

# CORRECTED VERSION

## RURAL AND REGIONAL COMMITTEE

### Inquiry into rural and regional tourism

Bright — 29 August 2007

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#### Witness

Ms C. Stewart, President, Albury Wodonga Regional Tourism Forum.

**The CHAIR** — Thank you very much, Christine, for making the time to appear before the committee. I have to go through some formalities. This is an all-party parliamentary committee inquiry into rural and regional tourism. Everything that is said here this afternoon, inside this hearing, is covered by parliamentary privilege. That is afforded to you by the Parliamentary Committees Act 2003, the Defamation Act 2005 and also the Constitution Act 1975. Any statements you make outside the hearing, however, are not covered by parliamentary privilege. Before you start could you give us your full name and address and also the organisation which you are representing here today?

**Ms STEWART** — I am Christine Isabel Stewart, [detail removed]. I am representing the Albury Wodonga Regional Tourism Forum of which I am the president. I am very pleased that a regional tourism inquiry is taking place. I am very passionate and committed to tourism and have been for the last 14 years since I returned to work in the area from a corporate career in Sydney.

I established the organisation 10 years ago out of a need. It was to increase the level of visitation to the region by providing affordable cooperative marketing programs particularly for small businesses. The government program at the time centred on legends, wine and high country, and the cheapest advertisement was \$585 for a business card-sized ad. I did a commonwealth government project in Towonga shire, looking at why small communities do not move forward. I did a lot of activities with these communities, and the group was actually formed out of that initial project. The operators realise they have to take a regional approach, particularly to bring them into places like Towonga which is 6000 square kilometres and only 6000 residents.

What we have done over past years has been a step-by-step process. We have strengthened our business and groups. We have a lot of small community groups within our structure. We also have five-star motels down to small B and Bs. We provide a range of benefits to our members with everything being inclusive in the annual membership fee of \$220.

We have no paid staff, we have no shopfront. We are known to be very resourceful with any funding or support we receive. Our major sponsor is the Commercial Club in Albury. The Albury City Council provides funding support. We get sponsorship from Speciality Press. In recent times we have set up some major partnerships; one is with WAW Credit Union which has 12 branches in the region, and it is helping us with the distribution of our material.

More recently we are particularly heartened that a major international company located in the region has come behind us, and we are negotiating with them to take our material further afield. Our main promotional brochure is this free map and guide of north-east Victoria. This is the sixth edition of the map; it is extremely popular. We produce 100 000 copies a year. This year we decided we would put Bright on the front because we know the impact of the bushfires were significant in this region.

For the past two years we have been conducting an online survey at the homepage of our website. We have a questionnaire where people can order a copy of their map but they have to give us their full address so we can post it to them, but then we have a series of simple questions including asking them what they would like to see and do when they come here. The top four products — and absolutely equal — are adventure and food and wine tourism, closely followed by nature tourism and heritage. Golfing and other pursuits are only 2 per cent or 3 per cent.

From this information we are now producing a high-quality A4 brochure which will be called 'Discover North-East Victoria and the Southern Riverina of New South Wales'. Since we started work on this brochure we have had the Albury Wodonga Border Medical Recruitment group who want to use this to bring overseas doctors to the region. Also it is being used by Centro Properties to give to new residents in Albury Wodonga; up to 2000 new residents settle in the two cities each year. It has become a major push by us to get people from Albury Wodonga out to regional attractions on weekends.

**The CHAIR** — Thank you, Christine. Sorry to stop you halfway through. If you go through this document, in a sense word-for-word, we are going to be here for — —

**Ms STEWART** — No, I am not. I am just going to explain the economic benefits.

**The CHAIR** — Sure. If you could skim over as best you can to give us time to ask you questions so we can talk about the priority issues.

**Ms STEWART** — Tourism provides major benefits to rural communities. We certainly question tourism statistics. There has to be more recognition of the volunteers involved in tourism. In particular there are some very successful base groups that bring in more coach business than mainstream businesses, and particularly the Pioneer Women's Hut which is just over the river in Tumbarumba.

That brings in 60 coach groups a year. We also feel that there are enormous benefits for agriculture and nature-based tourism. We have had a lot to do with agritourism, as it is called, which is not affected by the downturn in agricultural incomes. We have farmers doing a variety of activities on their farms. They are hosting groups, providing refreshment, value-adding to farm produce and selling direct from the farm, building restaurants, holding meetings and providing farm stay and cottage accommodation. In recent years with the overseas liners coming into Melbourne we have seen visitors hiring cars. They are staying in farm stays overnight in our region, and then travelling on to Canberra and Sydney. This has certainly brought some much-needed income into some of the farm families. Farm women who are ex-schoolteachers are particularly good at working with these people when they come to the property.

Further activity we have been involved with more recently has been in working with the Victorian Department of Primary Industries in establishing the Springhurst Byawatha Hills Landcare Selfdrive Eco-tour. We have experience in setting up two of these in the Riverina. Basically it follows a trail out into the countryside where you go and stop at roadside stops, and you have a brochure which tells you what is happening on the actual property.

The potential impediments to sustainable growth or regional tourism and economic activity and jobs is that there is no agreed tourism development plan between all stakeholders in the region. A very good plan was done in 1997 — and this is a copy of it. For some reason the very good strategies in that were never implemented. There is little leadership from government authorities; it is very much a top-down approach, and I would have to say there is a pervading arrogance and total indifference towards tourism operators and groups like ours. I will never forget my first trip to Melbourne to see the deputy CEO of Tourism Victoria. He forgot that he had an appointment with the group of us, and when we finally sat down the meeting lasted 5 minutes and we were told that there was no business but snow business in north-east Victoria.

I also have correspondence written over the years between myself and Tourism Victoria and basically I have totally given up on it. I see a lack of commitment from all levels of government towards tourism, whether it is local, state or federal. There is a lack of relevant training for operators. There is a lack of funding for resources, particularly infrastructure, and a lot of this has resulted in apathy within the tourism industry.

We desperately need a highly-skilled professional manager to run the industry in north-east Victoria. There is a need to train people, particularly in the hospitality industry. That is a constant request we have from our members. However, there are opportunities to create year-round marketing opportunities by bringing in more tourism products apart from traditional food and wine; nature-based tourism and agritourism being two of those. The other impacts, of course, are climate change, the bushfires of 2003 and 2006 and the prolonged drought, but also we know people are taking cheaper holidays in Australia and overseas because of highly discounted airfares.

The effectiveness at the national, state and local level of current programs: I really cannot see anybody who is extremely effective given the amount of funding in some of the buckets. As I have mentioned before, I have actually collected a lot of this data over the past 10 years. It is unfortunate that there has been quite a turnover of tourism officers. In one particular shire there were three officers in one year, which makes it difficult when you are trying to communicate, get things done and develop new products.

Tourism operators are constantly asked for unbudgeted funds to go into programs and if they do not participate they have been excluded from other activities because of their non-compliance. Nationally there is certainly not enough federal money in the federal budget put into tourism. Tourism Victoria has very little presence at a local level. I could not have even tell you when the last public meeting was held by Tourism Victoria for the industry; it is simply just not done.

Offers to have industry partnerships with Tourism Victoria have met in some cases with total disdain, and unfortunately few councils are good at tourism. Politics interfere. If you have got a combination of inexperienced tourism officers coupled with inexperienced councillors, it spells disaster for the local industry. In Indigo shire, where I live, there is a budget blow-out of \$250 000 by a tourism manager for the last financial year, and the

ratepayers are not very happy about that. I think their loyalties are split as to whether they are meant to be serving the local tourism industry, the council hierarchy or Tourism Vic.

We have got two negative sounding campaigns in the region: 'You can always blame the Alpine air' and the Murray River campaign 'Murray River. Wind down'. There have been several other campaigns in the region, none of which I feel has been particularly successful.

One successful bucket of funding however, is the federal government's regional partnership program. We have been actively involved in securing grants for infrastructure in small communities. There is no dollar-for-dollar matching and there is great flexibility to tailor the funding to meet the community needs.

Initiatives to increase both international and domestic nights — we need desperately to produce a product manual like they have done in Canberra, which every business and accommodation provider goes in with full contact details. They have a person employed who goes overseas and markets this brochure and I would love to see a highly skilled marketing person do that for us.

Also I would like to see one brochure that covers everything. The one from Tasmania is brilliant — it is very factual, with dot points on what you must see when you get to regions, and they have enclosed a full map of the state. You are given that when you get off the boat, and then when you get to a region you get a very detailed map with all the businesses on it. That is all we need, that is all we have ever asked for, and we are going to do it ourselves because we are sick of waiting. Because tourism is too important.

I want you to be mindful too that a lot of the tourism operators are members of the CFA, SES or Red Cross, who in these last two bushfires were directly dealing with the natural disasters. They also may have been active members in their local tourism association, and for some people their involvement in these disasters has taken away from their own businesses and they have struggled to survive financially. If grants are to be given, we would like them to be kept simple. The federal government grant of up to \$3000 in the 2003 fire was excellent. It was really effective, it was done quickly and a lot of money was given to the businesses. We cannot underestimate the impact too of the collapse of Ansett Airlines and Air New Zealand, and of September 11, which made people nervous to fly.

Opportunities to leverage hybrid investment commercial activity: first and foremost we need a healthy local and regional tourism industry to attract further investment. There are great benefits in nature and ecotourism. I was contracted to do a study across 11 shires — unfortunately I could not take in the Alpine shire because it is the Albury area consultative committee, but I took a lot of others in north-east Victoria. It was a big study into nature based and agricultural tourism and what needs to happen for us to implement it in this region, and the money would definitely be there. But we have to ensure that services, including accommodation, particularly in the remote areas, are there.

I have great concerns about the Mount Buffalo chalet, which was mentioned before. They are a member of our association. A recommendation in this plan from 1997, which the Victorian government was involved in, was that the infrastructure needs should have been addressed, and they still have not been. The current leaseholder, as we know, is Burbank.

The marketing plans and activities that the chalet had were absolutely brilliant. They had a very impressive calendar of events, with up to nine events every single month, and that was bringing business not only up to the chalet but up to the greater region because they also had very detailed day trips off the mountain into the different valleys right across the region. I think it is very unfortunate with what is happening up at the chalet because the leases of Dingo Dell and the Cresta Lodge have been cancelled and the chalet is currently closed because of the dispute, and there are eight years of the lease to run. The publicity surrounding this dispute would certainly make any potential investor who wants to be involved in Crown land areas very nervous about committing resources for ecotourism and other activities. I wish your inquiry well in your deliberations.

**The CHAIR** — Well done, Christine. Sorry to put you under pressure there.

**Ms STEWART** — No, I just said this morning what I have had in my head for a long time.

**Mr VOGELS** — Thank you, Christine, for this very comprehensive material you have brought with you. If you were able to make one recommendation to government — say you are the Minister for Tourism for one day — what would it be?

**Ms STEWART** — To let the industry run itself and put together the plan that they need at grassroots level and present it to him for consideration.

**Mr VOGELS** — You would not be looking for funding or — —

**Ms STEWART** — No, you put the plan together first and then look for funding — a five-year plan for the north-east for the development of new products and services.

**Mr VOGELS** — So you would get together a plan, of which you have got a fair bit here already?

**Ms STEWART** — Yes.

**Ms TIERNEY** — We have had this issue about signage in most of the areas that we have been to so far. What is your opinion in terms of the adequacy of signage?

**Ms STEWART** — It is a real problem, a huge issue. Operators have waited up to 18 months to get a brown tourism sign put on a main road showing people to their business. There seems to be conflict between what shire councils want to see as signage and what state government says. You have got a big freeway from Melbourne up this way and there is so little tourism signage or promotion along that. You have basically got one department saying signage is detrimental and then you have got the industry saying 'We desperately need signage'.

Signage is critical, especially given where we are. If people come up late Friday night from Melbourne — and we have found that from B & B businesses in Beechworth, which I live near — finding the B & Bs in little back streets late at night is quite a challenge.

**Mr NORTHE** — This is probably a similar question to John's in some respects, and I think it was raised by Wayne earlier, and that is the tourism structure. We have a number of different bodies — Tourism Victoria, local government involved in regional tourism, and the works. They seem to overlap into each other's areas on many occasions. What do you see as the ideal structure?

**Ms STEWART** — I would like us to adopt basically what happens in Queensland, where you have the industry running tourism and going to government with their plans and strategies. I just find it quite interesting because we have now spread our membership into the Mount Buller area — Mount Buller Resort Management Board, Pinnacle Valley Resort, Mount Buller Chalet — and we have been going 10 years. I recently questioned the bushfire recovery money that North East Victoria Tourism Inc. have, and I thought it was quite a legitimate question to ask how far away from the bushfire a community needs to be before they are considered eligible for a grant — because there is a community close to Wodonga that got money for a festival and yet here in Bright they cannot even get funding for the spring festival coming up.

I have been through this exercise back in 2003 and if you read the paper I did — the commonwealth government inquiry into tourism — absolutely nothing has changed. Committees are appointed; consultants are appointed, not advertised for; the funding was \$1.9 million; and there was no proper evaluation done. Money is going to be spent on photographic libraries. There are so many photographs out there that have been taken by shires and everyone else, and it is just a total waste of money. But my request was met from Will Flamsted, executive officer of North East Victoria Tourism with:

All funding from the state government is assessed and evaluated once disbursed. I am concerned you feel that in your role as president of the AWRTF, a private tourism association that does not reside in Victoria's high country boundaries —

yet we have got members in every single shire in the north-east Victorian country's boundaries —

that you may pass judgement as to the validity and transparency as to how North East Victoria Tourism Inc implement and manage funds that Tourism Victoria have entrusted to distribute.

I am afraid that sort of attitude is just not good enough from a supposed executive officer.

**Mr NORTHE** — Sorry, Christine, just to digress to some degree, I am probably more interested in: if I am a tourism operator, who do I see? If I want to set up a business in Bright, for example, that is really a tourism business as such, what are the levels of support we should have?

**Ms STEWART** — It varies greatly from town to town. You have got a very good chamber of commerce here.

**Mr NORTHE** — Keep in mind that from a state government perspective we have got to have something consistent across Victoria.

**Ms STEWART** — Really it is the federal government small business officers that are helping set up businesses in the north-east. A lot of them are employed now in Albury Wodonga and they have days when they come to Beechworth — they are helping set up businesses — and then you have got duplication from state government departments as well, putting on little seminars and sessions and what have you. It is very messy. Most of my time is doing one on one with our people in groups and filling that gap, and I do it unfunded because I hate rural poverty. You see opportunities out there, but they are not being exploited.

**Ms MARSHALL** — Congratulations, Christine, on the map. I think it is fantastic. You said it was Bright. I would love to have seen the credit for Bright on the actual picture.

**Ms STEWART** — We got it inside.

**Ms MARSHALL** — I know. That is all right. I wanted to know your personal opinion on what you thought was the greatest pressure on the tourism industry for the north-east.

**Ms STEWART** — The phone stopped ringing. The impact is widespread. We had coach groups that were based in Albury Wodonga that had to cancel coming out here because of the bushfires — you know, no go — so the economies further afield get affected. But it is a total lack of support quickly on the ground — people out there saying, ‘How can we help?’; simple words like that — and having people with the skills to action things, and having cash. It does not need to be a big amount, just to help out immediately — say, up to \$3000 — but to get in there fast and not just take months and months and then come out with a package which most people will not benefit from at all.

**Ms LOVELL** — Christine, I was interested in two statements that you made. The first one was that you cannot remember the last meeting that you had with Tourism Victoria. I was interested to know whether that was just your group, or was that a problem for the entire region? The other thing you said was that there is little leadership from government for tourism. I just wondered what you thought the appropriate role for government is in the tourism industry.

**Ms STEWART** — A simple role is providing infrastructure and facilitation and to really nurture the tourism industry. It is quite a different industry to other industries. In some ways it gets a lot more support than, say, agriculture and other ones that make up rural communities, but I am afraid there is an arrogance that because it is tourism the communication becomes very difficult. I do not even entertain Tourism Vic any more. There is something that I will not say at the hearing today that happened a few years ago. It was quite deliberate on Tourism Vic’s whatever to not let me go to a Tourism Australia function in Melbourne.

Even though I was approved to go to it I was basically banned at the door. I got on the phone the next day and I went down two days later and did what I needed to. I think that is an absolute disgrace, because it is bad enough doing this in a voluntary capacity and running a group to work directly with the industry without that kind of attitude. I only see a major restructure of Tourism Victoria being the answer for the way forward.

**The CHAIR** — Thank you. Christine, I want to try and clarify how you work in with the mainstream tourism operation, Albury–Wodonga Tourism. The office there at Gateway Island — —

**Ms STEWART** — No, that is just a visitor information centre, and they have got Destination Albury Wodonga, which is funded out of the two councils, housed in that building.

**The CHAIR** — They operate there as well?

**Ms STEWART** — Yes.

**The CHAIR** — Do you have anything at all to do with Destination Albury Wodonga?

**Ms STEWART** — It has been an interesting relationship. We have had meetings with them, but they sort of consider themselves the peak regional body. There is always this confusion, because you have got about three bodies claiming to be the peak regional body. I have had some very good discussion with Albury council. They are actually looking at bringing a tourism levy in — there is actually a meeting tonight in Albury over that — and late last year they were considering giving us half of Destination Albury Wodonga's budget, because they feel we do a better job. We are very grassroots and we are outcome driven. So the future in there is not looking too grand. I did address council a few years ago, because between Albury Wodonga and council \$7 million had been spent in seven years, and 16 businesses have closed.

**The CHAIR** — Wodonga also is interested in looking at how that levy works as well. I think that differential rating could very well be introduced in both of those cities.

**Ms STEWART** — I think people are going to have a hard time doing it because they have already got a retail levy in Dean Street and the streets around that CBD. People have to have higher rates to pay for that, and some of those are tourism businesses, so I do not think that will be too popular.

**The CHAIR** — So do you think there would be any duplication of the work that your are doing and what DAW are doing?

**Ms STEWART** — No.

**The CHAIR** — There is not?

**Ms STEWART** — No.

**The CHAIR** — Okay.

**Ms STEWART** — At one stage there were three managers. It has been exhausting. One actually removed every regional brochure from the brochure rack without letting the region know.

**The CHAIR** — Christine, thank you very much for coming along today. We appreciate you giving your evidence. Thank you for your time. In two or three weeks we will provide a transcript available for you to check over and make sure there are no typographical errors. Thank you very much.

**Witness withdrew.**