

# CORRECTED VERSION

## RURAL AND REGIONAL COMMITTEE

### Inquiry into rural and regional tourism

Daylesford — 28 June 2007

#### Members

Ms. K. Darveniza

Mr D. Drum

Mr J. Eren

Ms W. Lovell

Mr R. Northe

Ms G. Tierney

Chair: Mr D. Drum

Deputy Chair: Ms G. Tierney

#### Staff

Executive Officer: Ms L. Topic

Research Officer: Dr C. Hercus

#### Witness

Mr C. Malden, Daylesford Getaways and Peppers Springs Retreat.

**The CHAIR** — Chris, this is the Rural and Regional Committee. It is an all-party parliamentary committee that is conducting an inquiry into rural and regional tourism. Evidence given at this hearing today is afforded parliamentary privilege through the Constitution 1975, the Parliamentary Committees Act 2003 and the Defamation Act 2005. Any comments made outside the venue are not covered by parliamentary privilege.

Before you give evidence, Chris, would you give us your full name and address and the name of the organisation you are representing, then it is over to you.

**Mr MALDEN** — Chris Malden. I represent Daylesford Getaways, Peppers Springs Retreat and Mineral Spa. They are the three businesses we have in town.

I am basically just going to bring three matters to the table today. The first one is retaining and developing a young workforce. Many young people see hospitality as a gap filler, something they do between school, university and travel. There needs to be an education process that helps change the perception of young regional Australians so that they see hospitality as a real career choice. Small hospitality businesses need to be able to offer a career path or provide opportunities for young people to secure them in their business for longer periods. Perhaps we need more variety in hospitality apprenticeships, paid educational courses to develop people working in smaller businesses and incentives offered to encourage young people to stay within regional areas.

We also need an increase in entertainment, facilities and services for young workers so that they will have good reason to live, work and play in the local community, and to secure affordable housing-accommodation options — such as a hostel that you might find in a resort — or provide a transport option to operate during hospitality hours, enabling young people to travel from Bendigo and Ballarat. This could encourage mature aged people to be retained in the workforce, helping to fill the void in hospitality staffing that we face here in Daylesford.

On a tourism levy, the introduction of a tourism levy to all businesses would enable local government to implement a significant change in tourism and economic development. All businesses and locals benefit from tourism so we need to increase council tourism budgets significantly. This would enable local government to develop new and nurture existing tourism businesses and actively market Daylesford to the international arena. A proactive and supportive economic development facility would also encourage new business, help develop existing tourism businesses and identify what types of businesses are required to sustain a healthy tourism market.

A beautification of the town and region, so that tourists can take advantage of the region's natural beauty, could include enhancing existing walking tracks, upgrading paths and developing appropriate signage in areas such as state forests, lakes, mineral springs and the twin towns of Daylesford and Hepburn Springs. We need to build a training facility in Daylesford and use the facility to attract students from around the country to gain and develop skills in Daylesford.

On signage infrastructure, unlike most tourism hotspots Daylesford is not serviced by adequate forms of transport. We therefore rely on self-drive tourism. We need to develop strategies for significant signage that incorporates arterials from Melbourne, Tullamarine airport and throughout Daylesford. Cars are largely required due to the distances travelled between eateries, attractions and the villages and surrounds of the region. We require comprehensive signage that will attract additional tourists and disperse them throughout the region. We need to maximise their experience to help increase the duration of their stay. Currently there are numerous hurdles put up by governing bodies to the implementation of signage. Various tourism groups need a coordinated approach to develop a complete signage proposal that encompasses all the region has to offer.

In summary, the region has enormous potential, and I believe that we are only at the tip of the iceberg when it comes to the development of an emerging international market. Geographically we are perfectly located, close to Melbourne and the airport, we live in a healthy and green environment surrounded by lakes and state forests, and we have been fortunate enough to retain

the green belt between Melbourne and Daylesford. The region boasts a host of boutique accommodation venues, fine dining restaurants and the single largest concentration of alternative therapies and mineral springs of anywhere in Australia. Importantly we have a huge potential to develop tourism even further, given appropriate support from local government. Daylesford has the potential to provide everything that the tourist seeks in a short-break holiday destination.

**Ms DARVENIZA** — Thanks for your submission. The businesses you have established and expanded and are looking at expanding look impressive. With the levy, how do you reckon that should work? If you had the authority today to be able to implement a levy, how would you do it?

**Mr MALDEN** — I think the perception by a lot of business owners in town is that they do not necessarily benefit a lot from tourism. It is just a given that that does happen. I know with our experience, Daylesford has been very good to us. It has been good as in establishing businesses. I know what business we actually do with contractors in town, with retail stores and everyone else. Every business in town really does benefit hugely from tourism. I think it is just a fact that people do need to acknowledge that.

**Ms DARVENIZA** — So how would you do it?

**Mr MALDEN** — How would I do it? I think I am in a rate-based thing that is actually just applied through the council rates.

**Ms DARVENIZA** — What would you do? Would you do it to all businesses and would you have it as a flat rate to all businesses?

**Mr MALDEN** — I think it probably needs to be levied against, depending on the business, but somehow it does need to go to all businesses, whether you are an engineering works, a café or supermarket.

**Ms DARVENIZA** — On an incremental scale?

**Mr MALDEN** — On a scale base, yes, depending on the type of business and the size of the business.

**Ms LOVELL** — Chris, you mentioned signage, and it has been mentioned before today and on other days that we have had hearings. What do you think are the main barriers to getting the appropriate signage?

**Mr MALDEN** — I sit on the Daylesford Macedon Ranges marketing committee. I also sit on the DMP, the food group, and on now on Destination Daylesford. It all goes back to the VicRoads to get the authority, to get the okay. I know there have been proposals in place for many years, a couple of years, and in a couple of different situations. We have little groups like wineries and food groups and other groups with everyone doing their own thing. I think it needs to be a coordinated approach. We need to have representatives from all those groups to sit down, and then we need the support of the VicRoads people to get that signage approved. As I said, it actually needs a start from Melbourne Airport. If we want to do things with international tourists in this town, we do need to be able to get them here in a car in a self-drive situation, so it does need to start at the airport. The signage that is around at the moment, even though it is only limited, is very confusing. Just before you get to the turn-off at Daylesford, for instance, we are promoting the goldfields and we are not even the goldfields. We are Daylesford-Macedon Ranges. I think we just need to identify all of the good things that the region has, whether that is natural attractions or whether it is actually businesses.

**Ms LOVELL** — Who pays for the signage?

**Mr MALDEN** — Once again, if there is a levy to all businesses in towns, a tourism levy, maybe that signage can be paid through there. But once again a lot of the small committees and the smaller groups are all trying to do their own individual thing. If it was a coordinated approach and we actually got components or funds from each of those committees, we would end up with a very effective signage situation.

**Mr NORTHE** — I am just interested, Chris, in what you are saying about the training facility in terms of implementing a training facility where there is a need or requirement. I How do you see that being funded and how would you get it off the ground, in your opinion?

**Mr MALDEN** — I suppose once again it goes back to the economic development thing. We need to have a good economic development situation in town — and once again that needs to be funded by probably a tourism levy or something — where we have a full-time economic development person who can actually identify what needs to happen in town on a business level and also on a training level, who is able to actually work with institutes, universities or William Angliss, or whoever it might be, and actually encourage them to set up a facility, or whether it is a private facility. It happens in Europe. We send people to Switzerland to learn hospitality skills. Why do we need to do it when we have 14 very good, fine quality restaurants in Daylesford itself, let alone Hepburn Springs and the rest of the surrounding regions?

Going back to retaining young people in town, the problem is you lose your young people to city locations or other destinations because there is no real support for them here.

**Mr NORTHE** — In your submission you also mentioned the possibility of having apprenticeships as such for people working in the tourism hospital industry. Again, how would you see that working? Would you see that as a genuine need?

**Mr MALDEN** — I certainly see it as a genuine need, whether that is actually from someone working on the front desk of a hotel if you are a receptionist or you are in customer service, but I think those positions and those roles all need to be refined. If they are given some sort of credibility, they go through all the appropriate training processes in that business and then through schooling, like secondary education, you will have people actually taking it as a serious job. A lot of people think, 'I will be a waitress, I will work on the front desk to earn some money to get me by and then I will go to university and learn how to be something else'. What is wrong with staying in, as they do in Europe once again, waiting as a profession? You are not just a dishwasher or a waiter. Formalising those skills I think will give people a little bit more pride in their position and what they do.

**Mr EREN** — Just in relation to the levy, some would say it is another term for a tax so that would be very hard to implement. Have you canvassed this with local businesses?

**Mr MALDEN** — Nobody likes paying out any more money than they have to, but this town has been very good with businesses actually marketing the town. A lot of the town has actually been marketed through private moneys, unlike a lot of other regions in country Victoria. I mean, we have had certainly support from all sorts of government areas, but compared to a lot of other regions, there are a lot of businesses in this town that are spending hundreds of thousands of dollars each year to market the town.

**Mr EREN** — How would you monitor them? Obviously business would have to recover that money from somewhere, and then that would be pushed onto the clientele or the consumer and therefore prices go up in certain periods. Then there is a counterproductive argument where you could say that the young people cannot afford to live here any more; therefore, what then happens? I am just trying to flesh this out in terms of the levy, because it is not that simple.

**Mr MALDEN** — Certainly I imagine it will not be simple to actually implement, but it is like rates. We all do not like paying rates, and I think if we want the town to move forward or even sustain where it is at the moment, we need everybody to contribute, and I do not think that it

is fair that it is just us. Any tourism business spends hundreds of thousands of dollars to employ local people and to bring people into town. Then they have to get those people to actually spend their hundreds of thousands of dollars every weekend when they come into town. I think if those people and businesses who are actually benefiting from it, whether it be a hamburger shop or whether it be Retroversion — because somebody decides they want to buy a toaster or whatever it might be — can actually contribute some money towards the actual tourism businesses, it will lighten the load for everyone. I think there is too much reliance on too few businesses in this town to support the need for a good tourism and economic development facility.

**The CHAIR** — In effect, Chris, you would be saying that the current system is grossly inequitable, and you are probably looking for another system that is less inequitable.

**Mr MALDEN** — Exactly. I mean, a levy is just one way of doing it and tax is another way.

**Ms TIERNEY** — I am interested in the issue of developing, maintaining and increasing the skills base and retaining youth in our rural townships, as well as, of course, attracting skills from other areas. What sorts of strategies do you think the local tourism community at its various levels, with the larger operators and the smaller operators, can employ with respect to the mid-week situation so that we can have a more constant, stable employment level?

**Mr MALDEN** — Once again, I think it actually goes back to the fact this town is an obvious hot spot for tourism for Australia. I think we need to build on our international market to support that mid-week business. We are like every region. There is never enough mid-week business, no matter where you are, and the best way to do that is to pull the obvious market, and that is international tourism market, because those people are going to not be here just on a weekend, they are here for two weeks or three weeks or four weeks at a time, so you get a more continuous flow. The other thing you can do is obviously look at conferencing.

But once again you need economic development, like an economic development facility in town — a strong one — to encourage the development of businesses that will actually support conferences. We actually have a conference facility. We are doubling that facility, but we need people like the guy who has diversified his business out on the road and who actually has quad bikes. We have another guy who used to run the Hepburn spa resort and now has a horseriding facility. We have farmers who are doing different things, like they have decided to go into providing, instead of just running a regular farm, meats and things like that. It is about education.

**The CHAIR** — In relation to the public transport issues that have been raised here, are Daylesford and Hepburn Springs, because of their elongated geographics, big enough to cater for maybe a hop-on, hop-off bus that could effectively pick up that slack that is currently missing?

**Mr MALDEN** — I think certainly on a weekend, but once again people like to remain independent. People are actually here, they will stay in their accommodations and they will be walking distance to the main street of Daylesford or walking distance to the main street of Hepburn Springs. They are happy to leave cars behind and not have to worry about transport or think about transport. I truly do not think that a bus service would actually be of much value. If people want to go somewhere, they want to go to a winery, they are going to jump in the car and do it. If they want to go down the street, it is likely they are going to do a bit of retail therapy and buy bags of things that they will not necessarily want to be carrying on a bus, especially if it is wet and cold, as that is our prime time. Days like today are actually what tourists like about Daylesford. A bus — where you have got to wait for a bus and possibly get wet, all that sort of thing — I do not know whether that is the answer.

I think we need to encourage, as I said, signage to actually move people around. We have just got to face it that because of the geographical layout of this town, everybody who comes here — 90 per cent of them, maybe 95 per cent of people — require a car to do what they want to do, what

they come here for. They come here because they want to go to the spa resort. If they are staying in Daylesford, they are not going to walk. They do not want to jump on a bus, they will get in the car and go there, but that might be the only time they use a car all weekend. They will not use their car often. A lot of people are staying in boutique accommodation, they have paid a lot of money to stay in the accommodation so they obviously want to take advantage of that. They are here for the ambience and the location of the accommodation.

**The CHAIR** — Is there anything else you want to leave with us to finish with?

**Mr MALDEN** — I think just one really important thing on retaining young people in the workforce — I think we somehow need to build an accommodation facility. I have been to different islands before where you have staff quarters where there is a games room, tennis courts, swimming pool and it is a compound for the hospitality staff. The 80 staff working on Hayman Island have their own little compound where they do not mix with the tourists, but they have a little kiosk. That is what this town needs. Because of the number of accommodation businesses, the number of restaurants and day spas, we need a facility like that so we can actually get people to come from Ballarat or Bendigo, work here when they need to and have an affordable option so that they are not travelling at night, rolling cars, slipping off roads in ice or hitting kangaroos and being deterred from actually wanting to come and work in Daylesford, because we really do rely on Ballarat and Bendigo to top us up for staffing.

**The CHAIR** — It is a good point. Chris. Thanks very much for your evidence. We will make a copy of that available to you within a couple of weeks. You are free to make any typographical corrections that you might see fit to make. Thanks again for taking the time; we appreciate your evidence.

**Mr MALDEN** — Thanks for having me.

**Witness withdrew.**