

# CORRECTED VERSION

## RURAL AND REGIONAL COMMITTEE

### Inquiry into rural and regional tourism

Mansfield — 30 August 2007

#### Members

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#### Witness

Ms S. Duell, Howqua Valley Caravan Park.

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**The CHAIR** — The Victorian Parliament's Rural and Regional Committee is undertaking an inquiry into rural and regional tourism. Any evidence given here is covered by parliamentary privilege under the Constitution Act of 1975, the Committees Act of 2003 and the Defamation Act of 2005. Any evidence given outside the hearing is not covered by parliamentary privilege. Before you get started, Sandra, if you would give us your full name and address and the organisation which you are representing — which I can vouch for — and you can then commence with your presentation.

**Ms DUELL** — Sandra Duell, [detail removed], and I am from Howqua Valley Caravan Park. I was going to take a whole-shire approach on tourism, but I decided yesterday to talk about caravan parks because I think that we are grossly underrated and fairly misunderstood by a lot of government organisations and people who are not familiar with caravan parks. The sheet that I have given you lists all the parks in Mansfield. 'LTH sites' means long-term holiday sites, the users of which used to be called annual lessees, which are exactly the same as non-resident ratepayers to the shire. So in this shire we have an extra 887 non-resident ratepayers, who have the same spending ability as anybody else who has a holiday house. The impact on the shire of these long-term parks is quite huge and not just at holiday periods — 52 weeks of the year these people come and go in the way you would use a holiday house. The number of beds you can see there. Between us all there are 98 forms of on-site accommodation, which equates to 571 extra beds. When we are all fully occupied, say, at Christmas, that is a total number of 6035 beds.

We as caravan park owners feel we do not get the recognition or the support in marketing that we deserve for the number of beds and the influx into shires that we create. The only form of recognition we get through Tourism Victoria from Park Victoria's point of view is that they give us \$5500 for a run-on of a publication that we do, which is this Victorian caravan and camping guide. Other than the \$5500 it is fully funded by us as operators and then we also have to create the distribution. There is the distribution through mail-outs, and then we all man consumer shows and what have you. There are golfing books, there are food and wine books and what have you that are supported by Tourism Victoria but caravan parks —

I have been there for 17 years, and for 17 years it has always been a fight for recognition. I still believe people think that people who go to caravan parks are like trailer trash. When you try to explain, at a state government level, what our people are like — and you could talk to any of the other caravan parks in our shire — most of the people are just young achievers. A lot of them are tradesmen who want to work hard and play hard and not have the responsibility of a holiday house that they have to mow and clean up — that is our responsibility — and they do not mind what they spend. Their spending ability is quite large and they do that right across the shire; it is not just at our facility.

Also the expectations of caravan parks are a lot higher these days than what they used to be. It used to be for just a few sites. In that package I have provided you, which is what I post out when people want information about the park, there is a corporate DVD which will show you some of the facilities. I think you will find most of the parks are all the time trying to upgrade to keep people interested — I suppose partly that has been brought about by the drought — to create activities and things for people to do. That probably gets to what Michael said before. You are constantly spending money to upgrade to try and keep pace with the industry, and having been in an 11-year drought you just feel like your hands are tied all the time when it comes to finance.

As Michael said, we have never had any drought assistance and we never got any assistance for the bushfires. We were within 6 kilometres of the bushfires and all bookings for last Christmas just ground to a halt. We have had busier normal weekends through the rest of this year than we had at Christmas. Our takings in the space of two weeks dropped \$146 000, and from then up until probably two weeks ago my husband and I have lived on basically nothing. We have had to try and survive. Like Michael was saying about the people that got jobs with Parks Victoria, Jim has had to go and work, to do things other than run a park, for us to try and survive, and it has been hard. All we would have asked for — sorry, I am getting upset.

**The CHAIR** — Just relax.

**Ms DUELL** — All we would have asked for was some low-interest money. This year we have had to refinance the park. If you are not using it, you sell it — so stuff just goes. You do not have the luxury of employing people. We have had to put people off, so it has had a negative impact on the shire in that way, but we cannot keep everybody on. You try and work — I am sorry — you try and work such long hours —

**The CHAIR** — Just have a drink.

**Ms DUELL** — Both of us are putting in probably between 12 and 14 hours a day to try and keep — —

As I just said to the Chair before, the snow has been fantastic because it is the best snow season we have ever had. Probably part of that is because about two years ago we upgraded all our accommodation. It is beautiful accommodation and everything is provided. Snow people just want to put their skis on the car and go; they do not want to bring the pillows and blankets and all the stuff you used to do. So now we provide all of that; the girls at the info centre have been great and we have had a wonderful winter. It seems to be slowing down a bit, but for two months there we have just been absolutely flat out. That has helped us. We have our income set so that our big income flow is the first week of August, because that is when all our annual fees are paid. That is where you set up to pay your insurances and all that sort of stuff. I can remember saying to Jim, 'Only 10 more sleeps and we will be out of this awful situation'. But by the time you get that money in, because we lost \$200 000 over the 12 months, the money has come in and we have paid the bills, you know further in advance that you have no money left to do any more improvements or to think about putting on extra staff so that you can make it easier for yourself. You wonder what else can be chucked at you, like Michael said.

I do not know whether this comes from a state government level or from a shire level, but, say, if it is adventure tourism or food and wine that is flavour of the month at Tourism Victoria, when there has been a natural disaster, okay, there should be considerations given to adventure tourism or food and wine, but there needs to be consideration given to how we survive. For instance, I had a shire worker arrive on my doorstep about two months ago. She was a fairly highly qualified girl who has just finished uni. She came around handing me a petition form so that we could get signatures for the 14-kilometre sealing of the Eildon–Jamieson Road, which is a touring route which is part of Tourism Victoria's push for touring routes. When she arrived I would not even take the petition. I thought, 'If the shire has the money to pay this highly qualified girl to come around,' and I said, 'I cannot believe that this is happening. A petition? What about the people?'

My husband would get in the car to go to Mansfield and if he was missing for more than 2 hours I would be ringing to find out where he was, thinking that he had committed suicide. All the stuff that goes on with farmers is exactly the same as what has gone on with us guys. I am not the only one. There are nine parks in this region, and we are all feeling the pinch. If there was any of the other women here, they would probably talk the same as I am. The husbands just go off to their sheds and hide and do not talk to anyone because they are too proud. They were like the king of the castle when they bought their caravan park, and now they are too proud to admit that things are crumbling around them, and it is the women who are at the coalface trying to hold everything together. I am sorry about this. This is not what I wanted to talk about, but it has just all come out.

**The CHAIR** — Just take your time, Sandra. Have a break, relax and have a drink.

**Ms DUELL** — It has just been 11 years of sheer hell.

**Mr VOGELS** — Maybe you should open a door and let a bit of fresh air through.

**The CHAIR** — Sandra will be right.

**Ms DUELL** — I am all right. It just upsets you because you are just there. As I said to Damian, I want you guys to know what it has been like for us, but I did not expect that I would cry. Sorry.

**Mr VOGELS** — Can I ask a question. The caravan park you run with your husband, is that on Crown land, is it DSE?

**Ms DUELL** — No, we own it.

**Mr VOGELS** — And are most of these caravan parks privately owned?

**Ms DUELL** — There is a mixture. There are seven that are privately owned and there are three that are owned by GMW.

**The CHAIR** — Sandra, what we might do is to start asking a few questions, and if specific issues that you want to raise come to mind, feel free to expand on your answer and cover the areas that you were previously going

to cover in your presentation anyway. When did you make the decision to upgrade from where Howqua Valley Caravan Park used to be to the better quality accommodation?

**Ms DUELL** — We have probably always wanted to do it because none of our accommodation had ensuite. In saying that, I wanted to find somebody who would build a quality product not an aluminium box with ply walls. We wanted something really good. It took us years to find someone. When we did find someone the drought was rolling and it was like, ‘What comes first?’. We had to sell all our on-site accommodation. We were left with one cabin, and we built a pool. The pool has been part of our saviour. If we had not put the pool in — for a caravan park the pool is magnificent — we probably still would not be there.

As you know, Damian, some of the people who came for waterskiing went elsewhere; some of them stayed on. As you get older you might start to think, ‘Gee, if I fall off I am going to hurt myself,’ so waterskiing is not such a priority. There are people who we have sold vans to — we dropped from 95 annuals down to 58 during the first, say, six or eight years of the drought. We then started selling everything and built the pool and that helped to turn things round. But I think at the same time people also realised that the drought has been here for such a long time that it does not matter where they go, they are not going to have water. They started coming for all the other reasons — four-wheel driving, motorbike riding. Some people just come and do nothing. They just like the social connection with the friends that they have made, so it has become a sort of lifestyle thing, and you might do whatever. The boat might come because there is water, but you might leave the boat home in two weeks time because the water has gone for Easter, so you will bring the motorbikes. Some of the mums do not have motorbikes, but in some cases even the mums have motorbikes and they all go motorbike riding and four-wheel driving.

**The CHAIR** — How far away is the water at the moment?

**Ms DUELL** — At the corner — you can see it from our place.

**Ms LOVELL** — My question was going to be about how far away the water was at the moment. Some people are a lot further away than that.

**Ms DUELL** — For Bonnie Doon — there are three parks at Bonnie Doon — for Peppin Point and for us it has to be at about 25 per cent for it to break the banks of the river so that it looks like there is water out the front.

**Ms LOVELL** — At the same time as we have had the lack of water and the water moving further away from facilities that are there, over the past few years you have also had a lot of additional red tape placed on caravan parks by Goulburn-Murray Water and additional charges, even though you do not have the water right at your doorstep. I was just wondering if you could expand on some of those and the impact that that has had on the caravan park industry.

**Ms DUELL** — We pay a foreshore lease. When the water is up, it is like the nature strip you would have on your house. It used to be you can only build to a chain of the high-water mark, and now it is a special ‘so many metres in’ and ‘so many metres up’. What is in front of that chain above the high-water mark is owned by GMW, and you cannot do anything on it other than build a bit of outdoor furniture. So you pay a lease on the foreshore and you pay a lease to have any boat ramp that goes into the water. We have two boat ramps, so we pay a lease on both of those, and we have a fuel barge, and we pay a lease to have that sitting in the water. I have tried and I have fought to get compensation for the fact that the foreshore now is acres and acres of black wattles, little pine trees and grass up to here. I have fought to try to get that cut back, but the thing you have to be careful of, if you say to them you do not want to pay it, when the water comes back they could come along and put a fence up because you have not paid the lease.

They could do the same with the boat ramps. The fuel barge has just sat on the foreshore for years now. I would never not pay. Because OHS, WorkCover and what have you on something like that has become so huge I would never not keep up insurance. So I pay insurance and to have that in the water every year, but it just sits there. It does affect us, because you are still having to pay all these things. When I said to GMW, ‘Why am I paying the foreshore lease?’, they said, ‘That gives you the right to mow the grass’.

**Ms LOVELL** — Sandra, can I just thank you for your presentation today. Seriously, you are the face of rural Victoria. It is really good for some of our city colleagues to see that. I had one of my city colleagues come up here just before the election. He sat through a meeting of a group of irrigators wives, with a very similar

presentation to your own. My city colleague said to me, 'We just don't have problems in our electorates, like you have in yours'. So it is wonderful and thank you very much.

**Ms DUELL** — That's fine.

**Mr NORTHE** — Well done, Sandra. I am just interested to know — obviously there have been tough times, with the drought and lack of water, bushfires and the like — has there been any specific marketing over time for this particular region and specifically for your business and, if so, has that made any difference? It is probably more have you been able to market, with the assistance of local tourism authorities or Tourism Vic as well? Also, the second part of that is: have you done it independently?

**Ms DUELL** — At the beginning of the drought, it was like, 'We can fight this'. I would spend probably, say, more than half of every week going to meetings. I was on the drought recovery board. There was a group of operators — there was myself, the guy who had Peppin Point, the guy who had the boat harbour at Eildon and the Eildon Caravan Park — and we formed a group, with the support of the Murrindindi shire and the Mansfield shire. We decided that we would do a marketing initiative, that we had to basically put our money where our mouth was. We all put \$2000 on the table and then went out and sold that marketing initiative. You had different buy-in levels: you could buy in at gold, silver or bronze. We did TV advertising, radio advertising, a website — I cannot remember it all. We did that for two years in a row and we did get help from Tourism Vic; we got dollar-for-dollar funding for that.

I believe that it did help, but then we got to a point where it was the October 2000 or 2001 and John Dainton, who was the chair of GMW back then, was interviewed one morning on the ABC. He was asked questions about what would happen if the lake got down to a certain level. His answers were that it would be closed to recreation and it would be partly because of blue-green algae. The only part that the interviewer picked out of that interview was that the lake was going to be closed to recreation because of blue-green algae. That year all our bookings, everyone, just rang up. You spent your day — every caravan park and every houseboat operator — just sending back cheques for refunds on deposits and what have you. From then on there was nothing we could do. Two weeks later we were at the fishing and four-wheel drive show at Jeff's Shed. I can remember sitting in this old butcher's shop that is a restaurant, in Carlton. I had my telex and I had all these telephone books, and I was ringing companies and getting them to deliver signs to the show that said 'The lake is still open for operation'. I think my mobile phone bill for one afternoon was something like \$200, just ringing around trying to do something for a recovery, but there was nothing we could do.

We got GMW to put a full-page ad in the *Herald Sun*, but it was already out there; it was like you cannot close the gate after the horse has bolted. From then on I think everybody became so engrossed in survival that working together just did not happen. There were probably even the issues of people not being able to afford the petrol or diesel to go to meetings to try to work in together. That was about 2001. Since then, like I said before, the husbands stay in their sheds and just try to survive and you are just out there, trying to do what you can do to survive. We were fortunate enough — in 2002, I think it was — to create a relationship with the Coxy show, not when it was called *Coxy's Big Break* but the show that he did before that. I contacted Tourism Victoria and a guy called David Grattan brought up a minibus full of all different sorts of journalists. We had a *RoyalAuto* writer, the *Age*, the *Herald Sun* and Tania Nesbit from the production company which does the Coxy show. They just could not believe, when Jim and I drove them around the area, that they were standing on dirt where the water would have been 20 metres above their heads if we were at full supply. They were just really taken aback by the whole thing.

Tania has remained in email contact with me and the Coxy show keeps coming back. We had a Coxy show before we built the pool. I was talking to Tania and I said, 'We've done a pool' and she said, 'Great, we'll have to get back'. So they came back and did a show. In the first show they did, Coxy was on the backhoe doing the first cut to dig the hole for the pool. Then the next show was at Easter, after the pool had opened. They did a show saying, basically, that they were back again. In the corporate DVD that I have given you there is a lot of footage from that shoot.

Having the houseboat, we have been asked to do house boating promotions. We have taken Coxy and professionals out wait boarding. That has really helped us. People still ring up and say, 'You're the lady we saw on the Coxy show', and what have you. So that has helped. The building of the pool has helped us. I just basically do my own thing. I do not know whether I am right or wrong, but I have just basically put my head down and my bum up — and we are just going for it, to try to get there.

**The CHAIR** — Well done.

**Ms TIERNEY** — Sandra, I would also like to thank you for being here today. Just being here I think is an achievement and symbolises your tenacity in being a battler and also being committed to tourism in this region.

**Ms DUELL** — I am committed. We are passionate about it, or we would not still be there.

**Ms TIERNEY** — This morning interest-free breaks in these dire situations came up. I am wondering also how families that are faced with these sorts of dilemmas cope in respect to financial advice. Clearly you are put to the test, you need to think laterally, and you need to think strategically. What have you been falling back on in terms of that financial advice? Also, what would you like to see in terms of financial advice and any other support mechanisms that families might need when faced with drought and bushfires and trying to keep their businesses and tourism businesses up and running?

**Ms DUELL** — I cannot remember the exact date, but it would have been around 2000–01. We had set up our business so that we paid our normal interest rate but we also wanted to pay off lump sums. We had a new bank manager in Mansfield, and I said to him, ‘This year I think I am going to be really pushing it to pay the \$30 000 lump sum off the principal’, and he just said, ‘Don’t worry about it’. I know better now than to just listen and hear, ‘No, don’t worry about it’. That was February, and I would keep in contact with him. He said, ‘Yes, that’s fine’. I was in Melbourne and I got a phone call on my mobile from a toe cutter from the National Bank, to say, ‘You no longer fit our banking criteria. We do not want you any more’ — because of the drought and because we had not paid.

The thing that rang the alarm bells with the bank was the \$30 000 not having been paid, but we ended up not being the only business that was in this situation; there were lots of businesses in Mansfield. There was another business in the main street, and for similar reasons he owned his freehold and the business that he operated in that freehold. He had to sell the freehold and rent it back from someone to be able to continue to have an income for his family. I just fought. We drove straight to my accountant in Niddrie, and my accountant said, ‘I will talk to him’. I said, ‘No, you will not. I will talk to him’. I spoke to him the way I am talking to you guys today, and he said, ‘Okay. Let’s see how you can go’. It turned out to be 14 February, so we operated the business and nobody would touch you; you could not go to another bank and get them to take you on, because caravan parks and hotels are high risk and the industry margin is fairly high to start with. No-one wanted to touch us.

I thought, ‘Okay. All we’ve got to do is put our heads down and just go for it’. We worked the whole way through Christmas not knowing whether we were working for ourselves or for the bank, and on 14 February we got a phone call to say, ‘We are going to keep you on board’, but we had to be accountable to them. We had to give quarterly reports and all this sort of stuff. From then on if we wanted to do something, I have not actually gone to the bank; we have tried to self fund so that they did not get their claws into us any further. When people say, ‘The pool! It must have cost you a lot’, I say, ‘In there is a house, 11 cabins, a boat and anything else that stood still got sold’, and that is the way we funded the pool. Two years later we did the new cottages and did a similar thing.

**The CHAIR** — Well done.

**Ms DUELL** — We have not turned to anybody for financial advice. We talked to our accountant, but we have not had any financial adviser. A chap came around since Christmas through Regional Development Victoria. A lady called Glenda Hall in Wangaratta contacted me to see if I wanted to have this guy come around. He looked at our business to say how we could improve things or where we could go or what we could do, and he gave us a report. He sat and talked to us for hours and ended up saying that when his parents came back from Queensland in November with the caravan, he wants to put it on site with us, so that was a positive! When we read the report he just kept saying we needed a holiday and that we had to give more consideration to looking after ourselves instead of looking after everybody else, but it is difficult if you cannot afford to pay wages. Some of our clients even said to us, ‘Why don’t you just close up for two weeks in the middle of winter and go away on holiday?’, but you just cannot do it.

**Mr VOGELS** — As a caravan park owner were you eligible for exceptional circumstance funding, like farmers are?

**Ms DUELL** — No, and I went down the track.

**Mr VOGELS** — That needs to be looked at — 50 per cent, and then you get your 50 per cent rate rebate and half your interest rate at half pay. So you are not eligible — —

**Ms DUELL** — No, I spent hours and hours with Centrelink at Wangaratta, and when they returned my file to me it was, like, two archive boxes and I got nowhere.

**Ms MARSHALL** — What information could come from the government that would help you identify your demographic that could then be translated into advertising? I was hearing that you were spending money advertising in a lot of different ways. What information would be most useful to identify the demographic and use every dollar that you do spend more productively?

**Ms DUELL** — I think I have now got a pretty good handle on where my advertising dollar works. When we did the marketing campaign for the lake, that was not just me; it was a group of people. It was probably before the internet was as popular as it is. If you were doing that marketing now, you probably would not do 75 per cent of what we did. You would probably focus more on the internet. I now have a fairly good handle on what works for me and spend a lot of time googling.

**Ms MARSHALL** — Okay, so the question I will ask is the same question pretty much in a different form. You are still saying you are spending a lot of time and energy doing that sort of stuff, so what information do you think would be the most useful — or useful in any way, shape or form — to stop you using all of the time that you do spend doing those sorts of things? What are you currently doing that can be provided as opposed to — —

**Ms DUELL** — By somebody else?

**Ms MARSHALL** — Yes.

**Ms DUELL** — I suppose if I had better understanding of things like buying domain names so that I have got the domain name. It is a bit like, 'My godfather! What did you get that for?'. It is only really so somebody else cannot get it. At the end of the day you can put search words in place that are going to achieve you the same thing. I would say that if I had a better understanding of ranking, that would really help me. Through funding we have had some presentations here in this room. It has been great for people who are not using the internet. I think it is fairly complicated — those final stages to make sure that you are up there all the time. I have tapped into totaltravel.com, and I pay them — I think they are better skilled — so that costs me about \$1300 a year for them to do it in the areas that I know will work for me. I would like more information on gay and lesbian, because I think that is a good market.

**The CHAIR** — Sandra, thank you very much. You have given us a couple of very strong messages. It is sad and disappointing to hear GMW continuing to put pressure on you for leases for facilities that you simply are not using and are not likely to use, but you are too scared to let those leases lapse. We have to be very aware in our role, and departmental heads have to be very aware, when we send out messages about bushfires, emergencies, disasters or just doom and gloom, to let our cousins in Melbourne know how tough we are doing it. We have got to be very careful about that. It is a very strong message that we are not just hearing from you; we are hearing it elsewhere as well. The ramifications of those messages can be absolutely disastrous.

**Ms DUELL** — A nightmare.

**The CHAIR** — We are hearing that again from you, and it is also disappointing for us to hear that banks in seriously hard times have decided to play the heavy hand as well. Thanks very much for coming along. It has been great for us to hear it at first hand. You have done a great job and we really appreciate your time.

**Ms DUELL** — No worries. Thanks very much.

**Witness withdrew.**