programs, or "bolt-ons", for such diverse tourism operations as eco-tours, safari tours, marine tours, guided bush walking, abselling, etc, there will be administration difficulties.



It is recommended:

- 29) That Tourism WA and DEC, in association with TCWA and Ecotourism Australia (EA), finalise accreditation programs applicable to meeting the accreditation needs of protected area management and that those programs become compulsory for 'T' Class licences (after 6 months from issue).

Once this has been achieved it would then be feasible to implement the 'T' Class model outlined in Figure 1. Following this, Tourism WA and DEC should initiate a system (phased implementation) to combine into a single process the auditing of the certification requirements and KPI functions as outlined in the model.

A tightening of the accreditation scheme and a regular and efficient audit of operators will be a critical component of the licence/lease tenure recommendations included in this review.

Rather than using the licence/lease procedures as a main means to control activities within protected areas, a combination of accreditation and KPI standard setting and auditing can be applied for the same effect.

DEC Communications

DEC has an extensive stakeholder network that requires well defined and relevant communication mechanisms.

In some cases, the frequency of communication is required on a daily basis, in others simply at regular intervals, such as quarterly meetings.

One of the key issues arising from the 2003 CALM Licenced Tour Operator Survey was that the DEC Tourism Unit did not communicate well with its licensed operators.

In the time following that survey, DEC has developed a sophisticated system of communication with licensed operators and other tourism industry stakeholders. These include:

- Regular news flashes (Tour Operator Alerts) regarding daily items of importance, such as road closures, fire control issues, weather alerts, etc;
- Regional forums with operators in conjunction with TCWA;
- A new on-line Touring WA Newsletter;
- Updated and improved website information;
- Online Tour Operator training course;
- Improvements to Tour Operator Handbooks;
- Reduced approvals timeframe for most 'T' Class licences.

Communication does not appear to be as big an issue as it was as the time of the 2003 survey.



However, there are regular circumstances where different stakeholders have conflicting needs, making it even more important that DEC has the right processes in place that allow effective communication.

Following are comments on communication and relationships as they apply to different key stakeholders:

Tourism WA

Tourism WA, as the State Government agency responsible for tourism marketing and development, has a major investment in the DEC estate, which represents some 70% of Western Australia's nature based tourism product.

The fact that Tourism WA has no direct powers in relation to this estate, has, for many years, been a source of frustration for that agency and to some extent for the tourism industry in general.

For many years, there was a total standoff – conservation versus tourism – with the day-to-day management of the estate being based to a large extent on restricting access. This approach was totally opposed by tourism interests, which wanted better access to sites like the Pinnacles (Nambung National Park), Hamersley Ranges (Karijini) and the Bungle Bungles (Purnululu).

Over time and with increasing tourism numbers, there became a gradual recognition of the fact that the two interests were in fact compatible and one could support the needs of the other.

In more recent times, a number of mechanisms have been put into place to improve communications and the working relationship between DEC and Tourism WA, including:

- The entering into a MOU between both parties;
- The setting up of a tourism unit within DEC (formerly CALM);
- The establishing of a Tourism Industry Reference Group (TIRG) by DEC (CALM);
- The development of closer day-to-day contact between officers of both agencies;
- The involvement of Tourism WA in the EOI process for licences/leases;
- DEC and Tourism WA jointly undertaking the Landbank proposal to identify and develop major attractions within protected areas.

As well, DEC (CALM) has:

- Taken the initiative in developing a major attraction like the Tree Top Walk;
- Participated in trade and consumer marketing activities;
- Developed its own trade show to promote nature based tourism;



- Joined tourism industry bodies such as TCWA and Forum Advocating Cultural & Eco Tourism (FACET);
- Conducted regional workshops with TCWA to industry and DEC staff.

All in all, the link between DEC and Tourism WA has never been stronger, albeit that up until the time of this review there were some philosophical differences in relation to attraction operation and marketing.

It is recommended:

- 30) That the DEC and Tourism WA continue to examine opportunities to strengthen their communication links and working relationship, including the possibility of applying a short-term (six-months) staff exchange system.
- 31) That the Memorandum of Understanding (MOU) that is in place with Tourism WA be revised to reflect the outcomes of DEC's important and expanding role in tourism.

It is also important that Tourism WA take, within its structure, a better appreciation of the diverse role that DEC plays in conservation, management and tourism. An agency that has 70% of its product under the control of another agency should seek to bring that agency closer to its own operations.

In this regard, forums such as the Nature Based Tourism Advisory Committee (NBTAC) have an important role to play.

Throughout the review process, it was apparent that the NBTAC role is highly regarded, with a general desire to see this forum continue and so allow communication with a wide range of NBT stakeholders and to provide a "clearing house" for issues.

There is also scope to create another forum more directly associated with the day-to-day activities of both DEC and Tourism WA.

During the review process, examples were given of conflict between both agencies as a result of a different understanding of circumstances relating to issues that generated media coverage.

It was generally conceded that improved communication processes between DEC and Tourism WA could have avoided these conflicts and provided a clear "whole of government" position rather than the fragmented approach that resulted.

The creation of a Senior Officers Group by DEC and Tourism WA would greatly facilitate improved communications and understanding of each others objectives.

Such a group might only need to formally meet three or four times a year. However, its prime value would be to formalise a procedure of communication to be applied on a day-to-day basis to address issues as they arise.



It is recommended:

- 32) That the Nature Based Tourism Advisory Committee continue to be operated by Tourism WA as a means of facilitating effective communication and providing a clearing house for issues, for the wide range of stakeholders in NBT.
- 33) That DEC and Tourism WA establish a Senior Officers Group to improve communication between both agencies and to provide a mechanism to efficiently address day-to-day issues relating to NBT.

There is also a need for a whole of government approach in the recognition and support of NBT, which should incorporate the following:

- A Government statement on its expectations for leadership and cooperation between Tourism WA and DEC in relation to NBT;
- Government to reconfirm the NBT Strategy that for sustainability and visitor experience, sets out the key objectives that both agencies should be striving for;
- The need for both agencies to sign a revised MOU as a matter of urgency;
- The importance of each agency having respect for each other's roles and responsibilities;
- The importance of both agencies presenting a common and consistent face/message to the industry.

Tourism Council WA

As the industry body, TCWA provides an important link with operators and, even more significantly, is responsible for the National Tourism Accreditation Program.

As identified earlier, the Accreditation Scheme has an important role in the future management of nature based tourism within protected areas and needs to be further developed to give it strength and credibility.

TCWA has always had a representative on DEC's TIRG and often invites DEC officers to address its Board or participate in other communication functions with industry. DEC and TCWA conduct joint industry and DEC staff workshops throughout the regions.

The day-to-day contact between TCWA and DEC is strong and productive, but needs to be strengthened in relation to the Tourism Accreditation Scheme and its application to operators accessing protected areas.



Conservation Commission of Western Australia

The Conservation Commission of Western Australia plays an important role in the approvals process for the issuing of tour operator licenses and leases.

Both the Commission and DEC endorse the current communication mechanisms in place, with a DEC representative attending Commission meetings.

The Commission accepts the rationale of the proposed changes to the 'E' Class license period (Recommendations 6 to 10), however, would like to be consulted prior to a license extension beyond the initial 15 years.

The Commission also believes that to assist in the management of protected areas, consideration should be given to appointing licensed operators as honorary rangers and given encouragement to report people who infringe – both operators and the public.

Marine Parks and Reserves Authority

The Marine Parks and Reserves Authority (MPRA) is a body established under Section 26A. of the Conservation and Land Management Act 1984.

The MPRA's main functions are to control, manage and develop policies for marine reserves and relevant land vested in the Authority and to provide advice to the Minister on related matters.

The MPRA responsibilities in relation to the adoption and application of management plans for protected areas means that the Authority has a strong interest in the license/lease process for tourism operations within the marine reserves and relevant land areas vested in the Authority.

The current process for approving new license/lease applications requires that any application outside of those activities stipulated in the Operators Handbook, or not consistent with a protected area Management Plan, are to be submitted to the MPRA for consultation, prior to approval – the MPRA only seeks to be involved in non-standard license/lease applications.

Communication with DEC in these instances is primarily by means of a DEC officer attending Authority meetings and providing advice in relation to the matters being put forward for endorsement. A Tourism WA representative is also invited to attend Authority meetings.

During the Review consultations it became apparent that there is some uncertainty by all parties as to their respective roles in the license/lease application approval processes under circumstances where MPRA endorsement is sought.

This uncertainty appears to be being created by real or perceived communication shortfalls in relation to specific details and lead times of licence/lease applications submitted for consultation with MPRA.



To streamline the process and to ensure the availability of an appropriate level of information to enable the MPRA to make informed decisions in relation to the application's consistency with the management plan, there is a need to examine the current communication procedures between DEC and the MPRA.

It is recommended:

- 34) **That DEC and the MPRA jointly examine their current roles and relationship in the licence/lease consultation process and establish clear lines of communication to facilitate the ongoing decision making responsibilities of both agencies.**

As one of the stakeholders interviewed later in the Review process the MPRA was able to be advised of the issues that had been raised and the probable recommendation outcomes. No major concerns were raised in this regard.

Tourism Industry Reference Group (TIRG)

For some years, TIRG has performed an important communications role between DEC and the tourism sector, i.e. Tourism WA, TCWA and operator representatives.

Meeting quarterly, TIRG has provided DEC with an understanding of current issues and trends within the tourism industry, as well as allowing the tourism sector to bring forward matters relevant to operating in protected areas.

Over time, the representation on TIRG has been broadened to include other interests such as recreational users and commercial operators catering for activities such as education and corporate programs.

To this end, it would seem that the TIRG role could be even further expanded to include representation from other stakeholders such as local government, fisheries and transport, all of which also have a role in tourism and a working association with DEC.

Some of these representatives may find it productive to only attend meetings identified as having a specific interest for them. However, regular attendance will aid the overall communications needs and increase the understanding of the cross interests of different parties.

It is recommended:

- 35) **That the role of the Tourism Industry Reference Group (TIRG) be expanded to incorporate wider interests, albeit that the tourism focus remains the main charter of the group. As a consequence, consideration should be given to renaming the TIRG as the Tourism & Recreation Industry Advisory Group (TRIAG).**

From a government agency point of view it will be important that representation on TRIAG be at senior management level and the ability to appoint a deputy should be either removed or at least restricted, e.g. a deputy can only attend two in five meetings.



Local Government

With some 130 local authorities in Western Australia, there is a major challenge in maintaining communication links that are effective in liaising with this sector.

While the Western Australian Local Government Association (WALGA) provides a collective voice for local government, it is often difficult to gain consensus and that process itself is cumbersome – it can take a 12-week turnaround to gain a response on an issue.

More often than not, the local government position is directly relevant to local area issues, rather than being representative of an overall local government position.

Local politics can play a strong role, generally requiring DEC to have to deal on a one-to-one basis with local authorities, rather than a central representative like WALGA.

Individual local government authorities strongly defend their right to make their own decisions, making it difficult to use WALGA as the central communication point. Because of local circumstances, the same nature based land use proposal in two separate local government areas may receive an opposite response.

This lack of a consistent position by local authorities on key issues such as the management of health issues in remote camps is a significant frustration for DEC.

While protected areas are generally outside of the jurisdiction of local government, matters such as health regulations and emergency services remain with local government and elements of these can be applied to change or delay the processes of developments within the DEC estate.

The reasons for such action by local government vary, but often are based on concern for competition on local town businesses from proposed commercial facilities within adjacent protected areas.

DEC cannot administer its own health regulations, but rather seeks to develop a working relationship with local government that recognises the role that protected areas and tourism plays in the overall economy of regional areas. Usually where developments occur, local government processes building licence applications to ensure that buildings meet Australian standards. This has worked well in the Kimberley.

The development needs within a protected area, by virtue of the location and the experience expectation of visitors, are often outside of the requirements of regulations that apply in town centres and this needs to be taken into consideration when establishing bush camps, eco-lodges, etc.

While it would be ideal if communications with local government could be focused through a single source like WALGA, it would be unrealistic to expect that individual local authorities will not want to be directly involved in the decision making relevant to protected areas in their region.



Therefore, communications with local government needs to be on two fronts – to and through WALGA and direct to individual local authorities on specific issues relevant to those local authorities.

Communications with individual local authorities can be enhanced through regional DEC personnel structuring meetings/forums that allow for a cross-flow of information with local government.

Undoubtedly there are already existing opportunities for such communications through established meetings, not necessarily convened by DEC, but by other agencies such as Development Commissions.

Each regional office of DEC needs to determine the most appropriate means of communication with local government and if necessary, take the initiative to establish appropriate communication mechanisms where they do not currently exist.

It is recommended:

- 36) That DEC invites a WA Local Government Association representative to become a member of TIRG (TRIAG) and also to establish a clear point of day-to-day contact within that association.
- 37) That regional offices of DEC be required to establish and report on communication strategies and procedures applicable to their own local needs.

Operators

In 2003, the Curtin Sustainable Tourism Centre undertook a survey of CALM licences tour operators – at that time around 340 in number.

A target sample of 100 was set and 12 opinion statements were set. The responses showed that the priority improvement that operators were looking for from CALM was that it should “listen, communicate and build relationships with local businesses”.

Since that time, DEC has introduced an electronic “Tour Operator Alert” bulletin, which is distributed on a needs basis depending on the day-to-day advice required on conditions within protected areas, plus other general information.

While this initiative has addressed one area of communications with operators, the survey response was more associated with the licensing process and embraced such issues as initial contact point, length of licence, perceived bureaucracy, cost structures, etc relating to obtaining a licence.

These are examined in detail in other sections of the review and recommendations have been made to improve the processes of licensing.



Public

Communication with the public is usually to provide information, or to a lesser extent, can be categorised as marketing. However, DEC's responsibility to provide interpretation of the values of parks is sometimes confused as marketing.

Information is important to educate the public as to the "dos and don'ts" within protected areas and to provide interpretation to enhance the visitor experience.

With regard to education, there is ample evidence that many "mistakes" made by visitors to protected areas are simply a lack of understanding of what is required when entering these sensitive environments.

With increasing visitor numbers to protected areas, the need for educative material has become stronger, as has the need for there to be an effective distribution system to enable visitor to have this information well before arrival at the destination.

Marketing information by commercial operators and/or tourism bodies can be misleading to visitors who build up expectations which, when not be realised, creates disappointment. This can generate negative publicity for the attraction.

An example is the publicity generated for Monkey Mia, where, in many instances, the message given has visitors believing that everyone will get to go in the water and feed the dolphins. When this expectation is not realised, there is disappointment.

While it is important to promote the State's natural attractions, it is equally important that there is true representation of the product on offer and where there are limitations or restrictions, these should be made clear. DEC has the best opportunity to provide assistance to operators in ensuring that marketing material is accurate.

DEC has also implemented a review system of its tourism related brochures to ensure that its interpretive responsibilities are understood by people who visit parks as well as providing basic promotional material for distribution through local visitor centres and the like.

While DEC has had limited participation in consumer marketing (Caravan and Camping/4WD Show), there is huge potential to participate with Tourism WA in positioning the State as a premier nature based tourism destination.

DEC produces a number of high quality and expensive interpretive publications but does not resource publications that would have broader tourism functions.

There is scope to combine the interpretive and marketing messages and so broaden the focus of many existing DEC publications.



The acceptance of an earlier recommendation relating to DEC's tourism role and structure will rectify this situation.

It is recommended:

- 38) That DEC, in partnership with Tourism WA and in line with recommendation 27 relating to DEC's tourism role and structure:
- reviews all its publications to assess the effectiveness of tourism messages and consider reallocating resources to meet the needs of a broader market.
 - corporately resources the production of publications that serve the needs of the tourism market and complement nature based tourism marketing.
 - undertakes an audit of its information/education material and marketing collateral made available to the general public and ensures that mechanisms are in place for the distribution of appropriate material throughout the neighbouring regions of the relevant protected area (eg. accommodation houses, caravan parks, visitor information centres, local government offices, etc).
 - monitors the marketing publications of commercial operators and tourism bodies and initiates corrective action where the information provided is not consistent with the visitor experience that can be expected.

Interaction with Wildlife

While there is an important requirement to maintain stringent policies relating to interaction with wildlife, there is also a need to recognise that one of the main Western Australian tourism drawcards is the appeal of having a wildlife interaction experience.

Whether land or marine based, it is the wildlife interaction experience that attracts many visitors who might otherwise seek to travel to other destinations.

This is a very complex area of NBT management – often a balance between science, policy, public risk and the requirements and expectations of the tourism industry.

Science provides information about the protection of the wildlife, as well as the human visitor – the tourism industry is seeking to offer unique experiences that are especially Western Australian.

The potential for litigation is also an influencing factor in the setting of wildlife interaction policies by DEC – examined in more detail later in the “DEC Risk Management” section of the review.

The Charter Boat Owners Association has a particular grievance with DEC's policy in regard to people swimming with sea lions and this presents a good example of the issues involved.



DEC policy is set by the Wildlife Conservation Act 1950 under the Wildlife Conservation (Close Season for Marine Mammals) Notice 1998 under subclause 8, which states:

8 Swimming with marine mammals

- (1) *Subject to subclause (2) and the Shark Bay dolphin notice, a person who is in the water may approach –*
- (a) *a whale, dolphin or dugong to a distance of 30m but no closer: or*
- (b) *any other marine mammal to a distance of 10m but no closer.*
- (2) *If a marine mammal approaches a person who is in the water so as to put the person in breach of subclause (1), the person must move away from the mammal until the person is no longer in breach of that subclause.*

Understandably, the visitor experience is substantially enhanced through in-water interaction with sea lions. However, this introduces an increased risk factor for the swimmers who could be attacked by the sea lions themselves, or their predators.

Known instances of sea lions attacking people in Western Australia total 17 since 1978, the majority unprovoked and some resulting in very serious injury. The ratio of people being attacked in the water as against on the land is 50/50.

DEC is opposed to changing this policy position on the basis of this danger, which in turn exposes it to potential litigation, as any resultant injury or death could be linked to DEC's responsibilities for managing protected areas.

To protect against this situation, charter operators required their patrons to sign a waiver of responsibility, before they enter the water. This is for their own protection against litigation and also, they believe, to protect DEC.

The operators' argument is that if a client wants to take on activities that may present a danger to themselves, then that should be their right, provided they have all the data to enable them to make an informed decision. Some people deliberately seek risk activities such as parachuting, hang gliding, cave diving, bungee jumping, etc for the thrills and experiences they provide.

It is claimed that to not allow these activities, provided there is no threat to the environment, is to over-govern, i.e. to create a "Nanny State".

The tourism industry claims that "wildlife interaction is a must".

The only area in Australia where it is permissible to swim with sea lions is one location in South Australia. While the species of sea lions is the same as those on the coast of Western Australia, they



are regarded as being more placid. Western Australian marine tour operators use the South Australian situation as an argument for a change in local policy.

While in principle the Civil Liability Act 2002 may provide the required protection from litigation that DEC is seeking, it has not been tested, making DEC reluctant to review its policy on swimming with sea lions.

In the meantime, the Charter Boat Owners Association has advised that new insurance coverage has been arranged to give further protection to operators and to provide compensation in the case of any incident.

Despite the ideal situation of allowing people to swim unfettered with sea lions, it is difficult to move away from the science which clearly identifies the dangers that exist.

It is recommended:

- 39) That the current policy Section 8 of the Wildlife Conservation (Close Season for Marine Mammals) Notice 1998 Act continue to be enforced and that DEC obtains legal advice in relation to the Civil Liability Act 2002 and the Occupiers Liability Act 1985 and the application of these Acts to any circumstance that might arise from people being attacked by wildlife (e.g. a sea lion) in a protected area.
- 40) That the science associated with sea lions continues to be monitored and that marine tour operators be required to report all instances and circumstances under which sea lions have sought to interact with people.

Threshold Management

Because of Western Australia's isolation and the relatively low intensity of its tourism industry, the need for threshold management within protected areas has not been a prominent issue.

This will change over time and it is important to record that the tourism industry supports threshold management where there is any indication of a threat to the attraction, i.e. the environment.

In many cases, the threshold threats in Western Australia are not through total numbers of visitors, but through the compressed times that they arrive at a protected area. For example, most visitors arrive at Nambung National Park in the middle of the day, while at Monkey Mia, they arrive for the morning feed of the dolphins.

Unfortunately, this concentrated visitation can take away from the experience which is often most enjoyed when visitor numbers in attendance are small.

These situations can have a long term effect on the appeal of the attraction to the detriment of both the State's tourism industry and the value of the protected area.



It is recommended:

- 41) That DEC and Tourism WA closely monitor threshold situations and where concentrated visitation is impacting on the environment and experience, seek to encourage the tourism industry to respond with new programs that contribute to a spread of the visitor load.
- 42) That Tourism WA undertakes research into iconic tourism sites and the potential to use marketing to shift visitor loading to non-iconic sites.

New sites – Landbank

The announcement by the State Government to establish a Landbank program to identify and develop key tourist attractions, including within protected areas, has been welcomed by the tourism industry.

With the Tree Top Walk showing what can be achieved with vision and creativity, other opportunities certainly exist to emulate this approach to tourist attraction development within protected areas.

Tourism WA leads this process and has an opportunity to pursue this Government initiative and create circumstances in which the private sector may be encouraged to invest and operate new attractions and facilities that are of a world-class nature.

Potential sites have been identified and include:

- Francois Peron
- Purnululu
- Northern Burrup
- Kalbarri National Park
- Shannon
- D'Entrecasteaux
- Cape Arid
- Cape Le Grand
- Windjana
- Bell Gorge
- Millstream National Park

There are concerns within DEC, Tourism WA and the tourism industry in general that Landbank's progress is being hampered through a lack of resources.

While site identification can be achieved relatively easily, it is the planning processes that require a dedicated effort, as many other agencies and stakeholders take their positions in regard to the specific sites.



It is recommended:

- 43) That Tourism WA and DEC develop a structure and seek the resources needed to implement the Landbank initiative (as it applies to protected areas) as proposed by Government policy.



OTHER MATTERS

DEC Parks Pricing System

The national park fees pricing system maintained by DEC requires that any increase be approved under regulations by Parliament.

Because of the procedures associated with this requirement, it can be a lengthy process, the outcome of which may have an impact on commercial relationships which require lengthy lead times for the pricing and packaging of tour products.

There is also the risk that political considerations will inhibit developments that are based on commercial principles requiring a park fee structure that is appropriate to the level of investment.

It is recommended:

- 44) That DEC seeks to have the setting of parks fees and charges removed from the Parliamentary process and made subject to approval of the Minister for the Environment.

Social Research

At present, DEC does not have a coordinated or comprehensive approach to undertaking social research in relation to tourism, visitors and their relationship with host communities adjacent to parks with a strong tourism focus.

Research is required to better understand the needs, perceptions and attitudes of park users and potential users and their use and impacts on the natural environment and wildlife. DEC undertakes only limited social research in relation to visitor use of protected areas.

There is a growing demand by management, research institutions and industry for detailed data on visitors. Data on visitor impacts, level of expectation and satisfaction, means of transport, length of stay, etc is simply not available, other than in small samples where commercial operators or tourism bodies have undertaken surveys.

As a major participant in the tourism industry, DEC needs to have a good understanding of its client base and the resource in order to determine threshold levels (see page 54) of visitation, monitor use or develop policies and frameworks necessary to manage visitor use and impacts.

Importantly, the collection of such data need not be a sole DEC effort, as there are other parties that have resources, capacity and an interest in researching these matters, e.g. it is likely that synergies exist with universities, the private sector and other research institutions that could produce cost effective, co-operative partnerships to undertake tourism and park related research.



DEC will, however, also need to find the resources to fund and develop its own capacity to facilitate and coordinate the research effort and to undertake research in its own right.

It is recommended:

- 45) That Government fund DEC in the development of a social research program (including co-operative arrangements) that will provide a range of data on park visitors and visitor use of protected areas.

Two Approaches within DEC

From a tourism industry point of view, DEC is a single agency responsible for managing Western Australia's national parks and protected areas.

While DEC's Parks and Visitor Services Tourism and Marketing Unit has become the main point of industry contact, there are other divisions like the Nature Conservation Division that play a role in licensing commercial activities within protected areas.

Where there is interaction with wildlife, approval must be obtained from the Wildlife Licensing Section, as well as the Tourism and Marketing Unit, which has responsibility for issuing commercial operations licences/leases.

The very nature of each area of operation means that from time to time there are disagreements relating to licence/lease applications that involve wildlife interaction.

While this in itself is not inappropriate within DEC, there is current confusion outside the agency, with tourism operators, or potential operators, claiming that they are getting two messages. This situation is creating confusion and generating a negative view of DEC's involvement in tourism.

This image of confused decision making can be removed by internal administrative arrangements that give the responsibility to the Tourism and Marketing Unit to facilitate direct discussions about Wildlife licensing issues with operators. Where this happens regionally, the Parks and Visitor Services leaders in consultation with the Tourism and Marketing Unit would facilitate this. This will ensure a consistent approach across the State.

Such a structure would not remove any of the current responsibilities and powers of the Nature Conservation Division, but rather confine any divergent views between divisions to within the agency.

It is recommended:

- 46) That the Tourism and Marketing Unit of DEC be responsible for tourism licence/lease facilitating in consultation with other divisions of the agency that are placed to provide scientific advice in relation to wildlife interaction and the overall use of protected areas. Where any issue cannot be resolved by the divisions, the matter to be adjudicated by the CEO of DEC.



- 47) That DEC establish and distribute to the tourism industry, a clear process for tourism industry contact within the Department.

Penalties for Breach of Licence/Lease Conditions

The current structure for applying penalties for breaches of licence/lease conditions has generally resulted in judicial outcomes that have not been considered to reflect the severity of offences. Penalties are prescribed more in general terms than in relation to specific events.

While this review has strongly recommended lifting the level of competence of TOs through licence conditions and KPIs, the fact remains that there will always be a few operators who are prepared to “chance it” by conducting their activities in a way that is detrimental to the interests of NBT.

There is a stark difference to the penalties prescribed for breaches of the Fisheries Act compared to the Wildlife Conservation Act and the Conservation and Land Management Act. The Fisheries Act is very specific on the level of fines that applies to different fish species. Under the Fisheries Act, there is a Head Power that allow the setting of minimum penalties

There is a need to review the penalties that apply to breaches of conditions relating to licences/leases for commercial operations within protected areas, with the aim of establishing a fixed schedule of fines relevant to the indiscretion, but a set fine amount that should reflect the seriousness of the breach.

It is recommended:

- 48) That DEC undertakes a review of its powers in applying penalties for breaches of licence/lease conditions and establishes a specific schedule of fines that reflects the nature and seriousness of the breach, including minimum amounts for fines and where appropriate, restoration costs.

DEC Risk Management

DEC’s responsibilities in managing protected areas bring with them an inherent risk of litigation or adverse findings if there is an incident causing injury or death.

Despite comprehensive insurance coverage, both by TOs and DEC, there is concern that, as the owner of the protected area estate, DEC will always be exposed to litigation regardless of fault, or the fact that those affected may have signed an agreement absolving DEC of responsibility.

NBT, by its name, implies an element of risk – being close to nature takes people into uncertain, and in many cases unfamiliar, areas – with excitement and even danger being part of the visitor expectation.

Obviously the levels of that excitement and danger vary to a great degree from a passive walk in a national park to activities like abseiling, cave diving or scuba diving.



Managing these risks is a challenge for DEC, which seeks to find a balance between approved uses of protected areas and the exposure to liability should an incident occur through those uses.

Earlier in this review, reference was made to the Civil Liability Act 2002 and the Occupiers Liability Act 1985, both specifying the extent of DEC's exposure to litigation. However, there has yet to be a test case in court.

While it is a natural tendency to err on the side of caution when administering risk circumstances, the fact remains that the very attraction to protected areas for some people is the risk factor itself. To not allow risks to be taken where that experience is being sought can have a negative impact on some market segments of the tourism industry.

This is a very complex and potentially highly litigious area although at the same time, a critical one for the tourism industry that is seeking to offer unique NBT experiences, many involving challenging landscapes and wildlife interaction.

It is recommended:

- 49) That, as prescribed in Recommendation 39, DEC seek legal advice to assist in reviewing the risk management policies to be applied to the full range of NBT activities.



ADDRESSING THE BRIEF

This section of the report seeks to link the review observations and recommendation with the project Brief.

The prime approach taken throughout the review has been to focus on identifying and finding solutions for issues confronting NBT. These issues have been identified by a wide range of NBT stakeholders and where consistent and relevant to the roles and responsibilities of DEC and Tourism WA, have been addressed by this review.

As most of these issues relate to one or more of the Brief items, it is considered that the most effective way of presenting the findings is by way of the Issues section of the report, with this section providing the linkage with the Brief.

The linkages are as follows:

The statutory coverage of existing leasing and licensing framework;

Statutory coverage for NBT rests with DEC under the Conservation and Land Management Act 1984, the Conservation and Land Management Regulations 2002 and the Wildlife Conservation Act 1950.

Tourism WA has no statutory powers relating to NBT.

With respect to the recommendations of this review the following statutory changes would need to be effected:

The recommendations:

- 6) That 'E' Class licences continue to be issued through the EOI process and that the initial period be extended to up to 10 years, with annual audits against predetermined Key Performance Indicators (KPIs) and with a renewal period of up to 5 years, giving a total licence of 15 years.

And

8. That at the end of the maximum 15 years licence period, DEC has the option to reallocate the licence through a competitive EOI process. To reward best practice, part of the criteria for assessment should place high weighting on TOs who perform well in the annual audits. EOIs should commence at least two years out from the expiry of a licence.

would require a change to the CALM Regulations 2002 as follows:

- Reg 96 to increase to 10 years.
- Reg 97 does not need to be changed as it already allows for 5 years.
- There may be a need for a new regulation providing the power to DEC to renew an 'E' Class licences after 15 years, without a competitive EOI process.



The recommendations 6 and 8 above and:

- 13) That a legislative provision be made to remove the current maximum lease period of 21 years, with a 21 years option.

require an amendment to the CALM Act 1984 in Sections 97 (1) and (2) for leases in State forests, and Section 100 (1) & (2) for other tenures (i.e. National Parks etc).

The National Competition Policy will have an influence on recommendations 8 above as will

- 14) That DEC takes into consideration the business sustainability factors associated with issuing a licence or lease to the extent that there may be an adverse impact on other tourism operators and/or the tourism industry, arising from such management actions and decisions.

The Civil Liabilities Act 2002 and the Occupiers Liability Act 1985 will apply to recommendations:

- 39) That the current policy Section 8 of the Wildlife Conservation (Close Season for Marine Mammals) Notice 1998 Act continue to be enforced and that DEC obtains legal advice in relation to the Civil Liability Act 2002 and the Occupiers Liability Act 1985 and the application of these Acts to any circumstance that might arise from people being attacked by wildlife (a sea lion) in a protected area.

and

- 49) That, as prescribed in Recommendation 39, DEC seek legal advice to assist in reviewing the risk management policies to be applied to the full range of NBT activities.

The following recommendation relating to the removal of the pricing system from the Parliamentary process will also require a regulation change:

- 44) That DEC seeks to have the parks pricing system removed from the Parliamentary process and made subject to approval of the Minister for the Environment.

All other recommendations can be implemented with administrative or policy changes by DEC and Tourism WA.

The impact of terms and conditions of leases and licences on nature based tourism's economic and environmental sustainability;

This item has been the subject of considerable examination throughout the review and relates to the most contentious aspect of NBT.

The review provides a number of recommendations in relation to licensing/leases that are aimed at effecting improvements to both the economic and environmental sustainability of NBT.



As has been recorded on a number of occasions, environmental sustainability is the first priority and the terms and conditions of licences should be such as to make the maximum contribution to this outcome.

It can be argued that the stronger the economic situation in relation to TOs, the greater the encouragement to protect the natural asset.

The key components of this review that address this Brief item are:

- Compulsory tourism accreditation for 'T' Class licence holders – Recs. 1 & 2;
- Extension of licence period for 'E' Class licences to 10 years with 5 year option – Recs. 6 to 10.
- Consideration of business sustainability factors in issuing licences/leases – Recs. 14 to 16;
- An upgrade of the tourism accreditation program – Rec. 29.

Ongoing monitoring and the introduction of a social research program to assess usage of protected areas – Recs. 40, and 45.

The management of risks to tourists and to the 'image' of Western Australia as a tourism destination;

Recommendations 39 and 49 relate to this item and refer to DEC's responsibilities under the Civil Liabilities Act 2002 and the Occupiers Liability Act 1985.

Managing risk factors requires a balance between the protection of visitors and providing a unique NBT experience.

The ability for people to interact with wildlife is a particular area where there are challenges between this protection (for both visitors and the wildlife) and the desires of visitors to enjoy that "get close to nature" experience.

An incident resulting in the injury or death of a visitor can have an adverse impact on the image of Western Australia as a tourism destination, or conversely can be perceived over-zealous restrictions on activities within protected areas.

It is again, a matter of balance.

Western Australia's tourism image can also be adversely affected by the activities of unprofessional TOs or the failure of TO operations, which can have impacts on the total business sector as the support tourism industry loses confidence.

This is addressed in recommendations relating to accreditation (recs. 1 & 2) and business sustainability factors (rec. 14).



The role and impact of local government on nature based tourism; and

Generally, local government does not have a direct role in NBT, although it can have an influence on activities within protected areas through the application of health regulations and emergency service provisions.

Recommendations 36 and 37 relate to the relationships between local government, DEC and Tourism WA and seek to provide better day-to-day communication and management mechanisms for all parties.

The roles and relationships of DCE, Tourism WA, tourism operators, the Conservation Commission and the MRPA in developing, promoting and managing nature based tourism and nature based tourism facilities or attractions;

While the roles and responsibilities of each of these stakeholders in NBT are different, the outcomes they seek to achieve are consistent and easily integrated.

Where difficulties have occurred, it has generally been as a result of a breakdown in communications arising from a lack of understanding and/or appreciation as to the roles and responsibilities of the other.

Recommendations 30 to 34 set forward a range of structures that can be applied to improve the communications process.

In particular, the continuing role of the Nature Based Tourism Advisory Committee is seen as being a key component of the overall NBT management structure.

The creation of a DEC/Tourism WA Senior Officers Group will also improve the day to day operational requirements for NBT.

The roles and relationships of DCE, Tourism WA, tourism operators in the provision of visitor information in regard to protected areas;

Recommendations 26, 27 and 38 provide for a total review of the relationship between DEC and Tourism WA and the future tourism activities to be undertaken by DEC.

There are particular challenges for DEC as a front line tourism operator, e.g. Tree Top Walk, which will require a readjustment of its current role to more reflect its relationship with the tourism industry.

This readjustment will need to be resourced by government if the proposed changes are to take place and be effective.

As commented elsewhere in this review, the relationship between each of the issues and recommendations is such that they need to be implemented as a package, not on an individual basis, if the desired outcomes are to be achieved.



The communication and representation mechanisms between DEC (including the Tourism Industry Reference Group), Tourism WA (including the Nature Based Tourism Advisory Committee), tourism operators, the Conservation Commission and the MRPA regarding nature based tourism; and

Recommendations 30 to 37 address the communications needs between the key NBT stakeholders.

This is a key area of the review as the communication process has, in the past, not been adequate to suitably address the planning, policy and day-to-day management needs of NBT.

In particular, the ongoing role of Nature Based Tourism Advisory Committee and the creation of a DEC/Tourism WA Seniors Officers Group will greatly facilitate the communication process.

The opportunities to improve and accelerate the integration of ‘whole of government’ delivery of opportunities for nature based tourism (including specific initiatives such as “Landbank”).

This review has provided a number of observations and recommendations based on a ‘whole of government’ approach to NBT.

The relationship between DEC and Tourism WA is critical. However, other government agencies such as the Conservation Commission, MRPA, Fisheries Department and Department for Planning and Infrastructure are key stakeholders in the future of NBT.

For NBT to progress, all of these agencies will need to work together towards their common goals, which for all intents and purposes, have compatible outcomes as their objective.

The Government’s Landbank initiative is a demonstration of the ‘whole of government’ approach, with recommendation 43 seeking to increase the pace of the planning and development processes.

As stated earlier, NBT requires a ‘whole of government’ approach, with public endorsement by the government of the importance of NBT to the State’s economic and social wellbeing.

The adoption of the recommendations of this review will required additional resourcing of DEC by government, which will be a further ‘whole of government’ commitment to NBT.



CONCLUSION

This review has been conducted in close consultation with senior officers of DEC and Tourism WA in order to achieve an outcome that is sought by both agencies.

The Steering Committee has played an invaluable role in 'brokering' outcomes that have led to the formulation of recommendations in this report, which, it is believed, meet the goals of both agencies.

The wider consultation process with representatives of the tourism industry and conservation groups has provided important input in determining the directions for NBT, as provided in this report.

Throughout the review, it was extremely encouraging to observe the strong partnership that has developed between the tourism and conservation interests over the past 10 to 20 years. There is now a strong recognition of the mutual interests and compatibility of both sectors.

NBT is a major platform for the State's tourism industry and as such, needs to be protected and nurtured for the long-term benefits of all.

The purpose of this review is to maximise the values of NBT.



Appendix A - Media Statement

Government of Western Australia
Media Statement



The banner features a blue background with a red bar at the bottom. On the left, there are two portraits of Ministers: Mark McGowan and Sheila McHale, each with a small map of Western Australia to their left. To the right of the portraits, their names and titles are listed in white text. In the top right corner, there are two links: 'Notification Service' and 'Statements Home Page', each with a small icon.

Mark McGowan MLA
 Minister for Education and Training; South West

Sheila McHale MLA
 Minister for Tourism; Culture and the Arts;
 Consumer Protection

Notification Service
 Statements Home Page

Statement Released: 17-Jul-2006

Portfolio: Environment, Tourism

Western Australia's nature-based tourism under review

17/07/06

The Carpenter Government will undertake a comprehensive review of nature-based tourism as part of its ongoing commitment to the sustainable development of the industry.

Environment Minister Mark McGowan and Tourism Minister Sheila McHale announced the review in Perth today and said it would examine roles and relationships between the industry and Government agencies.

It would also look to improve the integration of 'whole-of-government' delivery of opportunities for nature-based tourism.

Mr McGowan said the timing was right for a review, as nature-based tourism had seen dramatic growth over the last two decades.

"Nature-based tourism now contributes significantly to regional economies, as well as to the State economy," he said.

"The Department of Environment and Conservation (DEC) is in effect one of the largest tourism managers in the State, attracting almost 11 million visitors to natural attractions each year and issuing about 400 commercial tourism licences.

"The creation of the new agency on July 1 has provided an opportunity to review agency practices and procedures.

"We want to see nature-based tourism thrive in Western Australia, but we also need to ensure that our unique biodiversity is protected and enhanced, and that appropriate environmental protection measures are put in place."

Tourism Minister Sheila McHale said the 'image' of WA as a tourism destination was vital for the industry.

"Many tourists come to WA to experience our rugged and natural attractions," Ms McHale said.

"This is one of our strengths but we need to make sure that we offer a safe and quality experience to visitors.

"The review will explore statutory and organisational changes and recommend appropriate administrative requirements needed to improve nature-based tourism opportunities in WA."

The review will be conducted by tourism consultant Eddie Watling.

Environment Minister's office: (08) 9222 9111

Tourism Minister's office: (08) 9213 6900

Government of Western Australia

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Department of the Premier and Cabinet.

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Appendix B - List of Organisations/ Individuals Interviewed

Charter Boat Owners Association

Rick Reid, President

Bruce Lockett, Administrator

Australia's Coral Coast

David O'Malley, Chief Executive Officer

Tourism Council WA

Ron Buckey, Chief Executive Officer

Ningaloo Sustainable Development Office

David Nunn

Outdoors WA

Ralph Gurr, Executive Officer

Western Australian Local Government Association

Seisha Fogarty-Pryor, Policy Officer, Community

Conservation Volunteers Australia

Geoff Craggs, Western Australian Manager

Department of Environment and Conservation

Keiran McNamara, Chief Executive Officer

Jim Sharp

Colin Ingram

Rod Quartermain

Peter Mawson

Australian Pinnacle Tours

Ian Dawson, Managing Director

Curtin University of Technology & Tourism CRC

Professor Jack Carlsen

Dr. Michael Hughes



Tourism WA

David Etherton
Jennifer Duffecy
Steve Crawford
Jim Sargent

Leave No Trace

Cameron Crowe, Executive Director

Shadow Minister for Tourism: Small Business

Ms Katie Hodson-Thomas, MLA Member for Carine
Blair Stratton, Research Officer

Forum Advocating Cultural & Eco Tourism (FACET)

Prof. Ross Dowling

World Wide Fund (WWF)

Paul Gamblin, Senior Policy Officer Oceans and Coasts

RBA Consultants

Mathew Bird, Managing Director

APT Group

Dino Magris, General Manager Australian Touring

Conservation Council of Western Australia Inc.

Dr. Nic Dunlop
Tim Nichol

Dolphin Discovery Centre, Bunbury

Andrew Horan

Jurien Bay Charters

Ian Stiles

Conservation Commission of Western Australia

Dr. John Baily, Chairman

Marine Parks and Reserves Authority

Eric Streitberg, Chairman
Kim Colero



Appendix C - Written Submissions Received From:

Telaman Consultancies

David Palmer

Willis's Walkabouts

Russell Willis

Ocean Eco Adventures Pty Ltd

Andy Edwards

Mackenzie's Island Cruises

Fud Mackenzie, Director

Jurien Bay Charters

Ian Stiles

Ningaloo Kayak Adventures

Graham & Penny Murphy

Opposition Spokesperson on Conservation and Environment

Ms Katie Hodson-Thomas, MLA Member for Carine

Shire of Wyndham East Kimberley

Peter Stubbs, Chief Executive Officer



*Appendix D - Extracts from Written Submissions***Submission 1****Risk Management**

The nature based tourism industry has unavoidable and inherent risks and the DEC has a very difficult task in balancing the risks to visitors with providing interesting visitor attractions and services.

I believe they are doing a fantastic job however it may be argued that the pendulum may have swung too far toward minimising litigation risk.

This has a very real negative impact on the WA tourism industry because tourists do not derive as much benefit from nature experiences that have been sanitised for their own safety, in the form of boardwalks, limited access or total exclusion.

If properly informed of all the risks certain tourists will seek out high risk adventure holidays and by removing these as legitimate options for tourists the DEC, although minimising their exposure to litigation, are in fact undermining a fundamental segment of nature based tourism with the highest “wow” factor. Since Western Australia’s tourism is largely based on the notion of a wilderness experience, we are undermining our own tourism industry in the course of supposed protection.

Example: Kakadu National Park has shown a strong decline in international visitors since 2001 because of restrictions on high (even medium) risk sites. This has been primarily as a consequence of the death of Isobel von Jordan.

This death was the result of a tour guide acting in a manner that was “inexplicable, indefensible and grossly negligent”. Possibly it could have been avoided had the Northern Territory (NT) Government moved to establish a proper training, accreditation and supervision program. However, it should be pointed out that Western Australia has even fewer safeguards than the Northern Territory. While this is an area that needs to be addressed, it needs to be done without losing the essential appeal of our tourist attractions.

I would like to see Tourism WA/DEC explore a two-tiered tour operator licensing system so that operators that have demonstrated exceptional safety and quality standards and who have put in place stringent management and contingency plans can access higher risk sites and activities.



Tour Guide Training and the Australian Quality Training Framework (AQTF)

The AQTF is the national training framework that TAFE and registered training organisations used to train tour guides.

The Certificate in Tourism (Tour Guiding) under the AQTF is suitable for museum or city guides but is woefully inadequate for remote area tour guides and the use of such a qualification would seriously undermine attempts to improve the quality, safety and reputation of Western Australia's nature based tourism product.

Despite the high level of risk and responsibility placed upon them, the vast majority of Western Australian tour guides have a training gap in:

- Occupational Health & Safety and legal responsibilities.
- Remote area first aid.
- Understanding the specific dangers/risks at individual sites or areas that tour groups visit.
- Procedures for dealing with high stress or emergency situations.
- People and group management, especially under stressful conditions.
- Safe driving and driving considerations under difficult conditions.
- Interpretation for important natural and cultural heritage sites.
- Safe food handling and preparation.
- Remote area communications and logistics.
- Risk assessment and management.
- Ecotourism and minimal impact principles.

As far as I understand the AQTF still does not have a certificate for remote area tour guiding and an appropriate course should be developed in Western Australia as a matter of priority. I would also like to see the concept of a specialist training school explored for remote area and marine tour operators to lift the level of quality and safety.

Furthermore, it appears that if the number of licences issued within a geographical area or industry is too high, this can cause market failures that result in reduced levels of safety, training and product quality. This in turn creates a negative view of the broader industry by undermining the generally favourable perception that visitors have of WA's tourism industry.

Under the existing regulatory situation the least favourable scenario manifests itself when too many licenses have been issued and aggregate demand begins to fall. Operators must cut costs to remain competitive to the point that all costs that are not necessary to run the tour are sacrificed (see "Minimum Operating Cost" line). Below this line the operator can cut no more costs and they are forced out of business.



Submission 2

Lease & Licencing Conditions

Coral Bay is unique in that the majority of the licences that operate within the Mauds Landing Sanctuary Zone are 'E Class' licences, it is also unique in the fact that there are no houses for the local operators to live in. The current Government has committed to supply workers accommodation but would also like to tie this housing to businesses working in the area. This provides a unique challenge to make this scenario financially sustainable in a business sense.

Emphasis in the past has been placed on environmental sustainability with little consideration to financial sustainability in regard to business licence conditions and tenure. In order for a business to be truly sustainable we need to consider the social, environmental and financial impacts equally. Should businesses operate for 10 years without any environmental concerns or breaches of licence conditions then consideration should be given to assisting these businesses by addressing their financial sustainability.

Managing Risk

By increasing tenure and allowing businesses to become financially sustainable, we believe it will improve standards and quality of operations which leads to improved risk management and the quality of the product (tours) offered. On the other hand, operators that have significantly breached licence conditions (ie; prosecuted) should not be considered for extensions of tenure or renewal of their licence.

We believe new operators/licencees should initially have to operate under a 5 year E Class licence and once they have proven they can successfully operate under these licence conditions, consideration should be given for a longer tenure licence.

Once the optimal levels have been determined the DEC could use one of a number of methods to facilitate the transition from an open to a controlled licence system. This would also require economic analysis but three broad options include:

A. Increasing the price of licences (P_1 to P_2) – if the price of licences are increased it would act as a deterrent or a barrier to entry to potential operators that do not have a sustainable long term business model. Money generated from licensing could then be used to assist in industry training and product development.

B. Reducing the quantity of licences (Q_1 to Q_2) – If the number of licences were restricted operators would potentially have higher revenues from a fully exploited consumer group that could then be invested back into quality standards.



C. Enforcing accreditation standards – if minimum standards are part of the licence conditions then (if properly enforced) the “minimum operating cost” curve would equal the “minimum standards” curve.

Bureaucracy and Lack of Meaningful Consultation

The government’s management of tourism can be exceptionally bureaucratic at times and members of the industry have expressed deep concerns that decisions are made without sufficient consultation with the industry.

An example is the recent Ministerial Taskforce into visitor safety in the adventure tourism industry.

The Taskforce was composed of bureaucrats and obtained no significant input from professional tour companies/guides that operate in Karijini National Park or the State Emergency Services that conduct rescues in Karijini National Park.

This is reflected in the recommendations of the Taskforce that are process driven in nature and have little or no practical value in increasing visitor safety in the nature based tourism industry, especially in Karijini National Park.

Karijini National Park

The DEC should explore the possibility of a licence for permanent roping instructors based within Karijini National Park or operating out of Tom Price.

The cost of insurance, purchasing equipment (ropes, helmets, wetsuits, harnesses etc) and training/retaining qualified roping instructors is prohibitive for a general tour operator so a permanently based specialist operator licence is a realistic management option to provide safe access to some of the State’s best gorges.

Interpretative Information

Interpretative information is a crucial element in the delivery of a high quality tourism product. In Western Australia:

1. Interpretative information for brochures or signage is generally not available in a wide variety of foreign languages. This situation is less than desirable and impacts on service delivery and may put the safety of overseas visitors at risk.
2. The standard of interpretative information for brochures or signage can be of poor quality in terms of complexity, relevancy and interest.
3. There is little or no task specific interpretative information available for tour guides, operators, attractions and businesses. Service delivery across the state is lacking because tourism providers cannot readily access specific, relevant and interesting interpretative information to communicate to their visitors.



4. The signage at the tourist coach rank on Wellington Street is sub-standard making it very difficult for visitors to locate. The coach rank also becomes congested during pick up times early in the morning forcing operators to park in the traffic lanes – this is obviously dangerous. Both these factors contribute to unnecessary visitor stress and anxiety at the start of nature based tours departing out of Perth and are examples of poor regulatory service delivery. Tourism WA needs to ensure significantly larger signage is put in place (perhaps along the wall) and they need to encourage the City of Perth to make available the parking bars immediately west of the coach rank until 8 am.

A greater understanding of the area or attraction adds strongly to the visitor's experience so I would like to see Tourism WA/DEC introduce interpretative information in a much wider range of foreign languages and to provide a range of regional specific and purpose specific interpretative books for tourism providers.

Nature based tourism is an integral component of the WA tourism industry. As a regulatory authority the DEC, assisted by Tourism WA, needs to lead the way in improving the long term sustainability of the industry and the level of professionalism in product development and service delivery.

Specifically,

- a greater appreciation of the underlying economic impacts that affect tour operator licensing;
- a two-tiered tour operator licensing system;
- a greater consideration of the economic impacts that risk averse management has on the WA nature based tourism product.
- closure of the tour guide training gap as a matter of priority;
- improved support for industry stakeholders for product development, including interpretative material;
- meaningful consultation with industry stakeholders in the decision making process; and
- a more practical approach to nature based tourism in Karijini National Park.

If these essential objectives can not be met by existing regulatory arrangements then the Government should consider creating a tourism agency specifically mandated to develop and oversee tourism training, quality assurance standards, infrastructure development, planning and licensing.



Submission 3

The impact of terms and conditions on nature based tourism's economic and environmental sustainability.

Licence term and conditions have been developed within the Conservation and Land Management Act mandate for sustainable environmental management. As such and within the operating sphere of the respondent, licence terms and conditions, by and large, adequately address environmental management and sustainability issues and are reviewed regularly enough to allow for necessary changes to be made.

However, as the Act currently has no provision for consideration of economic sustainability, there are some serious economic sustainability issues facing the nature based tourism industry operating in Department of Environment and Conservation (DEC) managed areas. Inadequate licence tenure is possibly the most serious of these issues. At present, licences in the respondent's area of operation are issued for a period of five years plus five years with a public EOI at the end of the second five years. In other areas tenure is reportedly less than this. This creates a situation where licensees have no real security in their businesses and inadequate lead time to develop their businesses to potential, particularly in pioneering situations. Businesses requiring capital input are unable to attract investors or enter into suitable financing arrangements to capitalise ventures adequately and are ultimately relinquished to operating outdated plant and equipment or utilising plant and equipment beyond its normal working life. The net result is that the industry attracts operators only interested in short term profit, which poses a risk to appropriate environmental care and sustainability and leaves those with long term vision and commitment unable to realise the potential of their enterprises. Ultimately, this impedes the development of Western Australia into a leading nature based tourism destination.

If the tenure of licences were to be increased to ten or twenty years dependent on the level of environmental accreditation attained then licensees would be able to capitalise their ventures properly and the industry would come much closer to realising its potential under the current tenure arrangements.

Fee structures are another serious economic sustainability issue. In some cases, fee structures are based on turnover percentages or per head and are substantial portions of individual businesses revenue, calculated without consideration of the impact on the economic viability and sustainability of those businesses. DEC levies substantial fees and charges on private enterprise businesses operating in managed areas and as such has a responsibility to consider the economic sustainability of those businesses. This is particularly significant in remote locations where tourism is a major employer in regions otherwise affected with high overall unemployment.



Submission 4

Interaction with Sealions

I am writing to you for support in my fight with CALM regarding them not allowing me to take tourists swimming or snorkelling with sealions.

CALM's main argument is that it is too "dangerous". That CALM may be sued if someone gets hurt by a sealion.

CALM has also stated that they don't want the sealions breeding upset, because there are only 11,000 of them. The place where I want to let the tourists swim with the sealions is not a breeding colony but a haul out site. Tour operators such as myself protect the sealions because it is in our interests.

I also believe that the more public that see, and enjoy an animal, the people there will be to support its preservation. This also goes for National terrestrial and marine parks.

CALM has also stated that people could catch TB by swimming with sealions. There may be a very remote chance you could become infected crawling through the low scub of the islands.

Tourism concepts in Western Australia are at least 20 years behind that of the Eastern States. A couple of months ago I visited Seal Rocks and Penguin Visitation Centres on Philip Island, Victoria. These are multi-million dollar centres generating a tremendous amount of revenue for the state. I also took a couple of trips on dive charter boats in Victoria and the operators were astounded that a separate license is required to take people to even "look" at sea lions or seals. They freely take people out on their boats to swim with seals in Port Philip Bay.

People who have swum with sealions or seals in Victoria, New South Wales, South Australia, New Zealand, The Galapagos Islands and California are all amazed that the WA Government do not allow me to take people to swim with sealions.

As a tourist operator I recognise that the sealions are a very valuable resource that need to be protected. Commercially it would be irresponsible for me to allow any harm to come to the sealions or the tourists who visit them.

