

# CORRECTED VERSION

## RURAL AND REGIONAL COMMITTEE

### Inquiry into rural and regional tourism

Mildura — 31 July 2007

#### Members

Ms. K. Darveniza

Mr D. Drum

Ms W. Lovell

Mr R. Northe

Ms G. Tierney

Mr J. Vogels

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#### Witness

Mr A. Millen, chief executive officer, Sunraysia Mallee Economic Development Board.

**Necessary corrections to be notified to  
executive officer of committee**

**The CHAIR** — Thank you very much for waiting. It allowed us to put in Kristine, who was not able to be here for her designated time. We really appreciate that.

**Mr MILLEN** — Not a drama.

**The CHAIR** — I welcome Andrew Millen from the Sunraysia Mallee Economic Development Board. We are the Rural and Regional Committee, which is an all-party parliamentary committee. All evidence given is protected by parliamentary privilege under the Constitution Act 1975, the Parliamentary Committee Act 2003 and also the Defamation Act 2005. Any evidence given outside the building is not covered by parliamentary privilege.

Andrew, would you be kind enough to give your full name and address and the organisation you represent, and then your presentation, leaving some room for us to ask some questions at the end.

**Mr MILLEN** — Thank you. I am Andrew John Millen. I am the chief executive officer of the Sunraysia Mallee Economic Development Board.

**The CHAIR** — Thank you. Away you go.

**Mr MILLEN** — Again, as everyone says, welcome to our little part of the world. I have been a resident up here for three years and do not intend to go back to Melbourne ever. If I were to go back I think my family would probably stay here and I would be by myself. My comments will be fairly brief, because I think the question and answer session is probably better from your point of view as a committee. Obviously I have looked at the points the committee is addressing and have tried to couch my comments, or my ideas, with respect to the five points, some of which I will cover. If you indulge me, that will be fantastic.

Basically the economic development board is a section 86C committee of the Mildura Rural City Council. I am a council employee, but my boss is not the CEO of the council, but the chairman of the board. The board is an elected representative body of 10 businesspeople, with one observer from the Wentworth Shire Council. It has a constitution which allows us to work in Victoria and also into New South Wales.

It was interesting to hear the comments before. On the point again about the three states, it does create difficulties for us, and obviously some challenges, but we have some advantages in being where we are, basically. The economic development board is part of that differential rate. As I go through I will clarify a couple of things with the specific rate. Basically that is really the board. Each year three members roll over and new members come in. We are a sister agency or a brother agency to Mildura Tourism. We work hand in glove with a lot of projects, and we also have our own perspective and our own ideas.

I have for the committee a copy of the board's strategic plan, which clearly outlines what our role is and what we intend to do in the next three to five years and how we intend to get there. I will not bore you with those sorts of things but will tender that document for your information.

I will just clarify the differential rate. There is not a special rate up here, it is a differential rate, so it does not get voted in each year. The council just has to say, 'Yes, it will continue'. About \$920 000-odd is raised per year, half of which goes to the two organisations. From our point of view we do not get any additional funding from the council; our funding comes from that as a source and government grants. We would run to about \$600 000 or \$700 000 a year, because we value add with what we do with most of the grants. That is where we get our money, and that is what we intend to do.

With respect to the economic benefits of tourism, in our *Grow Mildura* document, which was released a couple of years ago, it was estimated that around \$100 million is injected into the community from direct tourism events. I can be this big or this big, and it depends on how you control it. It employs just over 2000 people, so it is a significant employer in our area, and it is

obviously an important industry on top of our traditional farming and manufacturing basis. Tourism is an additional dollar spent; it is an additional industry which is very important not just to our retailers but to the community at large.

Mildura used to be a location where people would come on holiday. It used to be the furthest you could get from Melbourne within the state of Victoria. In my view and in the board's view that is no longer the case. Mildura is not a tourism destination for all the families; its role has changed. And I think we need to recognise that that role has changed. It is now an events area, so it attracts people from outside and within the area as an events capital, running the events that we do, and it is also that point where people tend to spend a couple of days going to somewhere or from somewhere. We tend to think that we are the gateway to the outback. I think we need to start looking at that as our marketing campaign on top of it being the Murray and the Murray River — 'It starts with the river'. There are other things I think we can do to value add to what we have with our location.

The three organisations that work in tourism and events are obviously the board, Mildura Tourism and the council's events unit. We actually work quite well together. Even though we have separate agendas and separate projects and aspirations, we do work together with a lot of programs. Generally things are a success because we can divert resources and that sort of thing to whatever project there will be.

The other thing about tourism is that you have events tourism, you have people who come up to visit families and you have sporting events, so you get people from outside the area. So from an economic development point of view, when I am talking tourism I am talking the whole gamut, not just people coming to stay, people coming to recreate and people coming to look at the river. I am talking about a lot of other things that make up tourism pretty much within our area.

I turn to some of the impediments that I identify, or the board identifies, with respect to our region. I think that is what the crux of your inquiry is all about — that is: what can we do to make things better? What can we do to increase tourism and the dollar spend in our region? From my point of view and experience as a tourist before I was here, our product is ageing and is tiring. It is as simple as that. There is some new stuff which is on the market, there is some new stuff which is being built, but it is an ageing and a tiring tourism market up here. Some of the facilities that we have are in need of quite significant change and upgrade. We need to realise that first, before we look at other agencies or other areas for assistance. I think we can help ourselves in our own backyard to start with.

We have four or five trails which are in appalling condition. Signage has been mentioned, and some of the facilities are closed and some of the attractions are not there anymore or are so old that you just do not go and visit them. So there is stuff that we need to do from a private point of view and that businesses really need to take ownership of. That is one of the things that I think Mildura Tourism will let you know and tell you quite categorically about.

We also have some upsides. We have some very new facilities. We have the new marina, the new riverfront development, which I will go through in a moment. It is a catch 22 — there is some old stuff which we need to work with, and I think Mildura Tourism is doing that, but we also have some new stuff which I think will be state of the art and will attract that different type of visitor and that different type of tourist to our region. Specifically looking at some of our natural attractions, we have Mungo, the botanical gardens and a number of other things here, and I think our Aboriginal tourism and Aboriginal tourism industry still needs a fair bit of help to get it up to speed so that international tourists will want to come here and domestic tourists will want to come for the experience.

At the moment we are not quite there. We have a couple of operators, but if the floodgates open there is no way that they could cope. I think there is a lot of work that we can do as a region and that Tourism Victoria and Tourism Australia can do to develop that Aboriginality and Aboriginal

tourism that I know we have got but I believe we have not done enough with. There is a really good connection that we can all make, whether that is with funding, resources or training businesspeople and their staff. It is all of those sorts of aspects.

There are some other impediments, too. I suppose with the increasing of tourism, as with most areas in regional Victoria, as in Australia, we have a skill shortage. We have people who need to be upskilled to provide the best service. In a tourist town sometimes the service is appalling. You see it as a resident and you see it as a tourist coming in. We have those difficulties, we have those challenges, and I think we are trying to meet them with a number of the programs that we are running, such as Chefs of the Future. We are doing a number of those things, and all the agencies are working together, but we are doing that on shoestring budgets and on an as-needs basis — each year, I agree, so there are probably some more things we could do there also.

One thing which might work with respect to reducing the impediments, and given that our location is between three states, is maybe developing some sort of a tourism cluster — getting the industry, the operators and the investors to work together across the three states to develop potentially a best model or a best practice or what we have naturally: to all work together. It is no good just being Victoria and New South Wales, because you go across the river and the rules change. There are different agencies and there are different governments, and you know better than I the difficulties we have dealing with the cross-border issues. With wine and transport we have developed a wine cluster and a transport cluster to work on those cross-border anomalies and difficulties. There may be something that we could do with respect to tourism, whether that is marketing domestically or internationally or whether that is in the provision of the same types of training and education that industry people or businesses get. Obviously it is another opportunity that we can look at. That deals with some of the impediments. I am sort of rushing through because I know there are other people waiting, so I will keep going.

I think the adequacy of some of the current Victorian tourism programs is good. The Jigsaw program and everything that runs from that with respect to provincial Victoria I think is quite good. Where I think we have an issue with them is that they are not based in Mildura. It could be a Loddon–Mallee region. Some people call provincial Victoria Geelong, Ballarat, Bendigo. We are another 4 hours from there. I think we have that challenge as a region to develop our product differently. From my point of view — and it happens with a lot of the state government departments, RDV or DIIRD or the RIDF people, the infrastructure people — we need to deal with Mildura as a region by itself. We cover 10 per cent of the state, but we only have 60 000 people in our region. In some cases the response you get from government and from agencies of government is that they lump you into the region where the decisions are made — in Ballarat, Geelong or Bendigo. Those decisions need to be made in Swan Hill or Mildura. We need to have those people here, not people who come up here all the time.

We have lots and lots of meetings in Ballarat and Bendigo. We say ‘Why don’t you drive an hour to Melbourne, and we will fly and we will beat you there’. That propensity in tourism is still there. We need to start working with the tourism agencies to develop their own set of statistics — not the Loddon–Mallee, because it does not mean anything to us with our little patch. There are some more things I think we can do along those lines. Again we have a fairly good events calendar, and that covers sporting and lifestyle. I think we do quite well in that respect. We are fairly well endowed with those events.

There are some other initiatives the board is working on which will increase tourism, and I am talking international tourism. I think that our board and the tourism board work quite closely together in the development of these things. A lot of them are longer term. The board’s role is longer term strategic planning. We are not an individual business agency. The chamber does that, the traders do that and Tourism does that. We are more of a bigger picture group.

We have been working for quite a number of years now to attract Chinese pilots to the region. It is about to happen.

**Ms DARVENIZA** — To attract — —

**Mr MILLEN** — Chinese pilots training in the region. It is about to happen. We will be having 400 pilots here in the next 12 to 18 months. That is tourism. Their families come. They are wealthy. Is our product ready to stand up to the test of international touring? I would say not. We need to work on those sorts of issues as they come up.

**The CHAIR** — What size planes are they, Andrew?

**Mr MILLEN** — Small ones to start with. We need 60 new instructors, and they are not even in the country. There are not 60 instructors. If it happens here — fantastic — but it is tourism, so we need to work with Tourism and the other agencies to work on what else is going to happen when the floodgates open. It will not be 400 to start with; it will be ramped up.

Our skilled migration programs, our international education programs are all tourism based. This is because these people will be in the region; they will be recreating; they will be living here. All of these things mean tourism, and international tourism, because their families come, their friends come, and they are ambassadors for our region. We are working on a lot of these other attributes, but we are just starting to work on them. We are not quite ready to release everything. I am saying that there are things other than just people coming here to recreate.

Overseas trade shows: for the first time Mildura Tourism was with us in China this year. It looks like golf tours are going to be the winner for that. It is a different tourism market. It is an international market, and it is a bit of a to and fro. Our people will go to China first, and they will come back here in the years to come when our product is ready to go. As I said, we have got Mungo and we have got Aboriginal tourism, which I think needs a bit of a leg up. The federal government has just done a grant program, I think, to assist Aboriginal tourism businesses, and I applaud that. I think we could do a lot more of that. That is where your international tourists are going to want to come — to a region like us. This is because we can service everything else. We can service what we have got.

The other thing is something that the board has been working on. It brings in all levels of government. It is to do with the rail line. We have operators ready to go at a moment's notice. If our rail line was standardised and was linked to the north, to Darwin, we would have a tourist train ready to go. They have the rolling stock here. They have everything ready to go for a tourist train from Melbourne to Darwin. That is tourism; that is infrastructure. It is RIDF funding. There are a whole lot of government departments that do, can I say, their own thing. They may not be looking at this particular issue as a tourist issue; they are looking at it as an infrastructure issue or as an investment issue. From our point of view it is obviously a freight train first, but this other thing is an absolute goer. Mildura is the spoke and hub, so it would be the pin, the area where it is all launched from or is the midpoint towards. There are a number of initiatives we are working on which I think can assist with the development of tourism, assist with the development of the industry itself and looking at the international and even the domestic dollar.

**The CHAIR** — How far is it up to the *Indian Pacific*?

**Mr MILLEN** — It is about 550 kilometres, I think.

**The CHAIR** — It is not that far, is it?

**Mr MILLEN** — It is 220, sorry.

**The CHAIR** — Two hundred and twenty. Okay. Thanks.

**Mr MILLEN** — Lastly, I just wanted to mention a couple of the major projects in Mildura that you should be aware of, and you probably are aware of in any case. They are more immediate than some of the projects I have just mentioned.

The more immediate one is obviously the marina. As you probably know, everything that has been for sale has been sold, and there was not one ad put in the paper. The new marina berths will go for \$150 000 to \$200 000. God Almighty! It is Mildura. It is not the Queensland Gold Coast. They will be \$150 000 to \$200 000, and there are people waiting. There are two or three people in line for all of the houses, so they are not going to have any problem in selling them. Then they are looking at stage 2. The marina is obviously a very important component for new investment in our region. It will have 150 rooms, day spas and a convention centre — which I think is too small, but that is all right, that is the decision that they have made.

So there is a new entity coming to the river, if you will, which has never been here before, and I think it will stir up the pot with all the other operators because it will steal their business. Competition is good, and investment is obviously good. It is all private investment. There is no government investment in that. It is all private. So again, it is one of those privateers, and it has taken 14 years to get there. I am surprised that the guy is still around.

This brings to mind the riverfront redevelopment. There is another \$150 million to \$160 million worth of development that has a potential here when the freight gate is removed. Councillor Eckel mentioned the \$8 million to remove the freight gate, which is a decision that has been applauded by the board, by the council and I think the community at large. It will be removed on a temporary basis to Merbein. That gives us the ability to work on the escarpment and the development — whether it is a public or a public-private partnership, I do not know how that will pan out. I think it is the most expensive bit of dirt on the riverfront that has got nothing on it. It has got a freight gate on it; it is traditional; it is where the boats used to come in; it is where all the transport was. It is a real opportunity, and I think we can all work together to achieve that.

The other thing is the Mildura airport. Obviously it is the jewel in the crown here, and it is the way that we are going to get international and domestic tourists here. At the moment the air services are adequate. They are running at about 175 000 passengers a year, and the airport can just cope with that. We are currently working with Tourism Victoria and the infrastructure fund on stage 2 of a master plan to develop the airport. We are talking with a number of the international airlines that will bring jets to Mildura, I would think within a two-year period, so the airport needs to have the ability to take on jets. There are some fairly significant discussions going on at the moment with respect to jets coming to our region. That is where we can get international visitors and where we can get domestic visitors, because costs will come down and the services will be increased. But again it means a whole-of-government response. It is not just Tourism Victoria or Tourism Australia; it is RIDF, it is RDV and it is DIIRD. I think we are working quite well together to develop the infrastructure that we need so that tourism can be the winner on the back of that.

Very quickly, to summarise, it is coordination that the board sees as very important between government departments and that they all have a shared vision for our region. I think we have a fairly good vision for the region ourselves. I am not talking about signs and names and that sort of stuff. I am talking about where there is investment, whether it is public or private, and initiatives are needed, that it is a whole-of-government response, not just the one department of government and then you have got to go and fight the same battle again and again. I think we are getting better at developing those partnerships in Melbourne, so that the winner will be our region. I will probably leave it there, I think, and see if you have any questions.

**The CHAIR** — Very good; well done.

**Mr NORTHE** — Thanks, Andrew. Actually firstly I have probably more of a statement, and that is that across some other public hearings we have had we have had the response that councils probably have not recognised that, if they spend in infrastructure there are benefits for tourism and operators and the like. That does not appear to be the case in Mildura.

**Mr MILLEN** — I would agree with you there. The council has a \$75 million budget; it is a pretty big budget for a regional council. We have a very good events unit, which would

encompass conferencing. I think we have got a very good Mildura Tourism group that is specifically focused on tourism, so that is its thing, and we do not get involved in its space unless it wants us involved in its space, and when it needs us from another point of view, we actually work together. That is one of the things about Mildura — there are a lot of little groups that do different but similar things, and we are all sort of pedalling in the same direction, and I think the investment is there — —

**Mr NORTHE** — And the council obviously recognises the importance of that investment.

**Mr MILLEN** — I think the council recognised it when it actually introduced the differential rate. There was a commitment of council to develop a differential rate, not a special rate, where there is an in-date. The special rate gives you three or five years and you have got to go and fight the battle again. Every business that is retail, commercial and industrial pays the differential rate and — —

**Mr NORTHE** — Sorry, Andrew, while you are there, can you just also elaborate on how difficult it was to implement that first off?

**Mr MILLEN** — I was not here when it was done. There were obviously a number of people who were concerned, but council had the commitment to bring the differential rate in, and you have to applaud them for doing that because it is not an easy task. From when the rules were changed all those years ago — and I have been involved in special rates in Melbourne in shopping centres since the Moorabbin days, before it was amalgamated — they can be difficult processes. But the differential rate gives my group and the tourism group the ability to continue to plan into the future, not wondering whether in three years time we are still going to be here. So we can actually work longer on that, which I think is important for the long-term vision in the long-term tourism industry here.

**Mr NORTHE** — I have asked this previously, and I actually asked it today, about the aviation industry. I think it is important that in some of the regional areas we could really improve tourism, and you mentioned the redevelopment possibilities of the airport and the like, but I still say that at the moment the difficulty is that if I am standing at Tullamarine airport and there is an offer of \$1 to Sydney or Queensland relative to Mildura, which might cost me \$200 one way, you can do all the marketing in the world, but it is not going to change my mind.

**Mr MILLEN** — I agree.

**Mr NORTHE** — So what can government do to maybe assist in that regard in your opinion?

**Mr MILLEN** — At the moment we are in discussions with the third airline that is here. They are bringing in their new Embraer planes next month — as of tomorrow — and there are two regional airports that they can fly into. One of them is here. So that is pretty much the answer to the question for you — they will be here in 12 or 18 months, and I think the competition that Qantas needs to have will be had, head-on, and I think we will see that the prices will be more reasonable, and those prices will mean that families and businesses and tourists will more than likely fly rather than having to drive. That is what we anticipate; whether it comes to total fruition, I will tell you in 18 months.

**Mr VOGELS** — There are a couple of questions I would like to ask. I am very interested in your differential rate, development rate. I knew Carole Reed very well, I think she was one of the original people who got involved in that, and Carole tried to do the same thing when she went back to Warrnambool, but there was a huge backlash from the ratepayers in Warrnambool. It amazes me how you have kept it, because you have council elections, and knowing what councillors are like — they often promise to do away with things and decrease rates and decrease everything — but you have still managed to keep it. The council is obviously very supportive, no

matter who is on it. I think that is probably a model that we should have a good look at and something other councils should do, because you have actually got some seed funding there all the time that you can actually do things with. I think that is excellent.

On China, I am very interested. I have just been to China, and China to me is mind-boggling. If you can get some pilot training over here, that would be an enormous boost to the region I would have thought.

**Mr MILLEN** — Basically they have just pulled out of America. China needs 5000 pilots in the next five years. They cannot train them there, and they are looking at Brisbane, they are looking at Mildura and they are looking at Wagga. They physically cannot train the pilots, and they do not want to go to the USA, so they are now looking in Australia, where it is a bit cheaper to do it. Our airport has five airports around it, including Swan Hill, with no mountains — it is very good to train pilots with no mountains around — and there are no restrictions on our airport, as in evening restrictions, so it is very good for them.

**Ms DARVENIZA** — Are they looking to choose between the three of you or are they looking to use those three?

**Mr MILLEN** — I think they will use the lot of them.

**Mr VOGELS** — So has the Mildura economic development board been to China and had Chinese people here — —

**Mr MILLEN** — The board has a fairly significant overseas program, which includes China, Brunei, India and Vietnam, obviously for our primary produce. But now that we have started to get some results in the primary produce stakes and the businesses then take on the role of developing the markets themselves, we have moved into education and just moved into tourism, and this pilot thing was just one of those other things that came out of the mix — by meeting the right people. The board has been in China for about three years now, and a lot of these other programs will spin off. They will take time. The biggest winner, we believe, will be international education for our region, because we have a university and we have a TAFE college.

**Mr VOGELS** — Yes. Victoria actually has a sister relationship with Jiangsu Province, and I am sure there would be good contacts through the state government and — —

**Mr MILLEN** — The Mildura Rural City Council has a sister city relationship with Dali, which is in the south-west, and there are two other councils along the Murray looking at similar relationships with cities in that part of China to develop a trade bloc — whether that is for produce, education or whatever. We are starting to work on those markets.

**Ms TIERNEY** — Two quick questions. The economic development differential rate has been in for a while. Is there any debate in the business community about it still or is it bedded down, is it embraced? What is its current status?

**Mr MILLEN** — I would have to say with the last lot of local government surveys that were done, and they are done separate to the board, I have not seen a more positive result in my 20 years in local government in a one-year turnaround. We went from 74 per cent to 82 per cent, which is a 6-point turnaround, for acceptance of what we are doing, and obviously Mildura Tourism and the economic development board are providing I would think the service and getting the results that the business community will demand when their money is being spent. It is a lot of money that you collect, but in our case, and in tourism's case, we do value-add that by getting government grants to pretty much double what we have from the differential rate. We do not get any money from council at all, as in a yearly thing — there might be some projects that we do. The differential rate is accepted, in my view. I have been here three years, and there are not very many people who are unaccepting — other than a previous member of Parliament who did not like my chairman, but that is fine.

**Ms TIERNEY** — My second question is in relation to the skill shortage. I am conscious of the fact, when we go to areas that have a history of tourism, that there are lots of jobs that are casual and irregular and not terribly highly skilled and I wonder whether your board is tackling strategies to encourage young local kids, teenagers, into careers in hospitality — not just jobs but careers — so that this is a place of choice that they want to remain in and raise their families in.

**Mr MILLEN** — I suppose, in response to your question, we have been more involved with transport to start with. There is a transport cluster and there is a process to develop a very close link with education in the industry. We are doing that at the moment — with the TAFE college and with SMGT, which is a training agency with apprentices, and they are actually on our board. We are involved in the development of programs to assist in the training of chefs and hospitality people, and we sponsor a lot of staff. We are starting that particular process now, but I do take your point that a lot of the jobs are part time, they are generally at night, and whether you as parents want them to or whether the kids themselves want to go into the industry is a challenge. I think with the right training and the right industry organisations here to provide the training, we will start to eat into that skill base. If you talk to Don Carrazza, who used to run the Grand, he will tell you that it is very hard to find good quality staff, and I think most of the operators will tell you that. That is a challenge we are going to continue to have no matter what we do, I think.

**Ms DARVENIZA** — Thanks very much for that presentation. You talked about some of the things that business needed to do — some facilities need upgrading and need changing — and you talked about some dilapidation in the conditions of trails and things like that and said that business needed to take that in hand. You also talked about new stuff and new stuff that is state of the art, and in that area you talked about natural attractions and Aboriginal tourism. You said that you really needed some more help to get overseas as well as national and interstate and intrastate tourism to come here. My question is: how can the Victorian government assist with this development?

**Mr MILLEN** — I think it is a two-pronged response, if I may. The first one is with the infrastructure that is here. There is a lot of infrastructure that needs, in my view, to be put in, and I am not talking about signs and stuff. I am talking about facilities. The facilities at Mungo are great, but they are only great to a point. If you get a lot of people, it will not cope. If it is really bad weather, you cannot even get there. There is a lot of the infrastructure that is part of the New South Wales government, which the Victorian government has nothing to do with, but the people come for that experience, and that is what I am talking about — whole-of-government or whole-of-governments approach. Anything this side of the mountains in New South Wales, they just have not got a clue what happens up in Wentworth. They would be better off being in Victoria. We have actually educated Wentworth to be part of the Mildura region. That is what we do. That was a feat in itself.

So there is that infrastructure component that I think we can work better on from a governments point of view, and also with the Aboriginal part of tourism. That is what I think the international tourists are going to want to be here for. That is the difference. That is the point of difference that I think we have. I do not think we have done enough with our Aboriginal businesses, and I think there is an opportunity to do a lot more with the educative processes and the natural attraction that we have in our region here. This first settler centre, which Victorian tourism has as no. 2 or no. 3 as a priority on its list for investment, will only become apparent if we remove the freight gate. I think we will have one of the best natural attractions and have one of the best infrastructures to provide that service once we get rid of the railway line and this first settler centre is actually developed. Tourism Victoria is well involved in that, and I think it is doing as good a job as it can do until the rail line is moved.

**Ms LOVELL** — Andrew, I just wanted to touch on the skill shortage a bit further. One of the things that is raised with me by tourism operators all around the state is the skill shortage and also a dissatisfaction with the way we are currently training people in tourism and hospitality through TAFE. There is a school of thought that the kids that fall through the cracks for every

other course or the square pegs that will not fit into any of the nice round holes are just dumped into tourism and hospitality, and therefore we are not getting the people who really want to be working in that field. Do you think TAFE is the right place for us to be delivering that training or do you think we should be moving to more industry-based training, and if it does stay with TAFE, how do we improve the quality?

**Mr MILLEN** — I suppose the example I give is the transport industry. We are going to be starting with year 9 and 10 kids back in high school — I think TAFE is too late — to try and work on what their aspirations are going to be, and maybe even earlier than that. Some of them do not even get to form 4. I think TAFE is the right vehicle. I do not think the universities are the right vehicle, because they cannot change the way they do things. It is a three or four-year course. I think TAFE is good, and I think we are fairly well endowed up here with a number of agencies that work with TAFE or work maybe in competition with TAFE with apprentices.

**Ms DARVENIZA** — Private providers?

**Mr MILLEN** — Yes, absolutely. We have a lot of them up here. We are quite well endowed, and I think some of the better ones are here, not just because I live in Mildura. I think some of the better organisations are here. One I would mention would be SMGT, Sunraysia Murray Group Training, which is a sensational business. It is very proactive. And again what the board has done is bring the chief executive officers onto the board to give us that advice that we need. So we are actually working with the industries to develop some mechanisms, but I think TAFE is the right vehicle.

Working with TAFE here, they do provide a lot of the services, but again I think it is a challenge to direct the kids in the right way for the courses. I would be starting in high school, and that is what we are doing with the transport industry to make it an industry of choice, and I even go as far as saying that when I was at school the careers teachers were not much better than hopeless. I do not know whether the way they are trained or the way they provide the advice to students nowadays has changed much. Parents want their kids to go to university. They want their kids to get good jobs, white-collar jobs, but there are a whole lot of other people that could be directed into a field that would suit their skills, their abilities, and I think it is the careers teachers and also the TAFE colleges — —

**Ms LOVELL** — If we are going to attract international tourists here to Mildura, especially the Chinese, who demand a very high quality of service, we are going to need people who are trained to the highest quality. How do we attract the right type of person into tourism? How do we make tourism seen as a profession to aspire to?

**Mr MILLEN** — I suppose it is more of a recognition of the industry, saying that there is a career path. You might start serving tables and stuff, but there is a career path that you can move through. It may not be Australian kids. It may be people from overseas that speak the language, know what is needed, and there is another whole kettle of fish that you can open up.

**Ms LOVELL** — Don't tell Bill Shorten!

**Mr MILLEN** — Bill is quite happy.

**Ms DARVENIZA** — Bill's cool on that.

**Mr MILLEN** — He is quite happy to work us with us, as long as we work with him.

**The CHAIR** — Andrew, just the idea of a cross-border cluster, are there opportunities for us to address this issue where you have substantial investment outside of the state — for instance, the infrastructure surrounding Mungo — that is going to derive outstanding benefits inside the state through people residing here for a day or two or three and maybe spending the money here and then going across, so have those proposals been put forward to Victoria? It is

nearly a Regional Development Victoria as much as a Tourism Victoria issue, but it is an aspect that this committee has not really come across. We have often thought about the cross-border anomalies. We need to look after things on a dual-state basis, but this is an instance where we are possibly at the stage where we are going to recommend investment in another state's infrastructure to actually derive the benefits in this state. Has that been put forward by your group?

**Mr MILLEN** — From a tourism point of view it has not, but as an example, we are currently having a bit of a fight with South Australia about natural gas to here. The response we have had from Envestra has been appalling, and we are about to take them on at the moment. It is South Australian infrastructure that provides gas to Victoria that creates Victorian jobs and investment. The same thing, I would think, would apply to tourism. We have Victorian operators on this side of the river, then if people come to Mildura, because there is probably more choice I would think on this side of the river — not to take away anything from Wentworth or New South Wales — there is a benefit in both, and I think if there are a number of instances where two or three governments are now working together on both sides of the river, they would be to the benefit of both states.

I think we could do a lot more from a tourism point of view in developing that model for clusters. I do not know whether you know Les Leckie in the Victorian government. He runs a clusters program. There is no reason why you could not get his counterpart in New South Wales to chuck a couple of dollars in and we could do a cluster across the border that is auspiced by either Mildura Tourism or the regional development board in New South Wales. It does not matter who does it. It is just another way of thinking and getting ahead in the development of our industry together, because half the people that work in Victoria live in New South Wales and vice versa. The borders mean nothing to us as residents.

**The CHAIR** — It is just one community separated by a — —

**Mr MILLEN** — Absolutely. The borders do not mean much to us, other than a change in the colour of the numberplates.

**The CHAIR** — Thanks very much for taking time and for providing the expertise that you have today. Within a couple of weeks we will give you a copy of the evidence and you will be able to make any typographical changes. Again thanks very much for your time.

**Witness withdrew.**