

Inclusive Tourism: Economic Opportunities

SUMMARY





INTRODUCTION

Tourism is a major and growing contributor to the Australian and NSW economy.

In 2015/16 it delivered \$38.1 billion to the state's bottom line – or about 6 per cent of Gross State Product, while it also generated one in every 14 jobs.

Much is known and catered for in the traditional Australian tourism market segments; however in recent times, governments and industry groups have become increasingly interested in understanding the economic potential of the Inclusive Tourism market.

For decades now we have understood the compelling social and legal arguments for providing better services for all people. We have understood that by removing barriers, we can encourage greater participation across all areas of our communities.

Local Government NSW (LGNSW) commissioned the Institute for Public Policy and Governance at the University of Technology Sydney to explore the potential economic opportunities from the Inclusive Tourism market.

Its report entitled *Inclusive Tourism: Economic Opportunities* highlights the exciting opportunities that exist for businesses and tourism operators across NSW by providing better access to recreation, leisure and hospitality facilities for all people.

The findings are clear. The Inclusive Tourism market was worth up to \$8.9 billion across Australia in the first three months of 2017 alone. It's larger than the highly valued Chinese tourism market according to the 2016 data – and it's growing faster than other market segments.



There is a golden opportunity for local councils, working with local tourism providers and businesses, to better understand what they all can do to better cater for this market.

As this understanding leads to change, businesses and councils can begin to create better, more accessible public spaces and local and regional economies that allow all people to participate in leisure and tourism activities.

Donna Rygate
Chief Executive
Local Government NSW



BACKGROUND

Since early 2016, LGNSW has been working with NSW Family and Community Services to promote the benefits of businesses and local governments providing better services to the Inclusive Tourism market.

The project involved a series of road shows around regional NSW and the development of a new online learning course for local council staff, businesses, accommodation providers and tourism operators.

LGNSW worked with a number of project partners to help scope and deliver this work. These partners included:

- The NSW Business Chamber
- Destination NSW
- The Australian Tourism Data Warehouse
- TripAdvisor; and
- The Centre for Universal Design Australia

LGNSW also commissioned the Institute for Public Policy and Governance at the University of Technology Sydney to produce a report into the economic opportunities of the

Inclusive Tourism market. The aim was to help build the case for greater action on inclusive tourism services.

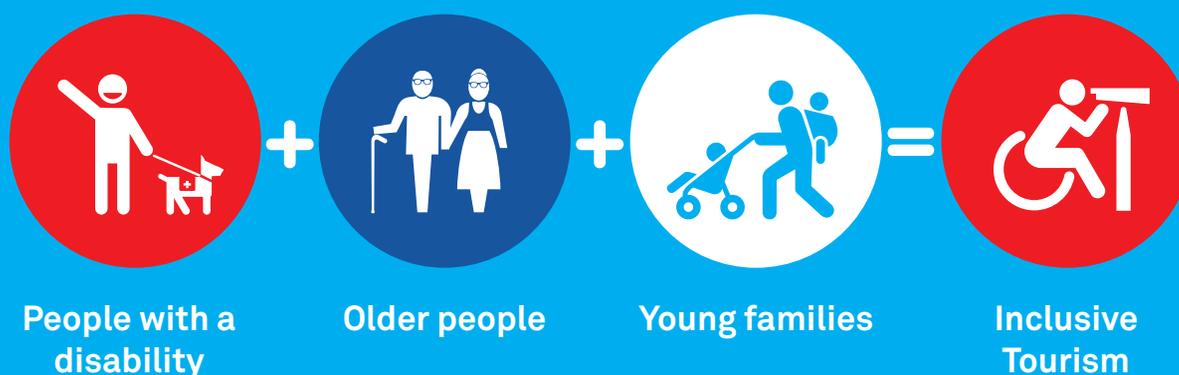
The report entitled *Inclusive Tourism: Economic Opportunities* analyses the latest academic findings and research from around the world to demonstrate current and future demand for Inclusive Tourism services and products.

This includes national and international case studies, the latest tourism data from Tourism Research Australia and Destination NSW and demographic data. It draws from the experiences and knowledge from peak tourism bodies in the United Kingdom and Europe, on areas such as tourism trends and travel patterns.

It also outlines the domestic policy frameworks at all levels of government and how this can influence the growth of the Inclusive Tourism market.

The project is jointly funded by LGNSW, the Australian Tourism Demand Driver Infrastructure Program administered by the NSW Department of Industry, NSW Family and Community Services and the University of Technology Sydney.

Inclusive Tourism: Everyone's Business





THE ECONOMIC CASE FOR INCLUSIVE TOURISM

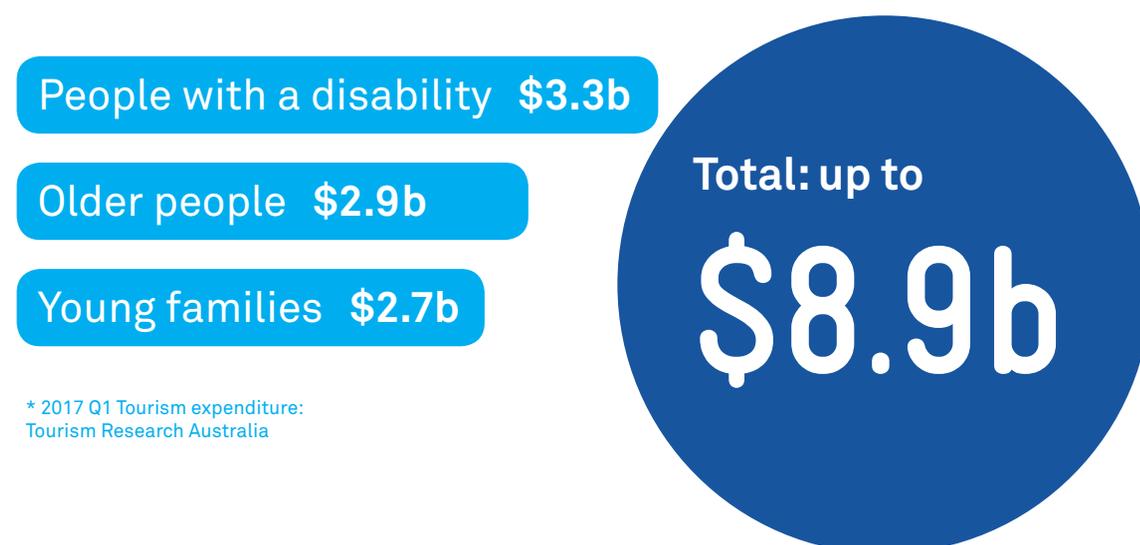
There are approximately 4.2 million Australians with a disability, which accounts for almost 20 per cent of Australia's population, and around 1 billion people with a disability worldwide, or 15 per cent of the world's population.

People with a disability face a range of barriers in accessing infrastructure, services and products; hindering their participation in social and economic activities. These barriers can be physical, such as door width and steps which limit accessibility for wheelchair users, or intellectual and sensory, such as signs or information that are not easily read or interpreted.

Similar barriers are faced by other population groups, including older people and young families. These population groups often have similar access needs, such as ramps or large font pamphlets and menus. Consequently, addressing barriers faced by people with disability will have a flow-on effect and reduce barriers for older people and young families.

Inclusive tourism refers to tourism services and products where people of all abilities feel welcome and wanted as customers and guests. In particular, it focuses on the process of enabling people with disability and groups with similar access needs to better use tourism services.

Inclusive Tourism Expenditure in Australia



* 2017 Q1 Tourism expenditure:
Tourism Research Australia



The UTS report found that the different segments that make up the Inclusive Tourism market are likely to grow at a faster rate.

- There are 4.2 million Australians with a disability – 20 per cent of the total population. This is expected to increase as our population ages
- About 15 per cent of the Australian population is 65 years and older
- The proportion of older people is projected to rise to 25% over the next 40 years – this will be a permanent change
- There were 1.3 million young families in Australian in 2013. This is expected to increase as fertility rates rise.

Analysis of the latest quarterly tourism expenditure data for 2017 from Tourism Research Australia shows that there is significant value in the Australian Inclusive Tourism market.

- People with a disability spent \$3.3 billion on tourism services over the first three months of 2017 – or 17 per cent of all tourism expenditure
- Over the same period older people spent \$2.9 billion and young families spent \$2.7 billion
- On average, people with disability spent more on day trips than people without disability - \$111 compared with \$106
- A multiplier of 0.5 can be applied to this expenditure as people with a disability often travel with their family or carer.

Previous research on the inclusive tourism market found that 88 per cent of people with a disability take a holiday each year and that there is potential for even greater participation in tourism activity if more attention is paid to removing barriers and better marketing of existing facilities.

The experience from overseas supports these findings.

- Over 1 billion people worldwide have disabilities – when combined with family and carers this increases to 2.2 billion people
- Combined with the European market – these markets are estimated to be worth over \$10 billion in direct economic benefits.



Evidence and case studies from the US, UK and Europe suggest that products, services and destinations that are tailored to people with access needs are generating considerable returns to business and the wider economy.

Legislative and policy changes are also proving to be an economic stimulus for the Inclusive Tourism market. The NSW Disability Inclusion Act 2014 and its requirement for local councils in NSW to develop Disability Inclusion Action Plans is encouraging greater participation by the Inclusive Tourism market.

The introduction of the National Disability Insurance Scheme by the Commonwealth Government is also giving people with a disability choice and control over how and which services they spend their NDIS funding on.

Early trial results indicate that people with a disability spent almost 20 per cent of their NDIS funding on community participation such as recreation and tourism.

Social participation has also been identified as one of the top three support needs.



CONCLUSION

The analysis and findings from the UTS report debunk the myth that people with a disability don't travel.

In fact, there is clear evidence that if businesses and tourism operators take steps to improve their services to the Inclusive Tourism market they will create new opportunities for growth.

The value of the three market segments that make up the Inclusive Tourism market in Australia added up to \$8.9 billion over the first three months of 2017.

This market is expected to grow as the Baby Boomer generation retires and permanently changes our country's national population profile. The experience from overseas and across Australia shows that these Baby Boomers hold a large slice of disposable income and they are more inclined to spend it on their own leisure rather than holding onto their wealth for future generations.

When you combine policy and legislative changes from local and state governments with policy shifts from the Commonwealth, the business opportunities from Inclusive Tourism market will only increase.



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