

OUTDOOR INDUSTRY INITIAL IMPACT ASSESSMENT¹

Prepared for the Minister for Sport Recreation and Youth Affairs by the following outdoor industry peak bodies:

- Australian Camps Association (ACA)
- Outdoor Recreation Centre (ORC)
- Tourism Alliance Victoria (TAV)
- Victorian Outdoor Education Association (VOEA)

Purpose:

To provide the Minister with data regarding the size and scope of the outdoor industry and the immediate negative impacts the recent bushfires are having on public confidence in the outdoors and on business activity/viability.

Background:

On 13 February 2009, the Minister met with representatives from the outdoor industry peak bodies to gain industry intelligence and gauge the impact of the bushfires on the industry. One outcome from the meeting was collaboration between the peak bodies to establish an Outdoor Industry Bushfire Task Force (the 'Task Force').

The Task Force identified a range of short-term immediate response strategies to support members directly impacted or currently threatened by fire. These strategies have been implemented. As of 24 February 2009, 13 camps are reported as destroyed or badly damaged.

The other key issue identified is a lack of public confidence in the outdoors underpinned by alarming levels of customer cancellations in non fire affected areas that is threatening business viability.

Following this initial meeting, the Minister requested the Task Force provide details on the size and scope of the industry and the current impacts via an Initial Bushfire Impact Assessment. The assessment was to identify the resources the Task Force required to address the impacts.

Subsequent to the Initial Impact Assessment, the Task Force was then asked to develop an Industry Recovery Plan with the focus on the main drivers required to rebuild the outdoor industry and restore public confidence.

Industry Profile:

Size and scope of industry

- 485 direct delivery operators (campsites, outdoor activity providers, outdoor education providers, adventure tour operators)
- Annual industry turnover = \$182,000,000
- 80% of turnover spent in regional and rural Victoria
- 2425 effective full time employees
- Estimated number of participants per annum*:
 - 1,500,000 in camps
 - 2,800,000 in outdoor recreation
 - 120,000 in outdoor education
 - 65,000 adults by Licensed Tour Operators (Parks Victoria)
 - 25,000 youths by licensed Tour Operators (Parks Victoria)

** It is acknowledged that there may be participants who are counted in more than one category as they participate in more than one activity. Parks Victoria data is estimated from income data.*

¹ The data used to compile this assessment was derived from direct feedback from members of peak bodies using electronic media surveys conducted during the week ending 20 February 2009

Key Impacts (non-fire damaged facilities):

- Closure of parks, forests and reserves to public access in non fire threatened areas impacting on licenced tour operators and public recreation
- Loss of business = \$2,480,000 worth of cancellations reported as at 19 February (sample size 41 or 8.5% of all operators)
- Loss of employment = 25,000 staff hours lost as at 19 February (sample 41 or 8.5% of all operators)
- The loss of business and employment will reduce reduction the industry contribution to regional and rural economies.
- Many businesses unable to claim on their business disruption insurance as they have not been impacted directly by fire, or a government authority has not closed access to their business

Issue, Immediate Action & Required Resources

Issue	Action
Restore public confidence in the outdoors (acknowledging it may not be appropriate for people to be in fire threatened areas or zones with high fire danger)	WoVG statement and media release regarding public safety in the outdoors and areas considered safe for public access. Similar to the DEECD bulletin to schools issued on 24/2/2009.
Industry and operator preparedness for current fire weather events (evacuation, emergency training, risk management and review and application of safety standards)	Conduct five industry information forums (1 metropolitan and 4 regional). Request government funding assistance of \$25,000 to support forums
Lack of human resources to deal with increased issues surrounding business disruption	Request access to the DPCD skills bank for administrative assistance in dealing with affected outdoor organisations. Require 2 EFT staff x 2 weeks
Lack of flexibility in business interruption insurance	Minister raises with minister responsible for consumer affairs the lack of flexibility in business interruption insurance
Government acknowledgement that the bushfire impact is much broader than those directly impacted by the fires (obviously with respect those affected directly or lost in the fires)	Minister supports other government agency and federal initiatives in tourism, parks and small business to: <ol style="list-style-type: none"> 1. Provide funding and support for businesses 2. Reduce/delay business compliance. For example, ATO deferral of tax reporting for affected businesses. 3. Restore public confidence in the outdoors 4. Enable access to public land.

Next Step:

The development of an Industry Recovery Plan.