

NSRRA LETTER RE: Tourism Noosa Funding

Date: 8 April 2025

Dear Mayor and Councillors,

Noosa Shire Residents and Ratepayers Association Inc (NSRRA) writes to you regarding Council's collection of commercial rates to fund Tourism Noosa.

It is apparent that Council intends to redirect over \$2.5 Million dollars per year in rates for the ongoing funding of an industry representative body who exploits the arrangement to exponentially expand the tourism sector.

Although NSRRA recognises the importance of tourism to the region, we strongly object to Council proactively promoting an industry which also has numerous adverse impacts on the community. The NSRRA questions why Council would facilitate expansion of the tourism sector on one hand, and on the other, fail to grapple with pressure the industry places on infrastructure, services and amenity.

The conflict for Council on this issue can be clearly illustrated by the unprecedented expansion of Short-Term Accommodation (STA).

Tourism Noosa strongly supported the STA industry and resisted regulation, as investment in the sector decimated rental and worker accommodation availability. This also resulted in the loss of residential amenity as tourism enterprises proliferated across the suburbs. Council having to introduce Local Laws as they attempted to mitigate the impact on residents is a matter of record.

Yet Council continued funding promotion of the tourism sector whilst simultaneously expending significant ratepayer resources on futile attempts to address community concerns with the devastating social consequences of the STA phenomenon.

Quality over Quantity/ Value over Volume

Council justifies its funding of Tourism Noosa on the grounds of its support for the "Quality over Quantity" marketing strategy. Council naively believed that Tourism Noosa's simplistic strategy of marketing to international and interstate visitors instead of day trippers, would somehow ease tourist traffic congestion.

However, Tourism Noosa (understandably) exploited their significant budget to massively expand the sector overall. This has obviously failed to relieve pressure on traffic infrastructure, particularly as expansion of the STA industry was heavily reliant on the 'drive' tourism market.

Tourism Noosa proudly oversaw this massive expansion of the industry, as noted in their own financial reports.

Tourism Noosa's 2015/16 financial report valued the industry at \$940 Million. Their 2022/23 report indicated the industry had increased its value to \$1.74 Billion, an increase of 46% in only six years.

NSRRA questions why Council continues to pursue such a flawed strategy to lessen the impacts of tourism, when the sector just continues to unsustainably expand and increase profits at the community's expense?

NSRRA has concerns Council has become locked into a system of obtaining fees and charges from the tourism sector, only to hand the money back to assist in its further expansion. Thereby leaving Council to play catch-up with the growing impacts and residents to suffer the consequences.

The significant influence of Tourism Noosa on Council policy was evident in Council's Housing Strategy. This was primarily targeted at providing tourism worker accommodation, which was ironically decimated by the tourism industry itself with expansion of the STA sector.

NSRRA notes Council also acted on behalf of the tourism industry by introducing amendments to the Noosa Plan 2020 which allow for yet even more resort accommodation.

Conclusion

The NSRRA therefore requests Council reconsiders its commitment to the system of redirecting rates revenue to Tourism Noosa. We request Council commits to a phase out of Tourism Noosa funding in a reasonable timeframe to avoid sudden job losses, fulfill contractual obligations and allow Tourism Noosa to transition to an independently funded model, as is appropriate.

We thank you for your time in considering this important matter and look forward to your response.

Yours Sincerely,

Adrian Williams

President (NSRRA)

RESPONSE FROM MAYOR WILKE

Dear Adrian,

Your views on the proposed phase out of funding for TN are acknowledged.

As you have stated, Tourism Noosa's intended focus since 2001 has been on attracting the interstate and overseas, so-called high-spending, low-impact, (no-car) visitor.

Residents remain the top priority in decision-making.

There is also strong regard for our residents who derive their livelihoods from the spending and services generated by high-yield visitors.

Latest Tourism Research data shows numbers of domestic overnight, international overnight and day drive visitors to Noosa are lower than in 2019, but their contribution, due in part to longer stays and inflation, is at an all-time high. (attachments)

To give Noosa Council more direct control over Tourism Noosa's strategic focus, in 2021 it abolished the Tourism Levy, which had been applied to all commercial properties.

The Levy was replaced with an increased rate in the dollar for those same commercial properties. (attached screenshot from 2021 budget consultation fact sheet)

Rates generated from these commercial properties was previously estimated to return \$15.6million.

Part of this \$15.6M has been used to fund Tourism Noosa and vast majority of it used for general council services and community infrastructure.

Work on paid visitor parking and other means of addressing the 50-year-old issue of (mainly day tripper-generated) traffic congestion is underway and sits among the actions connected to the Destination Management Plan.

The DMP is helping to determine the ultimate function, form and funding (amount and source) for any destination marketing body.

The final phase of engagement on the DMP will begin shortly.

As you have acknowledged, Council is limiting the spread and impact of STAs through its planning scheme and the introduction of Queensland's first and only local law for STAs.

Please feel free to call me to discuss any of this.

Thank you for your well-reasoned letter.

Yours Sincerely,

Cr Frank Wilkie

Noosa Mayor

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