

CORRECTED VERSION

RURAL AND REGIONAL COMMITTEE

Inquiry into rural and regional tourism

Bendigo — 27 June 2007

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Witnesses

Ms M. Hagan, tourism business operator, and
Mr S. Stanford, coordinator, economic development unit, Mitchell Shire Council.

The CHAIR — A warm welcome to Mardi Hagan, who is the tourism manager from the Mitchell shire, and also to Shane Stanford, the economic development coordinator, who has been good enough to join us as well. Thank you both very much for joining us this afternoon.

This is an all-party parliamentary committee which is investigating and inquiring into rural and regional tourism. All evidence taken at this hearing is protected by parliamentary privilege under the Parliamentary Committees Act 2003, the Constitution Act 1975, and the Defamation Act 2005. We wish to let you know that any evidence you give outside of this hearing will not be covered by that parliamentary privilege. If it is inside, obviously it is covered by parliamentary privilege.

Before we start could you both state your full names and addresses and also the organisation you work for or represent. Then it is over to you. If you could leave a bit of time for us at the end for questions, that would be great. Thank you very much.

Ms HAGAN — I am Mardi Hagan of 113 High Street, Broadford, from the Mitchell Shire Council.

Mr STANFORD — I am Shane Stanford of 113 High Street, Broadford, from the Mitchell Shire Council.

Ms HAGAN — Basically we are here today representing the Mitchell Shire Council. Essentially the bigger towns in our region would be Kilmore, Seymour, Broadford and Wallan, and there are a few off the side as well, so it incorporates quite a few country towns. On the smaller scale of tourism, we are probably not identified wholly as a tourism region by the wider public; however, we do have a significant tourism product that we are looking to develop. We are very much in a development stage at this point, particularly with Shane and me coming into the roles; we have only been in the roles for under 12 months. We have identified the need to really start from scratch and start developing, because there was no clear tourism plan in place for the Mitchell shire. Today we will identify five key issues that we see as probably holding us back a little bit from becoming a significant tourism region, which I will go through for you now.

The first one, I guess, would be that the marketing dollars from Tourism Victoria are obviously broken among the Jigsaw regions. The Mitchell shire actually falls under the Daylesford and Macedon Ranges region. Obviously we are not Daylesford, we do not have that product, and therefore we fall off the scale quite a bit with those marketing dollars. Our operators do not see the benefit of buying into that campaign, so therefore we fall off the scale there.

To compensate for that we have joined together with a number of neighbouring shires, because they also feel that the Jigsaw puzzle pieces are quite large, and they group up the smaller tourism regions — such as the Mitchell shire with the Strathbogie shire, for instance, which is one of our neighbouring shires. It falls into the high country, which is not essentially what it is. To compensate for that we have formed the Goulburn River and Ranges Food and Wine Network. Basically that groups together the Strathbogie shire and Mitchell shire operators and really tries to collectively market those operators. Unfortunately we have to use all of our time and resources to fight for extra dollars from Tourism Victoria, because most of its dollars go to that Jigsaw region. That is a key issue that we keep fighting for, and I guess we would like to see some sort of review of that process.

The second point I would like to make today would be on the outdated signage and the difficulty we find in getting signage on the Hume Freeway, particularly, which is the main thoroughfare that goes through the Mitchell shire. A lot of our operators are obviously in towns that surround the Hume Freeway, and are constantly in battles with VicRoads to get signage up onto the freeway. There is existing signage that is on the freeway that is no longer relevant, but we have found that VicRoads does not seem to have a program in place to take down the old signage and potentially renew it. If operators see an opportunity for an old sign up there to be replaced — and there is not always that opportunity for them to do that — VicRoads has often knocked that back. Taking people off the freeway is what we are trying to do, but without that signage there it really makes it difficult.

Moving forward, the next point we would like to make would be on the visitor nights in our region. Because of our proximity to Melbourne we do not have a high rate of visitor nights, just due to, I guess, the low level of accommodation there. Also as we are the main town for accommodation, most of the accommodation occupancy is filled by the army. Being so close to Puckapunyal, the demand is higher than the supply. They have got something like a 75 per cent occupancy rate, and most of that is due to the army using it. When significant events are on in the town, often people have to go outside of the shire to get accommodation.

The CHAIR — Mardi, do you mind if I just ask why Puckapunyal, with so many barracks and beds on site, would need to be taking motel beds on a regular basis?

Ms HAGAN — Because of the transfer rate that comes in and out of Puckapunyal. Often, to prepare, a family will have to come in and stay three nights before their accommodation is ready for them, or they are being posted in three days. Often they have courses out there that, I guess — I do not know the details — do not accommodate them in the barracks, so they put them into a motel for a couple of days.

Mr STANFORD — We have also found that with young recruits their family will come down for a week to see them in or to see them out et cetera, so it is always filled up.

Ms HAGAN — We have identified the need to attract some sort of luxury accommodation sector there — a private sector. That would also fit into the Jigsaw puzzle, which I mentioned earlier. We would like to attract some luxury accommodation to fit in with our regional marketing campaign. That would also attract further visitor nights to the area and, obviously, further visitor expenditure in the area. The assistance to do that is something we would be requesting.

The next point is the level of assistance during the drought and ongoing. Obviously, we are still going through quite a hefty drought season, as you are aware. We have found that Tourism Victoria at a state level has not counteracted the negative impact the media has had on regional Victoria as a whole. Dollars have been put into the areas that have been directly affected, such as the bushfire areas et cetera, but with Mitchell shire the operators have suggested that most people will not leave Melbourne because of the negative media saying, 'There is no water, it is all dry, it is dismal out there, so do not leave Melbourne'. We have not had the resources, and we rely on the likes of Tourism Victoria, to compensate for that negative media and start saying, 'Get out into the regions. It is really beneficial to support the drought-affected areas'.

Finally, there is the state government pipeline for water out of the Goulburn. The Goulburn River in Seymour is a potential tourism product that we do not utilise enough, but there are plans in place for us to spend money on developing the Goulburn River. Obviously a river is a tourism attraction, and it can be, but the potential pipelining of water out of the Goulburn takes away our opportunity to develop those plans any further.

Ms LOVELL — It steals our wealth.

Ms HAGAN — That is right. Although there are plans in place, the opportunities to get funding to further those plans are probably diminishing as the water goes away. They are the key points I would like to raise with you today, and I will answer questions.

The CHAIR — Right at the start of this inquiry the tourism minister made it very clear that the Jigsaw proposal was up for debate. It has been here for 10 years, and he believes it has served Victoria reasonably well. If this committee is to recommend changes to the Jigsaw program, do you have something you can put forward in its stead?

Ms HAGAN — For our region?

The CHAIR — Your situation is that you possibly do not have a communal interest with the other communities you have been linked with, in effect just because you happen to be nearby.

Ms HAGAN — Yes.

The CHAIR — If we are going to walk away from that model, do you have another type of model that could possibly work?

Ms DARVENIZA — What would we replace it with?

Ms HAGAN — There always needs to be regions. It is effective in a measure in that it identifies Daylesford and the Macedon Ranges, which is a great fit. We do fall into that. But I am suggesting, I guess, smaller regions to link up the regions that share a — —

The CHAIR — Community of interest.

Ms HAGAN — Yes, a community of interest, rather than having such big areas and saying that Mitchell shire is on the edge of that so we will just pop it in because it does not have a strong tourism product that is going to represent a region in itself.

Ms DARVENIZA — Thank you for your submission. Can I start where you left off. You talked about not being able to promote the Goulburn as a tourist destination because water was going to be taken away. How is the water going to be taken away?

Ms HAGAN — With the pipeline — —

Ms DARVENIZA — You are talking about the Melbourne — —

Ms HAGAN — Yes — —

Ms DARVENIZA — You are aware, of course, that that pipeline is going to save water that is currently lost in the system and that the proposal being put forward will save some — —

Mr EREN — Seventy-five billion.

The CHAIR — I think this — —

Ms DARVENIZA — It was raised, so I want to have an opportunity to respond to it. There are water savings. Some 900 billion gigitalitres of water lost in that irrigation system will be recovered, and about a quarter of that is going to be recovered in the first stage that will go with the pipeline. A third of that will go into the environment, which will mean the Goulburn River will in fact have more water than it currently has and not less. You should look at that proposal very carefully because I do not think you are really across that as far as the environmental impacts go.

You talked about the need for signage. What sorts of signs do you want to see on the Hume Highway? It is always difficult with a highway, because you do not want to be distracting drivers and things like that. What sort of signage are you actually looking at?

Ms HAGAN — The main issues — and I guess I am coming from an operator's point of view — are that they want to encourage visitors off the freeway.

Ms DARVENIZA — What sorts of signs do they want?

Ms HAGAN — It is not necessarily for individual businesses all along the freeway, because I do not think that is effective and is obviously dangerous, but collective signage to say something like, 'Wineries this way'. It is a hard one to battle. It is very difficult to understand the rules provided by VicRoads. Often you will get one business that can maybe put signage up, and you would think it was a similar situation for others, but it is not always being received. I think collective signage for groups of businesses, and maybe just a symbol, not words.

Ms DARVENIZA — Good. Thank you for that.

Mr NORTHE — You have probably half answered my question to some degree; it relates to Tourism Victoria and its marketing funding. If a particular region has a number of attractions or a major attraction it would put funding into that more so than into smaller local government areas that probably do not have major attractions. That is not say I agree with it. What would you see as an appropriate structural model in terms of funding from Tourism Victoria that would enable a development such as yours to get off the ground? What would they need to do? Is it a simple thing of more funding all up?

Ms HAGAN — No, I think it is a combination of funding, assistance and guidance. I know there is a level of that there; however, I think the funding that is attributed to developing communities and developing tourism within the smaller regions should be separate to that of the Daylesfords and the key destination marketing programs. Perhaps there could be a separate program.

Mr NORTHE — To go back just a step, if your local government had the support of an RTO, how much impact would that have, if any? Obviously you would welcome the opportunity to have such a person, but how much impact do you think it could have on your region?

Ms HAGAN — I think, as you said before, anything is better than nothing, so whether it be a step-by-step recognition — if there were an RTO support, we would obviously favour that, definitely.

Mr NORTHE — Thank you.

Ms TIERNEY — Because of that issue of being so close to Melbourne I do not think there is all that much you can do in the first instance about trying to get over that issue of overnight stays and trying to maximise the tourist dollars, but I am just wondering, as a starting point, whether there is any worth in trying to at least get people up to the area, because it is so close. I think a lot of people are unaware of what you have got to offer, and indeed whether it could be marketed in the fashion of it being a daytrip, a family daytrip, whether it be that Sunday lunch or water activities or farmers market, water sports — those sorts of things as an entree, so that people might come back and spend a bit more time down the track.

Ms HAGAN — Yes, that is exactly what we are putting in our tourism plan, as we speak — trying to package it up as a daytrip because obviously if it is only an hour from Melbourne, why would you stay unless there was somewhere to stay? So there are obviously a number of aspects we can focus on, and daytripping is definitely one that we need to focus on because of the fact that we are so close to Melbourne. The Goulburn River and Ranges Food and Wine Network, which I spoke about earlier, focuses on that sort of thing. We have an event called Farm Gates and Shed Doors, where all the wineries that do not necessarily have cellar doors, or if they do have cellar doors they do something different for that weekend, and we do get Tourism Victoria dollars to bring those people up to the region and visit those unusual sorts of farms and that sort of thing. So we are focusing on that further.

Mr EREN — I suppose there are a variety of factors which are affecting people's destinations and how they get there — interest rates, mortgages, petrol prices — all of the above. So in terms of your strategy — and you have identified a market, which is Melbourne — how do you then promote Mitchell shire to that market?

Ms HAGAN — I guess when you say petrol prices, for instance, it is the proximity to Melbourne. Rather than going up to the Murray or something like that, which is quite a bit further than Seymour, we are so close to Seymour but you are really getting out of the city. So Melbourne is a market because of the rising petrol prices and rising expenses. It is not going to cost you as much to come up to Seymour for a day, for instance, so we could package that as a daytrip. It is not going to be as expensive as, for instance, going up to the Murray. So I guess that is the approach that we have tried to take and, as I said earlier, we are still in the development stages of identifying those key markets and how we are going to promote to them.

Ms LOVELL — Mardi, firstly, I would just like to touch on what you said about the signage. I think there is an enormous potential for the Hume Highway, particularly the overpasses, to be used for signage. They can be used like that on the Tullamarine Freeway, so why not on the Hume Freeway?

Ms HAGAN — Exactly.

Ms LOVELL — Like you, I would not like to see them directing people to individual businesses, but as regional signage for what is available in the region I think there is a huge opportunity there.

On water, I think you are right to identify that as a real threat to our economic prosperity. It is yet to be proved whether those savings can be made. Melbourne will get their water regardless of whether the savings are made, and even if those savings are made it has been identified they will be shared between Melbourne, irrigators and the environment. There is no answer for our towns, which are about to be moved to level 4 next Monday, and nothing for urban growth in the Goulburn River region. But I was just wondering how other infrastructure that has been promised and not delivered in the Mitchell shire is impacting on your ability to grow, and to grow tourism — things like natural gas which was promised to some of our towns in the southern section of the Mitchell shire that has not been delivered and also things like the Kilmore bypass.

Ms HAGAN — Shane, you might like to comment on that from an economic point of view.

Mr STANFORD — At this stage I do not believe the bypass issue is affecting tourism a great deal. We still have a lot of people stopping at Kilmore, coming through to Bendigo or using it as a roundabout way back up through Broadford and up to Seymour itself. In the end it may be an issue, and it would be more of an effort for us to do destination-type marketing with the tourism experience as such, but that is yet to be seen.

Ms TIERNEY — I was travelling through, coming back from Melbourne to Shepparton, the other day and I called to see Ross at the carpet shop.

Mr STANFORD — Yes.

Ms TIERNEY — So I pulled up on the other side of the road, because I was coming back from Melbourne heading north, and it took me 25 minutes to cross the road.

Mr STANFORD — Yes, it would be nice if it did get bypassed.

The CHAIR — Mardi, as you might be aware, this is an all-party parliamentary committee, so while there are some Labor members here who are with the government and like the idea of the pipeline, there are some others that find it hideous.

Ms HAGAN — Okay.

The CHAIR — So we are in total agreement. One of the venues at Seymour that always catches my eye is the Trawool building down the road. It just seems to have this magical view about it, and yet Seymour itself does not seem to have that eye-catching facility and that beautiful setting down on the river and so forth. Is Seymour struggling from the lack of that type of eye-catching infrastructure to entice people up to stay the night?

Ms HAGAN — To a degree. I mean it is not known as a beautiful town. We do promote the Trawool area as sort of part of Seymour. They are grouped in together because of the fact that Trawool is so beautiful. Seymour is more of a working town, although there are some key development areas. You have got the Puckapunyal army tank museum, which is a great museum to go and see, but, again, it needs to be developed. We have got the heritage train museum, which needs to be developed, so I think in terms of attractions they are there but they just need to be developed, and the money needs to be spent.

Ms DARVENIZA — The river is really pretty too.

Ms HAGAN — Absolutely.

Ms DARVENIZA — I stop all the time in Seymour, where the hamburger shop is. I stop there because I am always travelling with my dog and I take the dog for a walk down the track by the river, and that is being improved all the time along there. The oval part is really pretty too. A lot of people come there and picnic and barbecue and have events and things.

Mr EREN — A good local member there, too.

Ms DARVENIZA — Good local member there — that is right. Seeing as the Chair has brought the politics into it. Yes, great local member, Ben Hardman.

The CHAIR — Does the proximity to Melbourne actually help you in your ability to capture the corporate conference market?

Ms HAGAN — To a degree. Unfortunately our conference capacity is limited to between 120 and 150 delegates, so we cannot capture the bigger market. But we do have quite a high level of conferences in the area. Again, it is something that we can plan to capitalise on a lot more in the future. You have got the likes of Trawool Valley Resort, Lancemore Hill, Hidden Valley — they are scattered right across the shire, which is definitely something that we can capture. But in terms of attractions to bring them out of those conference venues, that is what we need to develop.

The CHAIR — Hidden Valley is a bit of an interest. Has that been viewed as a success to have a world-class golf course and residential development. Has that been acknowledged as a success or otherwise?

Mr STANFORD — Yes, it is quite an amazing place, and they are still developing; they are adding additional facilities. As we speak, they have applications in to council for retailing, retirement centres, villages et cetera. It is really expanding and we are actually quite proud of the way they have gone about it. It has quite a good image and good quality services as well. It is highly respected. Judging from the number of Porsches we see parked in there I think it is highly respected as well as a golf course.

The CHAIR — Again, thank you for making the trip over from Mitchell to give evidence today; we really appreciate that. And good luck with your work in the future.

Ms HAGAN — Thanks for your time.

The CHAIR — In a couple of weeks a copy of the evidence will be made available; you will be free to do make any typographical corrections.

Mr STANFORD — Great. Thank you very much.

Committee adjourned.