

TRANSCRIPT

ENVIRONMENT AND NATURAL RESOURCES COMMITTEE

Inquiry into heritage tourism and ecotourism in Victoria

Halls Gap — 18 March 2014

Members

Mr T. Bull
Ms J. Duncan
Mr D. Koch

Mr J. Pandazopoulos
Ms L. Wreford

Chair: Mr D. Koch

Deputy Chair: Mr J. Pandazopoulos

Staff

Executive Officer: Dr G. Gardiner
Research Officer: Dr K. Butler

Witness

Mr W. Flamsteed, Chief Executive Officer, Grampians Tourism.

The DEPUTY CHAIR — I formally declare open this hearing of the Environment and Natural Resources Committee's inquiry into heritage tourism and ecotourism in Victoria. We have apologies from the government representatives, the Chair, David Koch, Tim Bull and Lorraine Wreford.

I welcome the first presenter, Will Flamsteed, chief executive officer of Grampians Tourism. As a formality, all evidence taken at the hearing is protected by parliamentary privilege as provided by the Constitution Act 1975 and is further subject to the provisions of the Parliamentary Committees Act 2003. Any comments that you make outside the hearing may not be afforded such privilege. All evidence given today is being recorded, and as a witness you will be provided with a proof version of the transcript in the next couple of weeks along with some instructions.

Will, thank you for joining us for this important inquiry. I will just hand over to you. We have allocated half an hour for the presentation and questions and answers. We might even take questions as we go.

Overheads shown.

Mr FLAMSTEED — That would be fantastic. All things being equal, the wonders of the web should work, I hope. Thank you very much for your time today. As CEO of Grampians Tourism I am going to jump to my presentation whilst the overheads are loading up, just to save a bit of time for you as well.

We have a role as a regional tourism board for the Grampians tourism region. Just to give you an understanding of what that is, our area takes in the five shires of Northern Grampians, Southern Grampians, Horsham Rural City, Ararat Rural City and the Pyrenees. I suppose our main point of difference in the marketplace is nature and nature-based tourism, so this particular inquiry is pertinent to us and also very opportunistic for us to make sure that we present some of our key assets and key opportunities.

I will just keep this going. For some reason this is not going to load up the way it should load up, so apologies for the lack of technology. Thankfully, I know this off the top of my head.

You met with Parks Victoria yesterday. Meeting with Parks Victoria and with the Grampians Tourism board is, I suppose, a representation of a really important relationship and partnership, which I think is pretty much unlike any other regional tourism partnership in the state. Grampians Tourism and Parks Victoria work out of the same office. That is part of, I suppose, our relationship and that is the level of opportunity in our relationship as well.

With that, I suppose it also emphasises the role of the Grampians National Park and the role of nature-based tourism and in turn ecotourism and heritage tourism in our region. We have a great history of gold discovery and a great history of Western District farming, which is very important, but how we are positioned in the marketplace is through our nature and nature-based tourism. So it is the Grampians National Park.

Our current scope, which is what I want to talk to you about today, is the role of nature and nature-based tourism in our region. I will cover the Grampians National Park; the Grampians Way, which is a touring loop that encourages dispersal around our region; the opportunity in indigenous heritage and culture and how that relates to tourism; and also the heritage and villages in gold.

As I said before, nature is our key asset. We are in the process of completing our destination management plan for the Grampians Tourism region. One thing that is becoming clear: our qualitative consumer research that is based in this document clearly positions the Grampians. When consumers think about what the Grampians is, they are thinking of the Grampians National Park and Halls Gap. It is our role as a regional tourism board to ensure that we encourage dispersal out from there, but that is where we are starting from. That is our starting point.

That opportunity that is created by that dispersal is our key product positioning, which is nature-based tourism in the marketplace throughout the whole of our region. A really good example is the role of the Grampians Peaks Trail and how that will position us into the future. For us eco and heritage tourism is a pretty important aspect, because of what that will allow us to do. If we get our infrastructure right, it will encourage future private investment and encourage growth and in turn regional sustainability.

I will start with the Grampians Peaks Trail. I know you had a look at it yesterday and you talked to Dave Roberts from a park management perspective. You will understand the role of Parks Victoria. I suppose we are

in a great position with someone like Dave Roberts and Graham Parkes, and that level of regional management at Parks Victoria allows us to think a bit outside the square. We talk to Parks Victoria as partners in tourism as compared to land managers in a lot of cases, and I think that is a real difference in our roles.

The trail experience is a 12-night, 13-day walk. It starts at Mount Zero and ends up at Mount Abrupt. It is about spectacular scenery, a cultural landscape. The key to it, though, is its segmentation and its ability to create a product that can create conversion in the marketplace. Whilst we will have handful of northern Europeans who will walk the whole length of the trail, from start to finish, in one go and eat 2-minute noodles and dehydrated food, that is not really our opportunity. Our opportunity is in those groups that want to do the two, three and four-night products. That is what it will allow us to do.

We will have a branded product that will bring an iconic concept to the region as part of one of Victoria's four iconic walks. It will allow us to market and position the region. But our selling points, our conversion points, are those two, three and four-night experiences. I will give you an example of how I can see that occurring. Imagine if you and three other couples are doing the central segment of the walk. You stop in a newly constructed eco-hostel or eco-cabin of some description in the Grampians National Park. You have just had two to three courses of some really great local produce with a bottle of Grampians shiraz. As you are sitting back and contemplating the evening, a local Indigenous elder comes to you and interprets the night sky and tells you the story of Bunjil. To me, that is the product that we have with the Grampians Peaks Trail. It is that integration of opportunity that shows our key natural assets, such as the beautiful views and our fantastic population of cultural heritage sites that I think at the moment are underutilised and not very well positioned in the marketplace. That allows the experience to sell a destination. That is modern tourism for you.

It will create further opportunities, whether it be independent, assisted or guided walking, a range of accommodation options and supporting services, allowing Halls Gap to become the resort town that it should be, or giving bus operators the opportunity to extend their product by giving walk-in, walk-off opportunities and transferring luggage along the trail. There are a number of different value-added prospects that will benefit not only Halls Gap and the Grampians National Park but also the whole region. So if someone is visiting to do the Grampians Peaks Trail, they are not just coming to do the Grampians National Park and the peaks trail, they are going to stop in Beaufort and have some lunch. They are going to go to the Pyrenees wine region, buy some wine and do a wine tour. They are going to go to Great Western or Dunkeld to celebrate at the Royal Mail Hotel post the fantastic, exuberant, high-end, high-yield product they have just experienced at the Grampians National Park. This is the value of sustainable tourism. We see the Grampians Peaks Trail as being that product and that project that will set us up as a region for the next 50 years. I am not being flippant in saying that. That is the opportunity of the peaks trail.

I have given you a map, and I have given you a community update that will show you the listing of the peaks trail. In accordance with the VCEC recommendations and the opportunities of investment into Crown land, there have been a number of sites along the trail that have been identified for possible private investment opportunities. This is all built into the draft Grampians Peaks Trail master plan that was driven by the Grampians Peaks Trail task force, which is a collective of regional stakeholders that includes local governments, CEOs, Regional Development Victoria, tourism, Parks Victoria and the tourism industry, and it is chaired by the Grampians Tourism Board. This is the first time this sort of project has been done in this way, and it is proving to have great results, because it takes the onus away from the land manager to provide the bricks and mortar, and it puts it in the hands of the community and industry that are actually going to grow and benefit and become sustainable from this project, and that will allow them to step outside the confines of state government so they can encourage more private investment opportunities. To me, that is the real clincher.

As I said, Halls Gap is a walking town. It is a major bed base. It has between 3500 and 5000 beds, depending on how you look at it. I used to work at Falls Creek. This is like a ski resort, but in the Grampians. Our opportunity is to encourage that dispersal, as I said before, out from the major bed base.

To me, creating more opportunities for cultural experiences via the traditional owners is a real opportunity for this area. It is about integrating those two products. It integrates the nature-based and the cultural experience, and it creates products from there. I will talk a little bit about Brambuk later as well.

We want to create guided and assisted walking packages. As I said, this would include shuttle services, retail and outfitting, extensions of food and wine products and positioning of our food and wine industry. Because we

are getting people coming to experience a nature-based product, they can see the diversity and point of difference in our food and wine product. We have a 150-year-old wine industry. The Grampians has one of the oldest wine industries in Australia. We have some of the oldest vineyards in Australia. We have the only known underground caves of any winery in Australia. We have a 50-year-old olive industry that no-one knows about. These are the things that will allow us to create leverage from having a distinct proposition in the marketplace, which is the peaks trail.

I have talked to you right through the presentation about dispersal. The Grampians Way is a great opportunity to encourage dispersal from our main point, which is Halls Gap, around the region and also in natural disaster situations as well. The Mount Victory Road was closed again the other day, as it was with our bushfires earlier in the year, as was the main tourist road during the floods of 2011. How do we encourage people to further visit our region and further disperse around our region? We market and position a touring route that will allow them to understand the value of dispersal as well.

I talked about the olive industry earlier. In the north-western part of the national park, around Roses Gap, there is an area called Wartook Valley and Laharum. There are three olive groves that are, on average, between 40 to 50 years of age. They have a young industry, though, because their tourism product is still very young. They have invested in restaurants, they have invested in cellar doors and they have invested in processing facilities, but they still have dirt roads going to their front doors.

How do we encourage that development of key infrastructure and key capital expenditure with local government? We position it as the Grampians Way, and we work with local government to encourage it to look at future capital expenditure opportunities around roads and bridges, and local government is right into it. Part of our bushfire recovery strategy will be to further enhance the opportunity of Grampians Way.

I am sure that yesterday Dave talked about the quality of the Indigenous and cultural product that we have in the Grampians National Park. I think we have over 200 rock art sites in the park itself, of which there are 5 to 6, depending on how you look at it, that are publicly accessible. The north access to a lot of those sites has been impacted by bushfire. In particular, Bunjil's cave, which is pictured there as well, had a bushfire that went right around it, and a lot of the damage to its access was reduced by creating fire lines. Due to the historic nature of things like Bunjil's, which have been around for 30 000 years, they are generally in areas that do not burn, because they are generally shelters. The rock art site itself is not damaged, but the access to the rock art site is damaged, so therefore the experience is affected.

Our opportunity, or our point of difference in the marketplace, is that nowhere else in Victoria — there are other places in Australia — has this proliferation of rock art sites. We are in the process of understanding how we can further develop those into experience-based products. We have a fantastic asset down the road that is Brambuk. At the moment I personally do not think it is being opportunistically positioned in the marketplace. I think it is just opening up its doors at the moment. It has no education product anymore. You can throw a boomerang or paint a boomerang and that is about it. The opportunity for cultural interpretation that creates a position for us in the marketplace is huge. Our online positioning, how we are going to develop it and our opportunity to work with hand-held devices and tablets to create self-guided interpretive tours of these rock art sites is a great opportunity. There are things like that that we can work out from a regional perspective that will position us and create a point of difference from other cultural tourism and eco-heritage tourism in the marketplace. Again, we are looking outside the square. We are trying to understand how we can work with traditional owner reference groups developed by Parks Victoria and with our land managers to create products that can create sustainability in our marketplace.

We have a lot of gold and village history in our region as well. In particular I want to highlight three historical destinations. We work off the premise that has been around in Tourism Victoria for a while, which is the concept of the village and the opportunity of the village. It is about creating villages that will make people stay longer, spend more and spend more time in the region as well. In particular, Avoca, St Arnaud and Great Western are three villages on our eastern side that have some fantastic historical context, Avoca in particular. If you have been to Avoca, which I am sure you have, you will know that the streetscape is just marvellous. Where I see the opportunity to create visitor dispersal is to better position that streetscape by ensuring the retail mix they have in that town, which is identified in our destination plan, is satisfactory or better than satisfactory to make people stay and wander.

I will give you an example — Beechworth. When I used to live in Beechworth, as a local, you could not get a park on the main street on the weekend, because there were so many tourists. Most tourists are staying 4 to 5 hours because they have 4 to 5 hours of things to do in Beechworth; whether it is having coffee, having lunch, buying an alpaca scarf et cetera, they are actually spending money in regional Victoria, and that is the opportunity around creating this villages concept.

St Arnaud is a really great historical village. All of these towns were built from gold, and all were built from the gold connection. There is an opportunity for us to connect with the Gold Heritage Trail between Bendigo and Ballarat and extend that further out. There is an opportunity there. I am not sure how that will occur, because I think they need to get themselves sorted out first.

Great Western is a wine village. With the duplication and bypassing of the Western Highway, we have a great opportunity to create a unique experience in Great Western. Imagine riding a bike. At the moment B-doubles go through the middle of Great Western and there is no real atmosphere; there is no real concept of a village. If you bypass the Western Highway and put into a plan a strategy for growth in that town and create a retail strategy and streetscaping strategy around that, you will see things like bike tours between wineries, between Bests and Seppelts and Grampians Estate. You will see the pub — which is the bane of everyone locally because it is such a great opportunity but no-one has quite grasped it — becoming a culinary destination. You will see things like that starting to evolve and develop with winery tourism and cellar door product as well. There is an opportunity there. That is my formal presentation. I have purposefully kept it high level because, knowing that this was a formal inquiry, I wanted to be able to fully express that more verbally as well. I am open to questions.

The DEPUTY CHAIR — Is it the case that the Grampians has the highest concentration of Indigenous art in Australia?

Mr FLAMSTEED — Yes, that is correct, and that is where I see the opportunity. I think anyone who has been involved in Indigenous and or cultural tourism knows some of the barriers to opportunity that exist there. How we can create a product around that that will allow us to engage with the local Indigenous culture is the opportunity of engaging locally, if I could just underline that.

The DEPUTY CHAIR — We will be seeing Jeremy later on, but we had a chat with him yesterday. One of the key things, compared to other countries in the world, is that we have a small Indigenous population and not everyone wants to be an interpreter of their culture. They might be doctors and lawyers and everything else. Other models tell us that Indigenous communities are happy to be the trainers of a product, but also the trainers of others to interpret on their behalf as long as they are accredited, whether it is a tour operator or a park ranger.

Mr FLAMSTEED — Absolutely.

The DEPUTY CHAIR — Do you have any particular comments about what you think would be a useful way to go in order to be able to breach that gap between the need to interpret a story and having the support of the community to interpret the story and deliver it direct in a more meaningful and accessible way to the tourists?

Mr FLAMSTEED — That would be a refreshing way to look at it. Yes, you are absolutely right. I think that would be great because what we are running into at the moment is that not everybody wants to interpret their culture. People want to practise their culture. Not every Aborigine actually wants to be part of the tourism mix, and I totally understand that. As a tourism manager what I see is the opportunity to better manage a concept like that, and I think the structure that you just talked about would certainly give an opportunity for better management of an experience.

The DEPUTY CHAIR — I am just wondering, and I do not know if you have come across anyone, but there seems to me to be a contradiction. Something that stands out to me is that Victoria is underrepresented in world heritage sites compared to other parts of Australia. Is it consistent that a place with the highest concentration of art work be supported. We have had some parts of the tourism industry saying that they have been lobbying and want to be part of a world heritage area, whether it is the goldfields or those areas, and that it will help drive visitation. What are your views of world heritage sites, and do they drive visitation or are they inconsistent with some of the things you would like to do in terms of developing product?

Mr FLAMSTEED — There is an opportunity. Yes, world heritage listing would certainly increase the visibility of somewhere like the Grampians. Again, I was involved with the national landscapes program in the Alps when that was first conceived up there, and certainly I was very supportive of something like a national landscapes positioning. World heritage with any level of formal interpretation does bring with it a structure that needs to be adhered to. I would want to be assured that we would be able to stand on our own two feet without world heritage listing prior to becoming world heritage listed; to have the systems set up that would allow us to manage visitor flow, product development, experienced management, as compared to just becoming world heritage listed if you know what I mean. I think there is a lot more behind it than just a listing.

Ms DUNCAN — Thanks for that. You did the Grampians tourism destination planning gap analysis. What were the gaps in the offerings of the region that were identified in there, and what were the barriers that were identified to visiting the region?

Mr FLAMSTEED — I might start with the barriers first, if that is alright? Our distance from our key markets is a clear barrier, as well as the perception of the consumer about that distance to market. A good example is it takes you about the same time to fly to Brisbane from Melbourne as it does to drive to the Grampians. There is a level of perception of proximity to our market. It is actually not that far, but when a consumer travels over 2 hours they expect a different level of experience than what they do if they are travelling under 2 hours. They expect to stay overnight if they are travelling over 2 hours, so it becomes a short stay as compared to a day trip. That is one of the barriers.

Some of the gaps that I saw in the marketplace were an investment in quality accommodation, as well as an investment in experience-based products that are focused on nature-based tourism. As an example, we have some really good up-and-coming licensed tour operators in our region. I think we need a lot more of them. I think we will benefit greatly from the opportunity that is put in front of investors around a sustainable and well-thought level of investment in national parks. I see that as being a big opportunity.

Ms DUNCAN — With things like eco-accreditation, how do you see the benefits of that? Are there benefits?

Mr FLAMSTEED — Yes, I do. I see eco-accreditation as a really important separator in the marketplace. I see it as a marketing tool. Let us be honest, it is a marketing tool, but what it does is bring a level of tourism excellence or business sustainability in excellence that will allow them to move forward. We put a fair bit of work into the Victorian Tourism Awards, not necessarily to win awards, but to get our businesses to actually review their businesses so they can become better businesses from that. Some of the other gaps are our development of food and wine and positioning of food and wine in our region and the development of Halls Gap. I think the master planning around Halls Gap to create a true resort town so it can actually service high-yield ecotourists is a really big gap in the marketplace.

Ms DUNCAN — Can you point to any best practice around the world that you can see blends that ecotourism with all those other areas you are talking about?

Mr FLAMSTEED — Yes, Yosemite National Park really works for me in a big way. The quality of experience you can get at so many different levels and how it is integrated into the natural product is just fantastic. We are hoping to do a field trip to Tasmania in the next couple of months with Parks Victoria to actually better understand how they have positioned the overland trail and the level of servicing that exists around the overland trail just so we can get our head around it. It is a very different product, but I think there is an opportunity there that we can learn from domestically. Milford Sound, around the Milford area in New Zealand, has certainly done it really well. It is a different product and there are different restrictions and different legislative constraints around how they can do that, but again, it is a really interesting product.

Ms DUNCAN — You mentioned dirt roads as you approach some of these wineries and things. Do people worry about that sort of thing?

Mr FLAMSTEED — Domestically I do not think people worry about them, but if you want to attract international visitors who are driving a hire car, there are limitations to what roads they can access. That is a limitation point. I think you can get away with single-lane sealed roads — there is no doubt about that. But I suppose it comes back to what the definition of soft adventure is. For some people driving on a dirt road is soft adventure. Soft adventure to me is probably walking up to the Pinnacle. We need to think about that base level, because that base level gives us weight in the market and it creates a better opportunity for conversion. If we

want to attract international visitors who are high-yield and driving Ford Falcons or little Hyundai i30s, they do not want to take them onto a corrugated dirt road. It is our ability to give them better access that will increase their level of dispersal.

Ms DUNCAN — Thank you.

The DEPUTY CHAIR — Can you just tell us a bit, for the benefit of the committee and on the record, about your relationship with Tourism Victoria with respect to how you work together in terms of product and their marketing? They have recently announced the regional tourism strategy and Aboriginal tourism strategy. I do not know if you have any comments about those in a general sense?

Mr FLAMSTEED — Yes. We have a very mature relationship with Tourism Victoria. The Grampians Tourism Board was the second tourism board after Gippsland. I have been in this role for a couple of years. My previous relationships with Tourism Victoria were always strong. I always see the opportunity of working with a state agency to better position yourself cooperatively is just a given; it is just a logical thing to do.

I have seen in the last couple of years a real change in direction with the output of Tourism Victoria. They are limited, as all government agencies have been limited, by resources, and that is a fair call, I understand that, but the level of engagement that management in Melbourne have gone to is a reassuring direction. We are seeing a lot more consultation prior to decisions; I am sure that they still know where they want to go with these decisions, but there is a level of consultation that has been occurring through the regional tourism board structure that has not occurred before. There are probably two sides to that: through your wanting and asking for it; and saying, 'This is how we can work for you better. You now have mature people in the region who can actually deliver on your behalf, and deliver programs and development opportunities on your behalf, use them to your best ability'.

So I think the executive has actually seen that and has seen the opportunity in that, and we are consulted with more. A great example is the intrastate campaign that is in planning at the moment; it is in the process of being rolled out at the moment. Tourism Victoria has never looked at an intrastate campaign before. The Grampians main market is Melbourne and Adelaide. Adelaide for us is intrastate, by the way; it is close enough to be an intrastate market. They have listened to what we have asked for, and they have realised the opportunity. They are bleeding to interstate destinations and overseas destinations, so they see the value of working with regional tourism boards to develop that campaign so that we can move forward. They have asked us what tools we want, we have told them and they are working on the best way to give those tools.

Ms DUNCAN — What tools have you asked for?

Mr FLAMSTEED — Different marketing tools. They are looking more socially; they are looking far more digitally than they ever have in the past. As I mentioned before, we are just about to roll out an online strategy. In the past they would have said it is actually 'Visit Victoria' or it is nothing, whereas now they have said, 'How can we actually connect with those two platforms to understand how we can get better information from the region?'. So our products are better positioned in the marketplace. To me that is really, really positive. The level of work around investment that I have been doing with the peaks trail and engagement with the investment team at Tourism Victoria has been fantastic as well. On a number of different levels we are asking, we are working collaboratively and we are seeing results I think. So yes, I think it is a pretty positive outlook to be frank.

The DEPUTY CHAIR — Just a couple more questions before we wind down. With the peaks trail you are going to have, and Dave from Parks yesterday was telling us that their plan will have designated sites where you might build these eco-huts, tell us a bit more about the huts. What do you envisage? How many people would they accommodate. There are a number of these sorts of things out in the marketplace about what accommodation in parks means. So in your head what does it actually mean? I understand that there are two or three sites that they will be proposing.

Mr FLAMSTEED — There are going to be obvious restrictions around bushfire management overlays et cetera, and also the actual grading definition of the different environmental areas of the park, but we will just put that to one side. How I would see it would be the way that the market is moving in two to three to four-night packaged opportunities and experiences. I see that being no less than to be able to accommodate eight people. I would see between 8 and 16 people as being an opportunistic point. Now that may not be at every segment or every night, but there certainly has got to be an opportunity to house those people, because that level of analysis

is that people are travelling in groups — small groups — of up to 8, or around 16. They are generally couples, so you have to allow for that obviously in that growth opportunity if you are going to meet market demand into the future.

The more I think about it, the more I think they need to be semipermanent from a couple of different aspects. The bushfires are a great example. How do you limit the investment risk of the future investor? I suppose that is our role. Our role is to make it as easy as possible for someone to invest in something like that or to invest in regional tourism. As you know, that is a hard ask. How would you make it easier? You would probably reduce the level of investment impact in the first place, however that would be. To do that would suggest semipermanent, but it also might mean bombproof as well — a rock structure. Whatever it needs to be, it needs to be intimately connected with its environment, and it needs to be unobtrusive, fit in and not blister its landscape. It needs to blend; it needs to meld. That is the product that people are demanding anyway. They want that level of experience that is not going to look like they are making a huge impact on the environment as well.

The DEPUTY CHAIR — We might leave it there. We have gone a few minutes over. Thanks very much, Will, we appreciate you coming along.

Mr FLAMSTEED — My pleasure. Thanks for your time.

The DEPUTY CHAIR — You will be getting the transcript forwarded to you in a couple of weeks, and we appreciate it.

Witness withdrew.