

# CORRECTED VERSION

## RURAL AND REGIONAL COMMITTEE

### Inquiry into rural and regional tourism

Mansfield — 30 August 2007

#### Members

Ms. K. Darveniza  
Mr D. Drum  
Ms W. Lovell  
Ms K. Marshall

Mr R. Northe  
Ms G. Tierney  
Mr J. Vogels

Chair: Mr D. Drum

Deputy Chair: Ms G. Tierney

#### Staff

Executive Officer: Ms L. Topic

Research Officer: Dr C. Hercus

#### Witnesses

Mr I. Geer, manager, tourism and economic development, Mansfield Shire Council; and  
Ms D. M. Shaddock, manager, Mansfield Mount Buller Regional Tourism Association.

nc

**The CHAIR** — Thanks very much, Ian and Debra. We are the Rural and Regional Committee and we are conducting an inquiry into rural and regional tourism. We are very happy that you can join us. Evidence taken today is covered by parliamentary privilege, although any comments you make outside the hearing are not covered by parliamentary privilege. If you would you start by giving your full names and addresses and the organisations you are representing, we will then be able to jump straight into it.

**Mr GEER** — Ian Geer. My address is [detail removed]. My position with Mansfield Shire Council is as tourism and development manager, and I have been in the position for 11 years.

**Ms SHADDOCK** — Debra Marina Shaddock, [detail removed]. I am a manager with the Mansfield Mount Buller Regional Tourism Association.

**The CHAIR** — Over to you.

**Mr GEER** — Thank you on behalf of the Mansfield shire. I realise you are running behind schedule. I have prepared notes which I will give you a copy of, so if you like I can work from my notes and I will be both brief and clear, I hope.

First of all, I would say that we have a very close working relationship with Mount Buller and with Phil and Laurie's presentation. I will take both the opportunity and the liberty to support some of the things that Phil and Laurie were talking about. I think most of you are very familiar with the Mansfield shire. We are very proud of our shire. We have a population of about 7000 people and we have a growth rate that exceeds the state average. Specific to tourism, the state employment average is around 6 per cent, the regional employment average is around 9 per cent and the average employment percentage within our shire of employable people is 28 per cent. 60 per cent of our GDP in the shire comes directly from tourism, and the drop of Mount Buller in addition to that is around the 39 million mark. The figure that Phil quoted importantly relates to the figure was for Delatite shire before our de-amalgamation/re-amalgamation. The average spend of people in our shire is around \$465 and they stay for an average of 3.6 nights. I forgot to say that I appear with the full support of our new CEO David Roff, at council. David has only joined us very recently so he is happy for me to come along and give this presentation.

One of the reasons for the success of Mansfield shire as a tourism destination has been and is our excellent working relationship between council, its officers, industry and the government of the day and its various relevant agencies such as Tourism Victoria and Regional Development Victoria — especially those two agencies. Government has been very supportive and receptive to council and industry with regard to our strategic and tactical approach, especially during the ongoing drought. We are in our 11th year of drought really now; the very average snow season last year, which Phil reported; and of course the devastating bushfires over last summer that brought us to a halt.

Council and industry have worked very closely with Tourism Vic on their current 10-year plan and supports the objectives and supporting strategies thereof, and we would stress that it is critical that government brings together the resources to actually deliver the 10-year plan that has been adopted. In the past we have seen plans that have been put before industry for industry to partner with government, and as the plan starts to go into its second, third or fourth year of budget allocations the mist starts to come in and we lose the focus of what that original plan was all about. This 10-year plan that is on the table at the moment we think is fantastic. It addresses some of the real core issues, the challenges that we face, and we would really like to see that plan delivered in its entirety. Council has partnered with industry to develop a strategic tourism statement, and council has now formally adopted a strategic tourism statement. I am happy to provide a copy for further information. It has not formally been presented to industry yet so we would like them to be first to get it off the shelf.

**The CHAIR** — Is it okay if we take a copy of that with us?

**Mr GEER** — Yes, you may.

**The CHAIR** — We will just keep it to ourselves.

**Mr GEER** — Certainly. Debbie and I will be launching it to industry in about the third week of next month. We face intense competition, not just from other tourism destinations. We are in fact very happy to compete with other tourism destinations and we really do not think that anywhere else in Victoria — or New South Wales or Australia — is really the competition. It is more the overseas destinations. We heard mention of New Zealand, and

if we put Tasmania in the category of ‘overseas destinations’ and British Columbia — there is a lot to be learnt from British Columbia and New Zealand with regard to the all-seasons offer. I speak with little expertise in the snow area, but in the summer-spring-autumn offer we need to look very closely at what British Columbia’s model is and what New Zealand’s model is and to a lesser degree what Tasmania’s model is. That is reflected in some of the issues that have been identified and which should be addressed in Tourism Vic’s 10-year plan.

Mansfield shire is a very successful destination with great destination product and offer strengths. I would say that one of the greatest strengths that we have is in fact our visitor base, which we often forget about of course. About 60 per cent of our visitors are repeat visitors, and they have a wonderful relationship with Debbie and her team from an operational side of things, our businesses and our community. We very much value the relationship that our visitor has with our community and business. It is not just about the yield end of our business, but also that relationship, because if that relationship deteriorates the whole industry deteriorates.

Nowadays people do not buy a product; they often buy an experience, if you like. We believe one of the reasons we have been very successful is the relationship that community has with our visitors, because they are truly welcome. It is widely agreed that we are very successful, but we feel the status quo approach that we have had to date is not good enough for the future. The world is changing, there is a lot of different competition coming into it, so we therefore have invested considerable resources in working cooperatively with government and industry on a range of product and industry development initiatives, including a series of ongoing forums to better equip industry on topics such as quality of service, packaging, electronic mediums, environmental issues et cetera.

We are also looking at programs to capitalise on attracting a greater share of high-yield markets, such as international. We received a \$250 000 grant from the federal government, which was also supported with cash and in kind by the state government. It was one of the biggest grants that has ever been given to the adventure tourism sector, which we are very proud of, and that is going to make a real difference to us in terms of one of our key value segments, if you like, which is adventure experience seekers. We are looking very much at our identified product gaps and how we fill those gaps for current and future markets.

Environmental sustainability, along with a clear message that both industry and community are caring custodians, is critical. To this end council has commenced a three-pronged process to ensure that the municipality is ultimately a contributor to the repair of the planet. The three-pronged process will cover organisation — ourselves — community — to report to — and our economy — our businesses. Council has received funding from state government to commence this journey and we will advocate for further funding to be made available specific to environmental initiatives that assist a better position for the tourist industry. We feel that support for environmental initiatives is absolutely critical. We have started the journey with some modest funding. In fact next month we are bringing over the CEO from Kaikoura municipality on the north-east coast of New Zealand, one of the first communities in the world to obtain green globe status. We see that as something we would like to look at very seriously.

Destination management is a priority of council, and to this end we work cooperatively with a wide range of stakeholders — for example, there is a close working relationship with Mount Buller and Mount Stirling RMB on supporting and promoting the Mansfield-Mount Buller high country brand. That is what people know us as. Tourism Vic divides the state into regions and Mansfield shire and Mount Buller and Mount Stirling RMB are placed in Victoria’s high country region. We were one of the strong advocates of the name change, as you know, from ‘Legends, wine and high country’ to ‘Victoria’s high country’. There has been considerable and ongoing discussion on this issue within industry over many years, and opinion is divided on the worth or otherwise of this relegation. Mansfield shire currently support the current Tourism Vic position. However, it is felt that industry within the shire would welcome further discussion on the issue, especially in the area of duplication of processes and key marketing priorities and messages.

Destination and product-offer further development is severely hindered by a lack of public transport servicing major markets such as Melbourne. This, of course, is not unique to our region. An industry initiative is currently under development to run a pilot project to test the feasibility and desirability of a regular tourism focus service to Mansfield and region. Council certainly supports any endeavour of this private enterprise initiative and when this initiative is presented to the state government we hope it will be received favourably for consideration and funding. Mansfield and Mount Buller and Mount Stirling RMB actively support inclusion of our region in the federal government’s national landscapes program. Just very quickly, the national landscapes program looks at what is going to be the next generation of marketing, post ‘Where the bloody hell are you?’, which I am sure you are all

familiar with. Mansfield shire is grateful to Tourism Vic's direct support of the initiative to date and would welcome funding to be made available when deemed appropriate to ensure a strong regional presence in any federal rollout. Ultimately Mansfield-Mount Buller would like to be one of the iconic locations you see in Tourism Australia's domestic and international push. That is our reason for our presence in that initiative. Lake Eildon, with which you are very familiar, is one of Australia's largest inland water bodies. It provides a critical water asset to irrigation and tourism and supports approximately 75 of our businesses that rely directly on the asset.

**The CHAIR** — Well done, Ian. Is there anything you want to add, Debra, or do you just want to answer some questions if they get thrown your way?

**Ms SHADDOCK** — I could add just a couple of quick things, if you do not mind.

**The CHAIR** — Yes.

**Ms SHADDOCK** — I just wanted to talk about the operational end of what the shire and Mount Buller do strategically. This is what the Mansfield-Mount Buller Regional Tourism Association is chartered to do. We provide the visitor services and booking service under service agreements with Mount Buller resort, Mount Stirling resort and the Mansfield Shire Council. Part of what we do there involves working out into the international markets. We have worked closely with Tourism Victoria through our sales and promotion arm. I just wanted to mention a couple of impediments with what we are doing there. We are starting to see a real push now coming from those efforts internationally with Tourism Victoria and Tourism Australia. We are coming across great challenges with transport into our region and cross-regionally. That is a major issue with us. We are able to promise we can deliver on our product, but we have great difficulty getting them there and getting them around. Just a simple thing like getting somebody across to Benalla, for us, is nigh impossible. A lot of our internationals are not comfortable with a self-drive option and need some form of transport.

The next thing we are also chartered with is providing the reservation service for this region. We are about to go online thanks to some funding that has come through from bushfire funding, from Mansfield shire and from Mount Buller and Mount Stirling resorts. That will be happening very shortly, we hope. One of the glitches that will happen for us there — which we discovered with the implementation of a new telecommunications platform that we have installed at the visitor centre — is the lack of strength and reliability of broadband. It has let us down a couple of times already during this winter. You can get the strength if you are willing to pay for it. It is an issue of cost effectiveness of that particular product, particularly for the visitor information centres and the lack of financial resources most of them have. That is all I wanted to say there; thank you.

**Ms LOVELL** — Thank you, Ian and Debra. I was actually going to ask about transport. It was raised earlier today, that that was one of the main barriers to tourism here. I was wondering if you could expand on what you think might be part of the solution to that. Also could you expand on any other barriers to promoting tourism in the region. Before I finish I just wanted to congratulate you on the information centre and booking centre. I have been down there with Gary Gaffney and had a look at the sensational job the girls do there at the booking centre.

**Ms SHADDOCK** — Thank you very much for that.

**Ms LOVELL** — I asked a question about transport.

**Ms SHADDOCK** — We are fairly well serviced with transport during the winter, particularly in the process of getting our guests from Mansfield up to the resort. There are not a great deal of problems. A lot of services operate through the winter, other than public transport services — private bus companies. During our non-winter period or our summer period, we probably have a greater percentage of backpacker-type clientele coming through. We get them to Mansfield, and that is as far as we can get them. There is no public transport solution as yet, and I would like to think there was. A few years ago Mansfield and Mount Buller bus lines used to be contracted to be able to take that extension from Mansfield up into the resort. That no longer exists. It would be up to private individuals to try and organise their own transport methods for guests they may or may not have coming in. Again, when we are working with the internationals, or trying to, we can give them the product but, as I say, how are they going to get around. We just do not have an answer.

The second question was about — —

**Ms LOVELL** — Other barriers.

**Ms SHADDOCK** — It is not so much a barrier, I suppose, but something I would love to see happen is our cross-borders, for want of a better description, working cooperatively with our neighbours in trying to create those links. For instance, you could have a cooperative measure of some form transport, whether you are coming up from Melbourne through the Yarra Valley, up into Murrindindi shire and through on to us, and then on up through the rest of the remainder of the Alpine region. So whether you looked at some form of funding to make something like that happen, that would be wonderful.

**Mr GEER** — The private enterprise approach, which I mentioned they are developing, seeks to fill those gaps, but not waste any of the time that transport spends in down time so that it would be specific to its relationship with product — if you like, a high country magic bus sort of thing. Are you familiar with the magic-bus approach, which has been around a long time in Europe, for example, that is attached directly to the product offer so that all you have to do is book the product and everything else happens, including the transport component? You are not left to your own devices, with any of the components of the experience at the destination.

**Mr NORTHE** — We start again, Debra: I was just interested in visitor information centres and obviously you do yours very well up in this neck of the woods. I am interested a little bit more in what your staffing levels are, where you get your funding from, and just make a further point, from previous public hearings, it is obvious the information centres provide a number of different roles; there does not appear to be any consistency about what the information centres provide in terms of some that are able to do bookings, others cannot et cetera. Would we be better off having some consistency across the state?

**Ms SHADDOCK** — Yes, you are right, every visitor centre is different and they all do it differently, they are all funded differently. Our visitor centre is funded through Mansfield Shire Council, and through Mount Buller and Mount Stirling alpine resorts, and partially self funded through the commissions it generates through its booking service. We are a public company limited by guarantee. Again, a totally different structure to some other visitor centres that are totally run and administered by council, we are really a stand-alone business.

**Mr NORTHE** — You are reliant on volunteers, to a degree?

**Ms SHADDOCK** — No. We have a full-time staff equivalent of around 11.4 at the moment. We have 18 staff on payroll during the winter period. That drops down to a core staff of around 8 during the non-winter period, when there is a little bit less demand. They are fully employed, paid professionals. We do not use volunteers at all.

**Mr GEER** — We see that as one of our absolute strengths from the point of view of the seamless linkages to the customer and the product offer, and we are very proud of the fact that our model is the envy of many; so we do not mind that at all.

**Ms MARSHALL** — Just a very quick question, Debra: you mentioned a 60 per cent returned clientele each year and my question is: how are you obtaining the other 40 per cent annually? Where are they coming from?

**Ms SHADDOCK** — It is probably a better question for Ian, I think.

**Mr GEER** — Funding mix for? Was that the question?

**Ms MARSHALL** — No, in terms of the clientele each year, Debra mentioned that 60 per cent were returned clients and my question is: what have you identified as to the manner in which the other 40 per cent are actually being attracted to the business? Where are they coming from?

**Mr GEER** — First of all, our markets. About 71 per cent-72 per cent of our market comes out of Melbourne. About 15 per cent comes out of regional Victoria. We are very strong in Shepparton, Bendigo, the Albury windows, if you like. About 5 per cent are international and for some businesses their figure in international is a lot higher, and some of course are zero. But international is one of the areas that we see that there is a high yield of opportunity, and you know the stats that Tourism Vic reports, a near enough to flat market domestically. That is not the case here. We feel that we have continued to grow. In fact our growth over the last 10 years in the drought has been very pleasing. That said, we are not guaranteed for the future. It is interesting, though, that we do detailed visitor surveys annually which are reported in this document, but only around 18 per cent to 20 per cent of our visitors come here because of our marketing, even though we think we are fairly good at it, we have never got enough money to do it, but we are fairly good at it, it is only around 20 per cent of people that respond to that.

Again, it is the value of understanding the relationship between the visitor and the business and our community. That is critically important for us. In the funding mix of our model, council sees the relatively modest amount of money that we put into our Mansfield-Mount Buller Regional Tourism Association visitor centre as a fantastic return for business. It is very much a wealth-creating process for us.

**The CHAIR** — Thank you very much, Ian and Debra, we appreciate your time. We will make the transcripts available to you in about two weeks for you to check.

**Witnesses withdrew.**