

TRANSCRIPT

ENVIRONMENT AND NATURAL RESOURCES COMMITTEE

Inquiry into heritage tourism and ecotourism in Victoria

Mansfield — 21 March 2014

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Mr B. Elkington, manager, economic development, events and tourism, Shire of Murrindindi.

The CHAIR — I now welcome Mr Bob Elkington, manager of economic development at Murrindindi Shire Council. Bob, I will just flag that all evidence taken at this 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 you make outside the hearing may not be afforded such privilege. As you are aware, all evidence is being recorded and as a witness you will be provided with a proof version of the transcript in the next couple of weeks.

We look forward to your presentation. I hope Wendy has not stolen too much of your thunder. She has given us a very good indication of what goes on at the Goulburn River, and as a quarter-shareholder in the action I should imagine she has touched on a couple of your areas.

Mr ELKINGTON — Thank you to the committee for the opportunity to speak. I need to state my name. It is Bob Elkington, and I am from Murrindindi Shire Council. I am the manager of economic development, events and tourism. My address is 3/5 Myrtle Street, Alexandra. I thought I might start by making a few key points from my presentation and I am open to questions along the way or not.

As Wendy stated, we are a quarter-shareholder in Goulburn River Valley Tourism, and Murrindindi Shire Council has some significant heritage and eco-product. Some of that is already well developed and some of it has great potential for development but is not developed at this stage. My belief is that to reach full potential in that type of product we need significant investment, we need improved coordination and promotion and we need a lot more product development in those areas where the product exists but is not developed.

There are a number of impediments to that, the first being that it is my belief that both Parks Victoria and Goulburn-Murray Water are very under-resourced in terms of developing and promoting products. That is not a reflection on any individual who works in those organisations; it is just a resourcing issue. I also believe there is a limited appetite for tourism promotion and development in some of our state government organisations. Goulburn-Murray Water is very focused on water and the sale of water. That is clearly where most of the money is made. However, I think there is a lot of potential in the product that Goulburn-Murray Water has some control over as well.

I believe Parks Victoria is very under-resourced in terms of its capacity to provide quality and depth in its services. An example is Fraser camping ground in Lake Eildon National Park in terms of things like — and some of these things are very simple — rubbish collection, ranger presentations and facility maintenance. The rangers do their absolute best to present their parks in the best condition they can, but they have very limited resources to do so. Often, the first things that go when there is a resourcing crunch are the add-ons: things like ranger presentations, the development of trails within the parks and those sorts of things — and certainly promotion. So there is certainly some potential there that is a bit untapped.

Another impediment, I believe, is the lack of long-term lease arrangements for some pieces of public land. One example is Lake Mountain Alpine Resort. Within Murrindindi probably our three main products are Lake Mountain Alpine Resort, Lake Eildon itself and the various rivers including the Goulburn and its tributaries. On top of that we have a number of state and national parks. One example is Lake Mountain Alpine Resort, which is up for lease at the moment. In the past 12 months we have had Belgravia Leisure operating at Lake Mountain Alpine Resort on a 12-month lease, and there is a process under way to lease it for a longer term. At this point in time it is not clear what the length of that lease is — to me, anyway — but my view is that if you are expecting any significant capital investment, promotional development and product development in a place like Lake Mountain you would be wanting to have a 10, 15, 20-year lease, otherwise you would just operate it as a business would for a shorter period of time without a significant amount of investment.

Another impediment is the amount of resourcing and levels of support to organisations like Goulburn River Valley Tourism. I believe that councils do as much as they can at this point in time to support Goulburn River Valley Tourism, but the bulk of the work goes into promotions and marketing. There is great need for product development which the councils are unable at this point in time to do to a level that would see better outcomes.

Another impediment is the support for our outdoor industry in terms of industry training. There is an organisation called the Murrindindi Training Institute, which is in its fledgling stage. It produces opportunities for people to be trained in outdoor recreation, outdoor education and outdoor leadership. Twice over the past two years the state government funding for that training has been cut significantly, so the future of the

Murrindindi Training Institute is very much in the balance at the moment based on cuts that have been made to TAFE funding. It currently has about 44 students from our region and beyond in certificate III and up to diploma-level training, and they are potentially the future of our industry. There is a fair chance that the Murrindindi Training Institute will not survive these cuts, and this is the second time it has had to deal with them. That is a significant impediment to the industry going forward in the ecotourism area.

Another point that Wendy touched on but was probably not able to go into a lot of detail on was responses to potential investments and developments that have had what you could term a bureaucratic response. There are three within our part of the world that have not got off the ground and they were all significant developments that would have, had they gone forward, created significant job opportunities within our shire. The Mount Pinniger resort on Lake Eildon, which was intended to be a 100-room conference centre and hotel based at Mount Pinniger, just near the Lake Eildon dam wall, got to the stage where Goulburn Murray Water had a lease arrangement with an investor and for various reasons and also to do with the number of cost impediments that were being placed on potential investors that project is no longer on the table so the investors have disappeared off the landscape.

The Toolangi zip line, part of Australian Zip line Canopy Tours, in the Toolangi forest, once again has been on the books for probably two and a half years, and the investor is getting very impatient. It is within the Department of Environment and Primary Industries at the moment in terms of site selection. That is a good example of one project where we had a great investor. We have great local support and all of the consultations have been done. We believed we had a site or sites that were suitable, and now for scientific and other reasons we no longer have a site that is available. The issue in both of those cases in my opinion is that you have an investor that is hot at a certain point in time and if the impediments are there for long enough the investor disappears or they put their money in another investment.

The third project which has never got off the ground although it has been looked at a number of times over the last 15 years is the Rubicon historic reserve. For anyone who is not aware, the Rubicon historic reserve is a large piece of land in the Rubicon Valley that has some significant heritage trestle bridges and what was an active timber tramway. I believe it has been looked at about three or four times over that period of time by a range of groups and the last time I was involved, which is about five years ago, a feasibility study was done that never saw the light of day. We have a particularly high-potential piece of historical and ecological parkland, government land, that is pretty much locked up and, once again, if there is not some form of investment in there not too far down the track those things will just deteriorate over time.

There are some significant activities under way that have been funded by the state government which are all very positive. Wendy mentioned the destination management plan so I will not go into a lot of detail on that, but that certainly creates a blueprint for us all in those four shires going forward. The issue around that will be more about whether we can resource the activities or the initiatives that are identified as priorities in order to do something about them.

We are fortunate enough at Murrindindi shire to have had state government funding to do an investment prospectus, and a lot of the results of the destination management plan will feed into that. We are also very happy to have received funding from the state government, the council and Tourism Victoria to undertake a disaster-ready business project which is a fire response. It was initially a fire response project but it will be an all significant disasters project where we will pilot with our tourism businesses, those in accommodation and food provision, a way for them to become accredited as being disaster ready. So whether it is fire, flood, storm, blue-green algae or whatever, they will go through a process where they will be able to prove to their customers and others in the industry that they are ready for any disaster in terms of how they might respond. That is an 18-month project that has been funded, which is great.

I might leave it there and be available for questions.

The CHAIR — Thank you, Bob. We appreciate that.

Mr PANDAZOPOULOS — Bob, I was interested in your saying that more support is needed for product support and product development. That normally comes from Tourism Victoria. Has that diminished over time? What sort of support do you think the product needs?

Mr ELKINGTON — That is a very good question. You would like to think the model would be a three-way split between the industry or investor, Tourism Victoria and the local stakeholders. However, on the ground it does not seem to work like that. Goulburn River Valley Tourism, as a collective, is also in a fairly unique situation in that we are not a recognised region, so there are still conversations under way between Tourism Victoria, Tourism Alliance Victoria or rather VTIC and the various councils and Goulburn River Valley Tourism in terms of how that might better work over time. But because we are not a recognised region we do not have access to direct funding from Tourism Victoria as the other regions do. That makes it a bit tricky in terms of resources.

If resources of that type were available to cover some of the existing roles — the role Wendy is in, which is the executive officer, and the tourism officer role — you might be able to then create a product development role within either the government or Goulburn River Valley Tourism or one of the councils. That is ideally how it would work.

I guess it is a bit tricky from our point of view because we are still in bushfire recovery mode, and to respond to state government input for us to become sustainable and viable we have had to go through a service review process, and once again one of the first things that was taken out of our own council's funding arrangements was our tourism and development officer role. Just post-fires we had a tourism development officer whose role it was to help develop product. That role disappeared about two years after the fire, as a part of our service review process.

Mr PANDAZOPOULOS — Was that funded by the post-fire recovery funding?

Mr ELKINGTON — No, that position was funded previously by council. To give you a bit of a picture in terms of the resources available to do product development in our shire, we have one half-time tourism officer, and that is it. We have a marketing budget of \$30 000 for the shire for the year. The resources are really slim. To do product development we have got to look outside our own council resources.

We do that collaboratively. One good example is the collaboration we have with Mansfield and Mitchell on the Great Victorian Rail Trail. That has been a significant product development exercise and is working really well and our collaboration is working really well, but we are doing it on a very slim budget across the three shires. That is a model that has worked particularly well in terms of collaborative product development.

Mr PANDAZOPOULOS — Just touching on the recovery after the devastating Black Saturday fires — and obviously Marysville was one of those key areas in your patch which was burnt out — a lot of work has been done around economic recovery and sustainability, and tourism was part of that. What has come out of that? What was being hoped for? What has dropped off?

Mr ELKINGTON — There have been some great results, I have to say, and I believe the support we had in that first two or three years was absolutely fantastic. We had very good support from a range of state and federal government agencies. Some of the key outputs have been the fact that Lake Mountain Alpine Resort was rebuilt and a lot of resources were put into Lake Mountain, which is great. It is one of our key products. A lot of advocacy went into ensuring that a large product like the Vibe Hotel and Conference Centre was built, and that will be opened later this year. Once again, it is five years down the track, but it is great at the other end of that to look up and start to see a single business being developed. That will be a catalyst for a lot of other smaller investors in and around Marysville and has already shown to be that. It also gave a very big shot in the arm to our construction sector. I think the issue is not so much how much support was available in that first three years, because it was very good; it is what can be done from that point to the next seven years. In my view, it is a minimum 10-year recovery period. We have had Marysville, Kinglake and Flowerdale, and they were three of the most significantly affected regions.

Mr PANDAZOPOULOS — What I am interested in is what sorts of strategies came up — for example, the Lake Mountain rebuild, getting the new hotel in Marysville. What sorts of strategies came out of that early phase that are still to be funded or met, and is there any reasoning behind that?

Mr ELKINGTON — The Marysville and surrounds area has had quite a bit work done through an economic recovery program. The bulk of the top 10 items have either been met or are in the process of being met. There are still a few things to be met. There was some good funding for what is called the MSEP — the

Marysville and Surrounds Events Program. Once again that was a two-and-a-half-year project. That is coming to an end technically in June this year.

An extension of that program would see a lot of those unticked items attended to over the following 12 months or two years, and there are some conversations at hand at the moment where there might be a role that combines Lake Mountain, Marysville and surrounds and Kinglake where we can build a program around finishing off some of those projects and continuing to do business support along the way as well. Part of it is bigger projects like the Vibe project, and part of it is the individual small businesses which are just holding on over this period while visitor numbers continue to get back to what they were.

A lot of small businesses required help with developing their websites, looking at their marketing material, trying to work out who their market is and how they can access that market and service delivery. There is quite a bit of work to be done in servicing the visitors well enough when they come so that they want to come back again and stay longer.

That is probably an example of a program that has been very successful and probably should be continued, but it also needs to take into account Kinglake ranges because Kinglake is probably, in my mind, 12 to 18 months behind where Marysville is in terms of that type of recovery. Something to cover all those areas would be a good way to go forward. I am not sure whether I have answered your question.

Mr PANDAZOPOULOS — No, that is good.

Ms DUNCAN — You used the Toolangi zip line as an example of projects that do not get off the ground. You said you thought there was a site, and now it is with DEPL. Can you talk us through some of the obstacles of that project? What specifically is the issue with that?

Mr ELKINGTON — It is my understanding that the issue is the Leadbeater's possum. It is easy for the infield staff to identify two or three or four sites in the Toolangi forest that might be suitable — I should come back to the question you asked previously about the forest discovery centre at Toolangi — but it then has to go through a scientific process to be approved as a site for that purpose. Initially I believe there were two or three sites identified. They went into the scientific proofing process and none of them were acceptable, based on the potential that there are Leadbeater's possums in those sites.

Ms DUNCAN — Can I just stop you there? How long did that process take?

Mr ELKINGTON — How long? I probably should take that on notice, but from memory it was six months. When those sites are not available you need the investors to come back and have a look at some other sites that have been identified that might be possible, because investors have their requirements as well. As investors they want good vistas and it cannot be too far away from their base et cetera. My understanding is that another group of sites were identified and went back to the scientists, and I believe we are down to two potential sites now that are still being assessed.

Once they are assessed as available or not, we hope the investor is still interested. They will need to come back to have a look at those two sites. That process has taken about two to two and a half years altogether from when the investor first started showing interest to now, and we are not over the line yet. We do not know yet whether the investor is likely to say, 'Yes, I am still available', and if he does, whether the money is still there or whether it might have been invested in something else.

Ms DUNCAN — Given that we do need some protection around some of these things, what changes would you like to see that would help move that sort of assessment along?

Mr ELKINGTON — Speed. You are better off with a 'No' early. Your point is a good one. You are better off knowing six or eight weeks in that this is just not going to fly — and let the investor get on with something else and let us get on with something else — than for all parties to still be hanging on for an answer two and a half years later. In that time we might have been able to find other things to put our time into, so it is all about time and response. Politics is probably involved in it, like everything — everything has politics in it. To get a quick response on a 'No' is probably better than a five-year wait to get a 'Maybe'. We have a two-and-a-half-year wait at the moment for a 'Maybe'.

Mr PANDAZOPOULOS — What it is highlighting is that the current approach is to let the investor approach us, then we will see if we can meet them, versus other jurisdictions. We have had council submissions saying, in effect, pick winners, do your homework as a land manager. Do all of your heritage, environmental and vegetation studies across a possible range of sites, determine the sites, then go out to market. Are you saying the latter approach is the better way to go, because we have an approach that basically says, ‘We are open for business, so come and talk to us’?

Mr ELKINGTON — There was a bit of that at the very start. Rob Black from Parks Victoria has been very good in this space. Rob was one of the early instigators of the concept with the proponent, and Rob is still involved. I would say Rob has probably been frustrated, as we have along the way, with some of the processes that he has no control over.

Mr PANDAZOPOULOS — They have not necessarily had a whole-of-agency approach to facilitate a quicker outcome?

Mr ELKINGTON — Yes, that would certainly help, and, with your concept of having an idea of what pieces of land might be useful for what purposes, the Rubicon historic reserve is probably a great example. If a multiagency approach had been taken with that 10 years ago, it could have been either proved up or not, and, if it was not, it would have let us all forget about it instead of going back every five years because a new group of stakeholders comes along and speaks to us about the potential of the site. We all get excited again, get a whole lot of stakeholders around the table and go through the process, and we end up with no result at the other end of it. If that reserve had been designated a no-go zone for development 10 years ago we would not have had all those conversations. But if it were identified through a multiagency approach that, ‘Yes, it could be of this type’, then when a potential investor comes along you can take them up there even as an economic development person and have a look at it.

Mr PANDAZOPOULOS — Can you tell us a bit about the Toolangi forest centre?

Mr ELKINGTON — My understanding is the Toolangi Forest Discovery Centre is still closed. The proponent for the Toolangi zip line is and was very interested in utilising that as a starting point for visitors to arrive and be briefed at and maybe have a small cafe and some environmental interpretive aspects to it, then be transported out to the zip line and come back to be debriefed and maybe spend a bit more money on that site before they go somewhere else.

Mr PANDAZOPOULOS — I understand the decision to close the centre was part of getting out of non-core services, but the opportunity arose that you might then get a private developer who could do that interpreting and use the building and site, but even that possibility has been struggling.

Mr ELKINGTON — That will not go ahead if the zip line does not go ahead. It is a sideline to the zip line. I have visited the operation in Tasmania that the proponent operates, and it is a fairly similar scenario. They have an old forestry building that they refurbished as the start and finish point; they take people out to the access site of the treetop walk, then they bring them back. They also run segue tours around the same base for those who feel the treetop walk is a bit beyond them. It is a very good business. It is well run, and it is a similar scenario in terms of utilising a public building for a better purpose.

The CHAIR — Bob, just as a closer: throughout the inquiry process the committee has been exploring best practice in heritage and ecotourism, obviously, since that is our reference. What is your view on the relationship between these two areas of tourism from Murrindindi’s point of view?

Mr ELKINGTON — Between ecotourism and heritage tourism?

The CHAIR — Yes.

Mr ELKINGTON — I have to say we probably have not done particularly well at linking them over the years. There certainly is a lot of opportunity and potential there, and once again that comes back to someone having the time to develop those links and products that might overlap with the two. There are some best practice examples of trying to develop and promote products, and I will name two of them. The Great Victorian Rail Trail is, I believe, a really good example of best practice in terms of product development, collaboration,

utilising state-of-the-art websites, apps, and so on. It is a thing where there is more work to be done. It is a very long trail, and there is a lot still to be done, but I think it is an example.

The Marysville visitor app is another example of best practice where a lot of the heritage, historical and eco product is wrapped up in an app that people can download onto their smartphone from the visitors info centre. They can do self-guided tours. There is a whole lot of information about those types of products and how they overlap. That has only been operating for 6 to 12 months. Once again that was part of the bushfire recovery fund money through the MSTEP program. That is a great example of best practice in linking, but also identifying and getting a bit of depth into that product. A lot of work went into the content of the app, as has gone into the Great Victorian Rail Trail. We have a lot of content ready to go but do not necessarily at this point in time have the resources to apply that content to signage, further development of the website and that sort of thing. They are two examples.

Mr PANDAZOPOULOS — One of the things with which we are grappling is the same question — that is, where do heritage and ecotourism sit — and in fact whether ecotourism is a subset of heritage. Is our landscape our heritage as well as our human impact and the built form? I am interested in this and think something a bit glaring to us compared to international jurisdictions is that generally we have been separating them, and in best practice in other places they say it is all heritage. Our environment is our landscape, our Indigenous culture is a part of that and our human built form or impact is a part of that. It is a holistic approach, rather than saying it is one or the other; and maybe that is why those linkages are not there.

It is one of the standard questions just to reinforce that we are really keeping them separate rather than under the one umbrella, so part of our thinking is around what do we do with those? You look at Heritage Victoria and see that its funding is very narrow around the protection of buildings. We might have a national heritage site in the alpine park. If you look at the Heritage Vic app, it does not say it is a heritage site, but it will give you built forms of heritage — the police memorial in Mansfield, a couple of digging sites and that sort of thing. It does not give you your landscape as being heritage, even though it is on the national heritage list. We have got this disjointed approach, so I was just interested in that comment.

On signage you guys are in a unique position around full recovery, to go and replace what you had — identify and build it in a newer form when you are replacing something. Then with all of the different parts of government you have got to find out which part of government is responsible for what bit, who is prepared to fund it, and how creative can you be with applications. What is your experience of that runaround from government as you are trying to develop tourism or redevelop tourism in a post-fire recovery situation? Have they tended to click together or have you been frustrated in getting direction?

Mr ELKINGTON — We are lucky I guess in that we have control over the majority of our roads in terms of signage. We have some significant highways running through our patch which are VicRoads roads. Our relationship with VicRoads is pretty strong, but there is a process. Once again, it is as much a resource issue as anything else. Response times from VicRoads are not fantastic. I would say some businesses have probably been frustrated in terms of how long it has taken for them to get a response or to get approval, or whatever. But they might say the same thing about council, and that is also a bit of a resource issue.

Ms DUNCAN — But they would be wrong, would they not?

Mr ELKINGTON — No, I think we are all underresourced — and you would be too. That is the deal with the roads. The issue of signage on attractions, trails, paths and that sort of thing is another question all together. Once again the Great Victorian Rail Trail is another example of a great product, but it is not yet reaching its potential. We have just completed a signage strategy which identifies the need for signage for historical and heritage content, as well as safety and directional signage. We have had it costed, and it is \$850 000 for a rail trail. The three councils clearly are not going to tick off a box to spend \$850 000 on signage for one rail trail at this point in time. However, part of the funding for the trail has been used for phase one of the signage strategy. We are about to spend about \$200 000 on the first part of that strategy.

A lot of the time it is not about whether you have the content. A lot of time has been spent developing up the heritage and eco-content, and it is sitting there waiting to be used. The next thing is how do we fund where it sits, how it is utilised and how it is accessed, because you do not just put up an old scungy sign and put the

content on it; you want a decent-looking sign that is going to last well, not require too much maintenance and the landscape, and all the other stuff that goes with it.

Mr PANDAZOPOULOS — The practicalities, let us say, having been there, done that and having to decide some of these things, is that you are funding stage 1 of the trail, which is basically sealing the trail, making the bridges and the connections or work, but you are not necessarily funding the interpretation of it. Then all the focus is on what happens next. Down the road you want stage 2 funded and then further down the road you want stage 3 funded, so the focus is on building the infrastructure and the core part of it is not the interpretation. The interpretation generally comes later on. Then the government says, ‘But we have already given you stage 1 and we have given you stage 2; how much more funding to you want?’.

Mr ELKINGTON — I think that is accurate, and you have always got to prioritise and of course you are going to prioritise safety first, so the signage around safety, directional — people have to know where they going and how far it is — and ESTA signage along the way so that people know, if they get bitten by a snake, where they are located. All those things will take your highest priorities, and then you work your way along the list.

Mr PANDAZOPOULOS — Then there is hardly any money left for interpretation. You have to explain the story when you have funding later on.

Mr ELKINGTON — Hopefully we will get to that point at some point in time, but it is certainly not going to go ahead of a safety sign.

The CHAIR — Is the production of the signs the cheapest part of the argument and putting them in the right spot?

Mr ELKINGTON — Yes.

The CHAIR — Bob, on behalf of the committee, thank you so much for giving us your time this morning. We have appreciated it very much, and again, I am sure that between yourself and Wendy, you are making a great contribution within your collective groups. Thank you very much for responding to our questions.

Witness withdrew.