TOURISM STRATEGY THROUGH PARTNERSHIP: RHETORIC OR REALITY? A CASE EXAMPLE FROM AUSTRALIA

CHRISTOF PFORR AND MARTIN BRUECKNER CURTIN UNIVERSITY, AUSTRALIA

Abstract

In December 2002, the Northern Territory (NT) Labor government in Australia released a new tourism plan, Northern Territory Tourism Strategic Plan - 2003-2007. The turbulent events of 2001 that had a significant impact on the tourism industry in the NT and included the collapse of the Australian carrier Ansett Airlines and ‘September 11’ provided the impetus for the new strategy. Purportedly, this plan was designed to direct and guide the NT tourism industry’s future development based on sound research and extensive consultation with key stakeholders. Such a partnership approach was regarded as crucial for the success of future tourism in the Territory. This paper specifically focuses on the formulation process of this Tourism Strategic Plan. In particular, it explores the effectiveness of the underlying consultation process. A closer examination, however, shows that the government’s claims to having prepared the tourism plan in consultation with a wide range of stakeholders are not justified.

1. Introduction

For more than thirty years the tourism sector in the Northern Territory (NT) of Australia experienced significant growth and thus developed into a core private sector activity. The tourism industry’s success was underpinned by strong support of successive governments to ensure the Territory’s continuing economic growth and development. But only in the mid-1990s, with the release of the Northern Territory Tourism Development Masterplan. A Commitment to Growth (TDMP), was the rapid expansion of tourism trade accompanied by a strategic planning process. This first overall tourism plan under the patronage of the then Country Liberal Party (CLP) government recognised the need for a better management of the resources that underpin the attractiveness of the Northern Territory as a tourist destination. The TDMP, which was released in 1994 alongside four Regional Tourism Development Masterplans, outlined tourism’s future directions over a five year
timeframe and focused in the main on the facilitation of future growth prospects (NTTC, 1994a; 1994b; 1994c; 1994d; 1994e). At the end of the TDMP’s life span the CLP government initiated an evaluation and review process, which lead to a succeeding tourism plan, the *NT Tourism Development Masterplan 2000-2005. A Commitment to Excellence* (DIB, 2000). In many ways this document, which was released in 2000, followed the same developmentalist path and represented only an updated version of the earlier tourism plan. This ‘second generation’ Masterplan was therefore also framed by the same formula of continued economic growth and development. Issues with the potential to hinder that growth prospect were its main focus and addressed as a matter of government priority (Pforr, 2001; 2006b; 2009).

The defeat of the Country Liberal Party by the Northern Territory Labor Party in 2001 marked the end of a 27 year period of conservative rule in the NT and certainly brought about a dramatic shift in its political landscape. Although this new political constellation in itself already constitutes an interesting research agenda, this paper takes a specific focus and concentrates on the development of the first tourism strategy under Labor rule, the *Northern Territory Tourism Strategic Plan-2003-2007*, which was released in December 2002 (NTTC, 2002a). The paper specifically analyses its formulation process and explores in particular the effectiveness of the underlying consultation process and here specifically how the various stakeholders participated in and contributed to the development of the plan.

A brief chronology of events in the lead-up to the release of the 2003-2007 tourism strategy will be the point of departure of this paper, providing the requisite background against which the strategic plan was developed. This is followed by an overview of the consultation process that was meant to underpin the formulation and development of the tourism strategy, culminating in a discussion about the apparent discrepancies between government rhetoric and stakeholder experiences concerning the process. The paper concludes, giving consideration to the importance of robust consultation processes as they relate to the protection of the interests of tourism stakeholders and their industry as well as the sustainability and efficacy of government policy-making.

2. The Early 2000s: Critical Times for NT Tourism

As the largest employer and important revenue generator (second only to the mining industry) the tourism industry was one of the Territory’s most important industry sectors (Pforr, 2001; 2008; 2009) at the turn of the
millennium. Figures from 2001/02, the time point of analysis of this paper, aptly illustrate these developments. In that 12 months period the value of tourism to the NT economy was already significant with 1.7 million visitors contributing $1.03 billion to the economy, which accounted for 5% of the Territory’s Gross State Product. The sector had a share of 8.7% of total employment, which translated into around 8,400 jobs. Indirect effects added a further 6,600 jobs and around $1.05 billion to the local economy (NTTC, 2002b).

However, global and national events took a significant toll on Northern Territory tourism, particularly the September 11, 2001 terrorist attack on the World Trade Centre in New York and, only three days later, the collapse of Ansett, Australia’s second airline. With these events NT tourism entered a time of uncertainty, and very difficult years for the local tourism industry followed. With the closure of Ansett, for instance, which had 42% of scheduled domestic capacity into the Territory, access was an immediate problem as more than 60% of domestic tourists entered the NT by air. The following years brought about further challenges including the first Bali bombings, the war in Iraq and the Severe Acute Respiratory Syndrome (SARS) pandemic in Asia. Consequently, the NT tourism industry was faced with a sharp decline in visitor numbers and visitor nights in 2001/02 with a further decrease in the following year (NTTC, 2002c; 2002b; 2003; NT Treasury, 2005). According to Tourism NT (2008: 1), “for the year ending September 2002, compared to the previous twelve months, interstate holiday visitation dropped by 3% and international holiday visitation slumped by 18%”.

In this crisis context, the Territory’s government authority responsible for tourism, the NT Tourist Commission40, had to respond swiftly to these negative events and initiated a review of strategic priorities for the industry. This created the impulse for the development of a new tourism plan for the Territory, although the actual Tourism Masterplan at that time, which had been developed by the previous CLP government, was still valid until 2005. The new Managing Director of the NT Tourist Commission, who came into office in March 2002, announced only two months later the development of a new five year strategic plan, which was released to the public in December of the same year. To facilitate the new strategic directions, greater control was given to the NT Tourist Commission over Indigenous tourism and infrastructure development, which had been responsibilities of the Department of Industries and Business since 1998 (Pforr, 2006a).

40 The Tourism NT Act saw the Northern Territory Tourist Commission become Tourism NT in early 2006.
Thus, in these times of uncertainty and change, the NTTC played a crucial role in the development of new strategic objectives for NT tourism. As a statutory authority established under the *Northern Territory Tourist Commission Act* (1979)\(^{41}\) its primary role (S17 [a]) has been to “encourage and foster inside and outside the Territory, the development of tourism in the Territory”. Formally under the jurisdiction of the tourism portfolio, it was headed in 2002 by a Management Board of seven comprising the Chief Executive Officer (CEO), a Managing Director and five other members appointed by the Minister for Tourism for a period of two years to oversee the Commission’s operations (NTTC Act, S6&7). Responsible to the Minister for Tourism and the NTTC Board, the Managing Director was in charge of the management of the day-to-day business of the Commission. Senior management in the NTTC was assigned to four divisions, *Marketing, Industry Development, Territory Discovery* and *Corporate Services* (NTTC, 2002a; 2003).

With these administrative arrangements in place, the NTTC played a pivotal leadership role in developing new strategic directions “to guide the development and growth of tourism in the Northern Territory” (NTTC, 2002c). In its ‘Terms of Reference’ it was highlighted the “development of the Plan will entail broad industry, Government and community consultation and comprise an assessment of the operating environment, key priorities, objectives, strategies and key performance measures” (NTTC, 2002c: 3).

### 3. Consultation Process

In consultation with the NT Tourism Minister, the NTTC Board instigated the process for the development of a new tourism plan in April 2002. A first step was the setting up of a ‘Strategic Project Team’ by the NTTC, which consisted of the Managing Director (as Chair), one external consultant, the NTTC Policy Officer for ‘Industry Development’ as the team coordinator, a Ministerial Adviser for the Minister for Tourism, the National Sales Manager, the Manager ‘Marketing Services’, the Manager ‘National Marketing and Consumer Services’, the Manager of the NT Holiday Centre and a Senior Research Officer. The main task of this Project Team, which consisted largely of a cross section of NTTC staff, was to assist Senior Management and the NTTC Board in the preparation of the new tourism plan. One of its first actions was to initiate a survey and evaluation period, complemented by market research, to provide an

\(^{41}\) Since then the Act has been amended several times.
inventory of the NT tourism industry. Ensuing discussion papers outlined current and future trends of the Territory’s travel sector, domestic and international marketing, regional tourism, issues of access in combination with infrastructure development as well as business tourism to the NT and strategic partnerships. These findings were communicated to the Board and to the Minister for Tourism (NTTC files 2002/414 & 415).

The commencement of the development of a five-year Strategic Plan was publically announced in mid-May 2002 with advertisements in all NT regional newspapers (NT News; Centralian Advocate; Tennant and District Times; Katherine Times; Arafura Times) as well as on the NTTC’s website. Members of the community and community groups were invited to forward written submissions or to contact their region’s Tourist Association to communicate their views. Furthermore, in May 2002, there were calls to all NT Ministers and NT government CEOs to provide a written submission, the tourism industry was invited to participate in so called ‘Industry Consultation Fora’ organised by the respective Regional Tourism Associations and NTTC staff took part in a number of ‘Consultation Sessions’ (NTTC files 2002/414 & 415).

The Tourism Strategic Plan’s consultation process can be divided into two distinct phases. The first, from April to June 2002, consisted mainly of four tourism industry fora coordinated by the Territory’s four Regional Tourism Associations (Tourism Top End, Katherine Regional Tourism Association, Tennant Creek Regional Tourism Association, Central Australian Tourism Industry Association). Their core responsibilities were the provision of region specific information to visitors, the servicing and maintenance of their membership base and the region specific promotion of their local tourism assets (NTTC, 2002a). The purpose of these meetings was to allow the industry to provide a regional perspective on a number of issues critical to the future direction of the industry. It is interesting to note, however, that only a limited number of industry stakeholders took up the opportunity to provide their input into the strategic planning process. At the meeting in Darwin 19 industry representatives took part, in Alice Springs it was ten, Tennant Creek had 11 industry participants and in Katherine only four stakeholders attended (NTTC files 2002/414 & 415).

Phase One of the consultation process also entailed a so-called ‘National Partners Forum’ which was held in Melbourne (in the State of Victoria), one-to-one talks with inbound tourism operators in Sydney (in the State of New South Wales) as well as a number of specific workshop sessions with NTTC staff. At the end of June 2002, at the conclusion of
Phase One, the NTTC had also received 37 written submissions (NTTC files 2002/414 & 415).

The outcomes of the initial round of consultations, the results of the inventory and the market research findings were reviewed in a Project Team meeting in July 2002, leading to a draft ‘in-house’ plan, which was finalised in August 2002 but not released for public comment. It was also only presented in parts to tourism industry representatives in the second phase of the consultation process (September-October 2002). During that time key outcomes of the previous phase were communicated to industry stakeholders at Industry Consultation Fora in Darwin with a video link to Katherine and in Alice Springs with a link to Tennant Creek (NTTC files 2002/414 & 415).

This Second Phase of the consultation process was concluded with a draft (in-house) strategy in October 2002 for consideration by Senior Management, the NTTC Board and the Minister for Tourism. The final plan was then endorsed by Cabinet (19 November 2002) and publicly launched in December 2002 by the Tourism Minister.

4. Methodology

In order to examine the scope and nature of this consultation process, which was claimed to entail “a comprehensive consultation program with travel industry partners and stakeholders within the Territory, nationally and overseas” (NTTC, 2002a: 9), a self-completion mail-out questionnaire was developed. The questions not only aimed to identify the core stakeholders in the planning process but tried to investigate how stakeholders perceived the consultation process underlying the development of NT Tourism Strategic Plan and if they considered the process to be comprehensive. Before the survey was mailed out, a letter of invitation to participate in the study was sent to those, who were listed in Appendix A of the Tourism Strategic Plan as having been consulted or having contributed to its development. 112 stakeholders agreed to take part in the research project and were subsequently sent a copy of the questionnaire in October 2004, followed with a reminder letter to non-respondents in December. A total of 44 responses (39% response rate) were received. Of those who took part in the survey, almost half (46%) were critical about the consultation process with an astonishing 21% claiming not to have been involved despite being listed as “individuals and organisations consulted, or who have contributed to the Plan” (NTTC, 2002a: 9). Some of the participants in the study commented, for instance,
We were not invited to contribute to the Strategic Plan”, “I was not aware of an NT Strategic Plan. To my knowledge we were not part of the consultative process”, “Unfortunately I was not approached on any level to be part of the strategic planning process”, "I have never seen the plan or received information about", "I wish to advise that […] did not participate in or provide input in the NT Tourism Strategic Plan“, "Unfortunately […] did not participate in the original plan", "I was not involved in the NTTC Strategic Planning process. (…) I have canvassed senior staff […] to ascertain if they had been involved and they had not.

There is no obvious explanation for the stark discrepancy between the claims made by the NTTC about the inclusiveness of the consultation process and the contrasting assessment by the alleged “individuals and organisations consulted, or who have contributed to the Plan” (NTTC, 2002a: 9). Nonetheless, in the following Findings and Discussion section of this paper, some factors which might have contributed to the above situation will be explored in greater detail.

5. Findings and Discussion

5.1 Consultation Program

As outlined above, the Strategic Plan was developed over a six month period in 2002 and the NTTC had claimed that it entailed extensive consultation with key stakeholders from the industry (represented by the four Regional Tourism Associations), Ministers and the respective government departments, the NTTC Board and NTTC staff as well as the wider community. This approach was in line with the NTTC’s proclaimed ‘Stakeholder Engagement Charter’ (for a summary see Textbox 1) which was meant to demonstrate the NTTC’s commitment to transparency and genuine consultation and to ensure that all stakeholders “have a voice in the development of policies and strategies that affect tourism in the Territory” (NTTC, 2002d: 2). Furthermore, the Charter also emphasised that consultation should be “a form of two way communication”, which is “interactive, includes information giving and listening, shows respect for the views of all parties, informs the stakeholders and values input” (NTTC, 2002d: 2).

A closer examination of the consultation process, however, shows that this government assertion is not justified, since the NTTC targeted in its consultations mainly the tourism industry via its Regional Tourism Associations (RTAs). As one participant in the study highlighted, the consultation process “was a very fragmented process with very sparse consultation / public meetings that leads to suppose that the most powerful
'big boys' orgs [organisations] and private cos [companies] took the 'strategy' over and limited the scope to what they want the public to hear - and consume." Another participant commented that “the input levels from small operators 0-10 employees is very low and virtually a handful of those outside Darwin, Katherine, Tennant & Alice. Sub regions seem non-existent. Still heavily represented by gov'n dept and large companies - I worry about the process."

Textbox 1: Overview of NTTC Stakeholder Engagement Charter

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<tr>
<th>Overview of NTTC Stakeholder Engagement Charter</th>
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<tr>
<td>The NTTC charter has been developed to ensure that stakeholders have a voice in the development of policies and strategies that affect tourism in the Territory, demonstrating also the NTTC’s commitment to transparency and genuine stakeholder consultation. This commitment is also extended to so-called hard-to-reach stakeholders such as Indigenous communities and tourism operators in remote areas.</td>
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<td>Under the charter the NTTC is committed to reach all relevant and interested tourism stakeholders and engage them by way of sharing information and collecting stakeholders’ viewpoints and opinions to inform strategy design and policy formulation. Stakeholders are able to discuss issues with NTTC senior management, participate in stakeholder forums and have the opportunity to be involved in advisory bodies.</td>
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<td>Principles for community engagement include:</td>
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<td>• Inclusivity</td>
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<td>• Genuineness</td>
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<td>• Quality information</td>
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<td>• Stakeholder input</td>
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<td>• Provision of feedback</td>
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Economic interests, represented by the tourism industry, in particular the RTAs, were thus apparently given a privileged position in the policy process, which “may seem appropriate”, as Hall (1999: 284) comments, “given the need for coordination between government and industry (…). However, such an approach also precludes the input of a wider range of stakeholders from environmental organisations, from public interest groups, and the wider community interests.”

5.2 Public Participation

It appears, not only from the above comments, that despite the NTTC’s rhetoric the consultation process was very limited in scope and breadth. This approach was obviously not a very effective mechanism considering
the small number of participants in the conducted Industry Consultation fora.

Moreover, the process was lacking innovative mechanisms to ensure a comprehensive consultation and participatory process for the general public and interested parties. Consultation through media invitation seeking written submissions from the wider community was not conducive to public participation since only 37 written submissions had been received at the end of consultation Phase One (NTTC files 2002/414 & 415). Thus, the new Strategic Plan was not a result of an adequate level of public debate and consultation as well as community involvement. Rather, it can be seen more as a top-down approach which renders the Tourism Strategic Plan to not much more than “a prescriptive statement by professionals rather than an agreement among the various parties” (Hall, 1998: 256). This is in stark contrast to the NTTC’s objective of providing stakeholders with “a voice in the development of policies and strategies that affect tourism in the Territory” (NTTC, 2002d: 2). Community groups appear to have been demoted to the margins of the consultation process and economic interest, represented by tourism industry peak bodies, taking centre stage as main partners of an albeit limited industry consultation process.

Although it was emphasised in the Tourism Strategic Plan that “engaging in a rigorous consultation process” (NTTC, 2002a: 30) with Indigenous stakeholders was crucial for the successful development of Indigenous tourism products and that Indigenous organisations such as ATSIC and the Land Councils “play a pivotal role in providing services and undertake an advocacy role on behalf of Indigenous people” (NTTC, 2002a: 31), the consultation process was not underpinned by a partnership approach to capture these views. And this was despite cultural tourism, next to nature based tourism, constituting one of the two building blocks of NT tourism. Even the NT Tourism Minister raised the obvious question in a memo (7151) to the NTTC why no Aboriginal representative organisation took part in the consultation process. One participant in the study commented, "I am concerned at the lack of response by Indigenous organisations ... Concerned at the lack of involvement by Community Gov' Councils. These people/organisations hold the key to development in smaller communities that in many cases provide first contact”.

### 5.3 Whole of Government Approach

As outlined earlier, a Strategic Project Team had been formed to coordinate and lead the development of the Tourism Strategic Plan,
however, this approach did certainly not reflect a whole of government perspective in line with the NTTC’s interpretation as outlined in the Strategy. There it was highlighted that “the broad nature of the tourism industry requires cooperation across a number of Government departments” (NTTC, 2002a: 22). In contrast, the Strategic Project Team consisted mainly of NTTC staff with other relevant government agencies being only loosely integrated into the planning process. Consequently, effectively integrated tourism planning and development, which requires a much stronger co-ordination and collaboration within government, was not achieved. The set up of the Project Team can also be seen as a missed opportunity to capture potentially valuable contributions from outside the machinery of government, leading to a particularly parochial public servants’ view. Interestingly, this approach seems to be in contrast to the measure taken by the former CLP government, where a specific Task Force representing a cross section of various government agencies assisted in the preparation of the previous Tourism Development Masterplans (Pfoll, 2001; 2009).

6. Conclusion

The main reasons to commence the development of a new strategic plan were the turbulent events in 2001, the collapse of Ansett Airlines but also ‘September 11’, which had a significant impact on the tourism industry in the Northern Territory. A decrease in visitation prompted the tourism industry to demand leadership and action by government. Nevertheless, the initiation of the planning process was also carefully timed and certainly politically motivated to demonstrate change and action by the new Labor government. All in all, the five year Tourism Strategic Plan, which was initiated by the NTTC Board in April 2002 and publicly launched in December of the same year, was intended to direct and guide the NT tourism industry’s future development based on sound research and extensive consultation with key stakeholders. Such a partnership approach was regarded by the NTTC as crucial for the success of future tourism in the Territory.

However, based on the findings of this study, the approach taken suggests only a very limited commitment to public debate and input by Indigenous organisations and other community groups on setting the future directions of NT tourism. Thus, the Tourism Strategic Plan was certainly not “underpinned by a partnership approach” (NTTC, 2002a: 16) but consistent with the logic of developmentalism “to guide the development and growth of tourism in the Northern Territory” (NTTC,
Consequently, the tourism industry via the four Regional Tourism Associations was given a privileged position to influence the development of the Tourism Strategy. Most obvious, however, was the pivotal role of the NTTC, which carefully managed and controlled the entire process ‘from the top’ and ensured that issues were kept on government’s ‘track’. Despite the NTTC’s commitment to a ‘whole of government approach’ to better reflect the inter-sectoral nature of tourism policy and planning, the findings of this study point to a failure by government to embrace it with the Strategy formulation remaining narrowly focused on one government authority. This is evident in the composition of the Strategic Project Team which reflected only a narrow bureaucratic view.

All in all, the consultation process underpinning the development of the five year Strategic Tourism Plan was characterised by strong political-administrative control facilitating the dominant economic paradigm of tourism development in the Territory. These controlling forces determined the issues of the debate as well as the scope and nature of the consultation process.

A core question emerging from this study has, however, remained unanswered in the above analysis - how such a mismatch between the NTTC’s rhetoric about the consultation process and the reality of its implementation was possible. The discrepancy between rhetoric and reality is most obvious in the contrasting assessment between the NTTC and alleged participants on the question who actually provided input into the consultation process. One could see this as a deliberate attempt by the NTTC to mislead the public about the true nature of the consultation process adopted in the development of the Tourism Strategic Plan. In all fairness, however, it needs to be acknowledged that although the objectives of the new incoming Labor government after almost three decades of conservative rule in the Territory had changed significantly, the NTTC as an organisation might have been simply unable in its operations to change long adopted practices in a short period of time. Particularly the ‘Stakeholder Engagement Charter’ might have been just an attempt by the NTTC to act politically correct in a new political environment without being able to engrain these new objectives into its immediate operational practices.

Learning from this, strategic planning processes in the future need to be truly more inclusive based on trust and consensus building. Such an approach is contingent on forms of collaboration that build on the expertise and knowledge of all relevant stakeholders and their willingness to engage in good faith - a true partnership approach.
References


