



**Submission no. 84**

29/5/07

Hon Damian Drum MLC  
Chair Rural and Regional Committee  
Parliament House  
Spring St  
Melbourne Vic  
3002

Dear Mr Drum

I am writing on behalf of the Lakes Entrance Business Tourism Association (LEBTA) to firstly thank you for the opportunity to make a submission to the Parliamentary Inquiry into Rural and Regional Tourism.

The LEBTA submission (attached) highlights our view that tourism in East Gippsland is largely under developed and would benefit greatly from increased support at a State Government level.

We believe there are enormous opportunities for the State Government to invest in improved facilities and infrastructure on public land that would help to offset job losses which have occurred in other sectors of the East Gippsland economy.

A representative of LEBTA would appreciate the opportunity to address your committee if the opportunity arises.

Yours sincerely

A handwritten signature in cursive script that reads "Anthony Wood".

**ANTHONY WOOD**  
**LEBTA President**

**PARLIAMENTARY INQUIRY INTO RURAL AND REGIONAL TOURISM**  
**Submission by Lakes Entrance Business Tourism Association**  
**May 2007**

**Executive Summary**

This submission specifically relates to Lakes Entrance and the East Gippsland region.

The submission makes the following key observations:

1. Tourism is a major contributor to the economy of Lakes Entrance and East Gippsland but it remains a largely under-developed industry with strong growth potential.
2. Government decisions which have led to cut backs in traditional industries such as timber production and commercial fishing have not been offset by investment in public facilities to help drive economic growth via the tourism industry.
3. East Gippsland has vast areas of public land with poorly developed or non-existent manmade infrastructure to encourage tourism growth.
4. Organisations which manage public land and facilities such as VicRoads, Parks Victoria and Department of Sustainability and Environment have limited – if any – focus on how their decisions impact on the tourism industry or how department budgets could assist economic growth.
5. Marketing and promotion of East Gippsland has occurred on a largely ad hoc basis and the creation of a new Gippsland-wide marketing region is unlikely to overcome this problem.
6. State Government strategies demonstrate a failure to understand the importance of intra-regional travel as a means of increasing the domestic market and preventing leakage of tourism dollars to New South Wales.
7. Volunteer organizations are finding it increasingly difficult to organize and manage community events and festivals without professional coordination, due to the increased level of red tape and limited financial support from governments.
8. The government's response to the 2006-07 bushfires indicated a lack of appreciation for the geography of East Gippsland and failed to consider the impact of media comments on the tourism industry.

9. The tourism industry's ability to recover from natural disasters such as flood and fire requires a commitment of government funding for a long-term process.
10. The lack of commercial air transport operators servicing East Gippsland will severely curtail any attempts to increase the number of 'high yield' visitors.
11. The lack of coordinated public transport options will continue to limit opportunities for tourists without their own personal vehicles to visit East Gippsland.

## **Background**

The Lakes Entrance Business Tourism Association (LEBTA) is the peak representative body for the Lakes Entrance business community with 100 financial members.

LEBTA plays an active role in managing events and activities; tourism marketing; and lobbying all levels of government in relation to the needs of the local community.

## **Commentary**

The following section makes an expanded commentary on the key points raised in the Executive Summary.

### **1. Tourism is a major contributor to the economy of Lakes Entrance and East Gippsland but it remains a largely under-developed industry with strong growth potential.**

Lakes Entrance has a 150-year tradition of hosting visitors and the tourism industry is one of the core strengths of the local economy.

Despite the long tradition, it could be argued that the industry is still immature in terms of quality attractions; coordinated marketing; and efforts to grow the industry beyond the seasonal peaks (Christmas, Easter, school holidays and long weekends).

In terms of accommodation, restaurants and services (such as charter boats), Lakes Entrance is the region's tourism hub.

Within the township, there have been limited efforts to beautify the foreshore and esplanade but there is no question that facilities could be improved through major capital investment. Like many regional councils, the East Gippsland Shire has limited capacity to undertake major capital programs, in any case, much of the beautification work that is required, needs to occur on DSE controlled land.

Beyond Lakes Entrance, the facilities and attractions to cater for tourists in vast areas of public land are often non-existent or poorly maintained.

**2. Government decisions which have led to cut backs in traditional industries such as timber production and commercial fishing have not been offset by investment in public facilities to help drive economic growth via the tourism industry.**

State and Federal Government policies in relation to natural resource allocation have had a devastating impact on traditional industries such as timber production and commercial fishing.

The government funding intended to assist the community of East Gippsland to adjust to these changed policies has not addressed the core issue of retaining families in meaningful employment in our region.

Particularly in relation to the timber industry cutbacks, various Ministers have claimed that 'tourism' will be the answer to East Gippsland's future economic growth but there has been little commitment to invest in infrastructure to match the rhetoric.

Practical measures which could have been taken to help families remain in the region included hiring crews of timber workers (with their renowned bush skills) to undertake projects such as developing new walking trails; improving and developing new camping areas; and upgrading signage.

Such crews could have followed the ACT example where off-cuts from the local timber industry (amounting to little more than kindling) is deposited at campsites for use in outdoor cooking facilities. Such a practical measure prevents the need for tourists/locals to bring their own firewood and also eliminates the currently illegal and destructive practice of stripping vegetation for campfires.

The 'buyout' mentality of governments towards the traditional industries has been a monumental failure in terms of securing the economic future of our region.

We have lost skilled workers and their families when a more creative and lateral approach could have seen many of those workers gainfully employed in public land management activities and practical steps to drive tourism growth.

### **3. East Gippsland has vast areas of public land with poorly developed or non-existent manmade infrastructure to encourage tourism growth.**

The majority of land in East Gippsland region is in some form of public ownership: National Parks, foreshore reserves, State Forest etc.

The region is highly regarded for its outstanding natural assets but there is very little manmade infrastructure to support those assets.

People wishing to enjoy the outdoors are largely left to their own devices. In the majority of cases, facilities such as walking trails, formal campsites, toilet facilities, roads, bridges and picnic tables are in poor to average condition.

Agencies responsible for managing these areas of public land do not appear to have the human resources or the capital resources to effectively maintain existing facilities, let alone develop new attractions.

The tourism industry will not expand until visitors have more opportunities to experience these natural attractions. Developing better facilities will encourage visitors to stay longer and will also spread the tourism economic impact beyond the coastal towns to many of the smaller regional centres which have been hardest hit by declines in traditional industries.

The redevelopment of the Buchan Caves Reserve by Parks Victoria is a classic example of providing quality manmade infrastructure to support an outstanding natural asset. Unfortunately, the East Gippsland experience has been that such developments are few and far between.

**4. Organisations which manage public land and facilities such as VicRoads, Parks Victoria and Department of Sustainability and Environment have limited – if any – focus on how their decisions impact on the tourism industry or how department budgets could assist economic growth.**

Given the vast areas of public land, it is not surprising that public agencies play a key role in the economic wellbeing of East Gippsland.

At the risk of over-generalising, the key agencies of Parks Victoria, DSE, Gippsland Ports and VicRoads have demonstrated almost no appreciation of their importance to the tourism industry.

While the focus, quite naturally, is on the core business of each agency, there are numerous missed opportunities as a result of an organizational failure to consider the needs of visitors to the region.

For example, VicRoads recently re-sealed the highway entrance to Lakes Entrance. At the same time, the staff/contractors completely ignored the walking track alongside which is popular with locals and visitors alike because it offers commanding views of the Gippsland Lakes.

Similarly, while the VicRoads crew was in the area, it would have been cost-effective to seal the neighbouring lookout which is the responsibility of DSE.

VicRoads is currently in the process of diverting highway traffic at Nowa Nowa via Bruthen to Bairnsdale but there has been no assurances of appropriate signage to encourage the touring public to visit Lakes Entrance – the major accommodation hub for the region.

In relation to 'wilderness' areas, there is very little user-friendly interpretation of the region's natural heritage and the infrastructure to access these areas is generally poor.

The focus on using the departments' limited budget on areas of National Park, also creates problems where more accessible areas of State Forest have facilities which are completely neglected. In the case of the Lake Tyers Forest Park, popular attractions (such as Burnt Bridge) have been allowed to fall into a state of disrepair with no plans for replacement of the asset – further undermining the tourists/locals enjoyment of the area.

The departmental justification of this failure to maintain public assets is that limited resources need to be spent on the National Parks first – regardless of the fact that some of the lesser regarded areas of land are more heavily visited.

Adding to this problem is the multi-agency responsibility for many areas and the confusion that results. For example, various aspects of management of the Gippsland Lakes and catchment falls under agencies such as: East Gippsland Catchment Management Authority, Gippsland Coastal Board, Gippsland Ports, DSE, Parks Victoria, East Gippsland Shire Council and East Gippsland Water.

The confusion leads to inaction as no-one seems to take overall responsibility – particularly for economic development related initiatives such as improving facilities in and around the lakes system.

Some positive examples such as the establishment of fishing platforms (EGCMA) and casual use mooring buoys (Gippsland Ports) are the exception rather than the rule.

As managers of the region's greatest natural assets, our public agencies need to have a better focus on sustainable development of the tourism industry. They also need to be properly funded to develop and maintain facilities to complement the world-class natural assets in East Gippsland.

**5. Marketing and promotion of East Gippsland has occurred on a largely ad hoc basis and the creation of a new Gippsland-wide marketing region is unlikely to overcome this problem.**

Without wishing to dwell on the past, State and Local Government policy decisions have contributed to a feeling of distrust among tourism operators, particularly related to the overall marketing effort.

The State Government's decision to enforce a new regional structure on East Gippsland – the Destination Gippsland model – has not been universally supported by members of the Lakes Entrance BTA.

Our concerns relate to the huge region encompassed by Destination Gippsland and the belief that East Gippsland will be 'lost' in the generic marketing effort.

By its very nature, Destination Gippsland will be required to keep stakeholders happy from the outer eastern suburbs to Wilsons Prom and the New South Wales border – it is not likely to focus on the unique attributes of the East Gippsland sub-region.

The tourism industry in East Gippsland has been poor at marketing itself over the past decade and the lack of a collective marketing pool of funds has been to the detriment of the industry. That being said, government decisions have added to the confusion and the failure to market East Gippsland properly.

There is no easy solution but it is discriminatory for governments to claim that the industry must fund all promotion and events activities. It can be argued that government funded major events in Melbourne are propping up the metropolitan hospitality industry but when it comes to regional Victoria, the level of government funding rarely exceeds \$10,000 per event.

Similarly, the claims that attracting tourists to events in Melbourne will benefit regional Victoria is questionable at best. Regions such as East Gippsland received no quantifiable economic benefit from an event such as the Commonwealth Games and in fact, the cost of tickets probably diminished the number of Melburnians visiting our region in the aftermath of the Games.

The Melbourne-focused model of promoting Victoria's tourism industry delivers less benefits for the more remote parts of the state and greater spending is required to help those regions promote their attractions to key markets.

**6. State Government strategies demonstrate a failure to understand the importance of intra-regional travel as a means of increasing the domestic market and preventing leakage to New South Wales.**

Further to point five, the State Government expectation that marketing funds dedicated to Destination Gippsland will be used to promote the region outside of Gippsland fails to reflect the local market.

East Gippsland relies heavily on intra-regional travel. That is, the communities of central Gippsland and the Latrobe Valley are fundamental to the future of the tourism industry.

Marketing funds should be provided to promote East Gippsland to other Gippslanders and prevent the leakage of tourism dollars to southern New South Wales.

**7. Volunteer organizations are finding it increasingly difficult to organize and manage community events and festivals without professional coordination, due to the increased level of red tape and limited financial support from governments.**

Further to point five, the difficulty in sustainably managing community events has become a significant issue in East Gippsland.

As a point of reference, Lakes Entrance is renowned for successfully hosting a New Year's Eve fireworks display and family-based evening of entertainment on the foreshore.

The community raises more than \$60,000 each year (including \$10,000 from East Gippsland Shire) but volunteers have been discouraged from applying for State Government tourism industry grants because it doesn't meet the criteria.

In addition, the management of the event has become more arduous due to regulations and conditions specified by governments at all levels.

As a volunteer-based organization, it is increasingly difficult to find people with the time and inclination to dedicate themselves to management of such activities. Our members are already running their own businesses and do not necessarily have the resources to employ staff while they are undertaking volunteer activities.

Given the level of red tape is unlikely to diminish, the State Government should consider providing matching funds for the employment of event coordinators or business association facilitators to allow community groups to continue to carry out this important social and economic role.

The community groups would be able to leverage off that investment to stimulate more economic activity in the region.

**8. The government's response to the 2006-07 bushfires indicated a lack of appreciation for the geography of East Gippsland and failed to consider the impact of media comments on the tourism industry.**

Comments made to the media during the summer bushfire season were often ill-informed and had a negative impact on the tourism industry.

While the industry fully understands the need to inform the public, generalized warnings about 'advising against travel to East Gippsland' did not reflect the situation in our region.

Lakes Entrance in particular had clear sunny days (coastal breezes kept the smoke away) on many days when the rest of the state was blanketed in smoke.

Most of the fire action was well away from the coastal areas and had little direct impact on the local community.

**9. The tourism industry's ability to recover from natural disasters such as flood and fire requires a commitment of government funding for a long-term process.**

Government agencies given the responsibility of managing the recovery process from natural events need to have 'economic recovery' as a core focus of their activities.

While efforts to support traditional industries are generally well recognized, the importance of 'business as usual' messages to encourage visitors to return seems to occur on an ad hoc basis.

The current government and the previous Kennett Government (see 1998 floods tourism campaign) seem to adopt a short-term approach which fails to recognize that economic recovery from such events can take several years.

Further to point eight, the level of 'damage' to the tourism industry may be reduced if public figures were more accurate during the response phase of a natural disaster. Unnecessarily warning people away from regions creates a bigger problem when the recovery phase starts.

**10. The lack of commercial air transport operators servicing East Gippsland will severely curtail any attempts to increase the number of 'high yield' visitors.**

Research is currently being undertaken by East Gippsland Shire in relation to the opportunities to establish commercial air links into the region.

**11. The lack of coordinated public transport options will continue to limit opportunities for tourists without their own personal vehicles to visit East Gippsland.**

Public transports links to the region and within the region are poorly developed.

The return of the passenger rail service to Bairnsdale has been welcomed but it does not appear to have led to any increased tourism patronage. The bottom line remains the same, to fully enjoy East Gippsland, you need to have access to a vehicle or participate in a coordinated tour of some description.

Public transport links within the region – for both visitors and locals – are poor.

During the peak holiday periods, trials of commuter buses in and around the main tourism destinations should be undertaken to reduce traffic congestion and parking issues.

Similarly, more services linking the 'inland' towns with coastal areas would be welcomed by young people without access to their own vehicles.

**For further information in relation to this submission:**

**Mr Darren Chester  
LEBTA Board Member  
13 Morkham Ct  
Lakes Entrance  
Victoria, 3909**

**Ph: 0351 55 3719**