

TRANSCRIPT

ENVIRONMENT AND NATURAL RESOURCES COMMITTEE

Inquiry into heritage tourism and ecotourism in Victoria

Melbourne — 25 November 2013

Members

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Witnesses

Cr S. Dunn, and

Mr L. Zarro, economic development officer, Yarra Ranges Shire Council.

The CHAIR — I welcome you both to the public hearing today. In welcoming you both I indicate that 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 you make outside the hearing may not be afforded such privilege. All evidence given today is being recorded, and as witnesses you will be provided with a proof version of the transcript in the next couple of weeks. We look forward to your presentation.

Mr ZARRO — I would like to start by telling a story, if I may. Yarra Ranges is an inspirational place. It inspires those who live here on a daily basis. It inspires those who visit, with its expansive valleys, verdant forests and patchwork vineyards in autumn, the beautiful pinks of cherries blossoming in spring and the busyness of lyre birds that forage in the morning. In Yarra Ranges we recognise the evocative role our natural environment plays both in how we see ourselves and in the connection it gives us to its land. We are also inspired by the diverse cultural heritage of Yarra Ranges carefully laid over time to construct who we are — our community identity.

Yarra Ranges is and always has been a place for artists and storytellers. Our heritage, especially our Indigenous heritage, and the creativity of our community is expressed in ways like music, film, dance, visual art and the written word. The traditional owners and custodians of Yarra Ranges, the Wurundjeri people, have a deep connection to this land, yet we know so little about it. We have much to learn from them and from their amazing, unique sense of place.

The riches of our natural and rural landscapes, the uniqueness of our heritage and the wealth the culture generates should be shared with the wider community. We want to extend and build on this understanding. Our vision is to show Yarra Ranges as a place where access to and participation in our natural and rural landscapes and our arts, culture and heritage is sustained and is a seamless, deeply meaningful experience for those who visit and also for those who live there as well. Our submission highlights many of these sorts of opportunities, but today we would like to present two. I would now like to introduce Lyster ward councillor, Samantha Dunn, who will walk you through one of the two key projects we would like to discuss today.

Cr DUNN — Thank you so much for that, Mr Zarro, and thank you for the opportunity to present. Very parochially I am going to present on the Melbourne Ranges Walk, which is located and starts in the Dandenong Ranges. It was lovely to hear Ferntree Gully National Park mentioned in the previous submission, because I am completely parochial about my gorgeous area.

So to the Melbourne Ranges Walk, creating a new icon on Melbourne's doorstep. The Melbourne Ranges Walk involves creating a flexible walk or ride that can be packaged in a range of ways to provide new opportunities for visitors. It will offer a range of opportunities for new and existing businesses, such as shuttle passenger services, which are popular with other iconic walks across the world. Yarra Ranges council, Yarra Ranges tourism and Parks Victoria have recognised the potential opportunities for visitors and business. With government support we can quickly achieve the delivery of an iconic walk for Melbourne. The amazing natural features of the Melbourne Ranges Walk will have international appeal. The proposed walk commences at Upper Ferntree Gully, progressing through the 1000 Steps in Sherbrooke Forest to Mount Dandenong through the Olinda valley, the Mount Evelyn Aqueduct Walk, along the Lilydale-Warburton rail trail and onto the O'Shannassy Aqueduct trail, which is around about 100 kilometres worth of walk. The trail is broken into five segments and can be taken individually or packaged into two, three or five-day segments, with accommodation, luggage transfer and transport to and from the walk. The accommodation sector in the region is looking forward to providing such packages. A number of operators marketing walking tours around Victoria and Australia have looked at the route and are very keen to work with us. A database of walking clubs has been developed for future marketing activities, and Tourism Victoria has pledged support for marketing initiatives.

I think some of the key attributes for this walk are its easy access from Melbourne and particularly public transport linkages at the Upper Ferntree Gully end of the walk. There is certainly a diversity of scenery that goes along with it, rural landscapes, high conservation old growth forests and native landscapes across two national parks as well as the very well manicured heritage gardens that the Dandenong Ranges are well known for. It is very possible and usually quite likely to see fauna such as lyrebirds, rosellas, echidnas, brush-tailed and ringtail possums, sugar gliders, wallabies and wombats. There are also good supporting amenities, such as boutique accommodation, car parks, toilets, picnic grounds, restaurants and wineries.

Tourist operators are already behind the opportunity, and at this point I will quote Alan Fenner from Park Trek Walking Tours:

Park Trek would be delighted to package the Melbourne Ranges Walk as both a single day out, a two-day weekender getaway and a three-day experience that pulls together a number of the features of the Dandenongs. In its current state it represents a pleasant day's walk for those who don't mind a rough and muddy experience.

Given a facelift, with the inclusion of some well-placed viewing platforms or places where walkers can sit down and absorb the fragrant surrounds of the ferns and mountain ash, the walk could be a first-class visitor experience with enormous potential.

For a reasonable investment the walk can provide a substantial long-term benefit. The economic impact of increased visitation to the region as a result of the walk is compelling. Economic modelling was undertaken based on assumptions that include in the first year an extra 3000 domestic day visitors, 500 domestic overnight visitors and 500 international visitors who would be attracted solely because of their interest in undertaking one or more days of the walk. The average stay for an overnight visitor would be 1.5 nights, visitor numbers would increase by 5 per cent and grow progressively over the next eight years as a result of marketing, publicity and word of mouth. Hence our estimates at the shire show that the total increased economic output after 10 years is expected to be in the range of \$10.4 million. As well, many visitors who come to the region for other purposes will hear about the walk and enjoy it and as a result spend more across the region.

What will it cost to establish the walk? We think \$120 000 is required to formally establish the walk, and that includes \$60 000 of funding to provide an urgent upgrade to walking services and infrastructure to bring the walk to a national standard, which includes upgrades to walking tracks in Sherbrooke and Sassafras and producing and installing signage along the walk and sign infrastructure. The other part is another \$60 000 which is required to produce and install seating in what we call hero sections of the trail, where the views are quite breathtaking and spectacular.

In conclusion — and I do not want to take all the time away from Mr Zarro; councillors are notorious for that — the walk will add a unique experience to the state's nature-based tourism product and offer an excellent economic, social and environmental return. Our national parks and forests are an essential part of our common heritage and a rich legacy that we need to safeguard and improve for future generations. To attract new and experienced hiking enthusiasts to enjoy these natural assets and share in their beauty is a great opportunity that we hope will have far-reaching government and community support. It is a place of great natural beauty so very close to Melbourne, that makes it an immensely attractive proposition for the ecotourism sector. With that, I will hand back.

The CHAIR — Sam, thank you very much. The reality is you do not have to market yourself to this committee.

Cr DUNN — I am so glad.

The CHAIR — We are very aware of what the situation is. For Lou's benefit, I make a point of that because as we are pushed for time — —

Mr ZARRO — Sure, no problem. I can precis what I have here. Yarra Valley has 3.4 million day visitors and has been known as a food and wine region, but it has a limited range of nature-based tourist attractions. The potential needs to be realised through projects, so we mention Sam's project. The other project that we are keen on — and I will just focus on the figures — is the idea of a Warburton mountain bike centre. The Warburton mountain bike centre is a project that will entail building 62 to 97 kilometres of new mountain bike trails. There are certainly opportunities to link mountain bikers — and anecdotal evidence shows — to the gourmet food and wine value proposition that is already in the region. Also there is a significant and a compelling story for the Warburton mountain bike centre which I would like to share with you given that these numbers are just quite recent.

The CHAIR — Very quickly.

Mr ZARRO — Very quickly, yes.

The CHAIR — We would very much like to hear of Indigenous heritage opportunities.

Mr ZARRO — Sure.

The CHAIR — The vision is world market, but we are really looking at eco — —

Mr ZARRO — Yes, no problem. With the Warburton mountain bike trail we are looking at potentially 130 000 mountain bike visitors per year. Given that day visitors spend \$77 per trip and overnight visitors \$130 per trip, there is an opportunity to generate indirect and direct benefits of something like \$23.67 million per annum. It equates to 175 full-time jobs in Warburton. The project is ready for the planning phase. The planning phase could potentially cost between \$230 000 and \$260 000, and we are looking at a construction cost of \$2.9 million to \$4.2 million.

The CHAIR — Lou, that is fine. We appreciate the marketing side of what has been looked at.

Mr ZARRO — Sure.

The CHAIR — But there are other areas we believe are great opportunities.

Mr ZARRO — Very much so.

The CHAIR — We can talk about the Yarra Ranges museum and a few of these that we would like to be trying to highlight in the short period of time available.

Mr ZARRO — Sure. I can conclude what we were talking about just then and we can move on to your question. The Yarra Ranges council is ready for these two projects and for the projects covered in the submission. We think we have the skills and opportunities to drive the rich mix of heritage and ecotourism projects that our region offers. Our officers, elected members, businesses, landowners and community have the skills, relationships and passion in place to drive the land culture in place that eco and heritage tourism require to be successful. We highlighted two projects; they offer impressive returns. The Melbourne Walks offers potentially a 10 to 1 return in year one.

Yet there are more than these sorts of opportunities. There is the opportunity, as we say, through other skills and other opportunities to enrich the natural and cultural patrimony of our municipality for visitors and tourists and also greatly enrich the natural commons of greater Melbourne and our state. With adequate government support we firmly believe we can achieve these aims and objectives. Thank you for the opportunity to speak more about those projects and also to appear before the committee today.

The CHAIR — Thank you both very much. It gives us an opportunity to have 15 minutes of questions. Just to bring you back to the point, how does the council market the diversity of sites and experiences in your own region? And what relationship does the council have with Tourism Victoria, particularly in terms of the promotional activities? If we could have an expansion on that quickly, it would be appreciated.

Mr ZARRO — The Yarra Valley and the Dandenongs are considered the campaign region. With the campaign region its hook has always been that it is a food and wine region, a food and wine destination of choice. We have found through our last few years of the project, that have been very successful, that there is the opportunity to add more by way of consumer segments to the Yarra Valley brand, or the Yarra Valley and Dandenongs brand — the family-friendly brand is one that we have only scratched the surface on. An example of a highly successful project that has been established is the Yarra Valley Chocolaterie & Ice Creamery, which receives thousands and thousands of people over the weekends. It is all about family-friendly activities. It is pitched to families; it does not have an alcohol licence. It has created a new type of activity for families.

There are opportunities, we think, that are untapped. Currently the Olinda Golf Course in Sam's ward is sitting idle. That is another great opportunity where there can be family-friendly activities. It might be mountain biking, it might be cyclocross, which is another form of mountain biking, it might be adventure trail running — there is a whole range of opportunities, and they are just sitting idle, waiting for Parks Victoria's clarity over what they are going to do next. It is not going to work as a golf course because it does not have enough water and it is pretty much mountain goat country; it is not really going to be highly conducive for golfing. There are opportunities like that.

There are the heritage aspects, too. Gulf Station is a heritage property that is somewhat untapped by way of potential. The National Trust has put the resources on the ground with some managers now. There are opportunities to look more at the agriculture-based tourism. The whole idea of agricultural farm stays is another untapped area that appeals to families. We have only begun to scratch the surface on that as well.

Cr DUNN — May I just add to that as well, Chair, that the Yarra Ranges council is very committed to our tourism sector and, in partnership with Yarra Ranges tourism, provides just a smidge under \$400 000 per annum to assist in the operation of that organisation. There has also been a very strong push through all of our strategic documents in many different forms to support the sector because we see it as a great strength for us and a way of diversifying our economy and building on what we are really privileged to have in terms of natural assets. Council itself is very supportive of tourism and putting some money behind that as well.

Ms DUNCAN — Just in terms of looking at the environmental aspect of that, you got most of it right except you put 'Yarra' instead of 'Macedon Ranges' in front of your delivery — a few lyrebirds are neither here nor there. Have you looked at the carrying capacity of some of these things? You talked about the number of mountain bikes coming to the area. Are any of your documents referring to what the carrying capacity of that might be and therefore what you might do to protect that?

Mr ZARRO — We have a couple of challenges. Some of the challenges are just with the topography, obviously, of some of the parts of our world. I do not think somewhere like Grants picnic ground can sustain, because of the visitation it gets, feeding the cockatoos anymore, as Sam knows a lot about. We have some significant shortfalls. I think some of our estimates show up to a 900-bed night shortfall for budget accommodation. We have quite a large seasonal labour market as well as a burgeoning market for mountain biking and cycling, and we do not have — nearly — any accommodation to accommodate to people for the budget accommodation and backpacker accommodation, and there are various different segments within that accommodation segment as well. So we have some accommodation shortfalls.

The work we have done around cycling, again, needs to be pegged to an opportunity to build hospitality. Currently some projects are on hold in Warburton, which would significantly increase the opportunity to host the 150 000-plus visitors we get. Things — ducks — need to line up in the right way. We are not quite there yet in terms of being able to have a compelling story, as council officers, to sell on it. We are working on investment prospectuses and the like to attract further budget accommodation. We do not really want to begin to open up to potential large-group Asian accommodation. If we get into that space, then we could be in some significant — I would not say strife, but there would be some opportunities and some challenges we would have to face. I will give you an example. Some months ago there was a Cherry Blossom festival, which they have had every year in Olinda at, what is it?

Cr DUNN — The rhododendron gardens.

Mr ZARRO — The rhododendron gardens. I think one of the park rangers, through their own initiative, advertised it on a Chinese language blog or something, and what used to be 4000 or 5000 people visiting over a weekend doubled by five times. There was traffic all the way from Olinda down to Ferntree Gully. If we open up that floodgate, there are going to be some major shortfalls in our budget accommodation, our roads, our topography — on sexy stuff, like our sewerage system, which cannot handle those sorts of numbers. There are some real shortfalls.

Ms DUNCAN — Turn your golf club into a camping ground.

Cr DUNN — I think the other challenge with that — and this probably leads to being close to Melbourne — is that you are considered a place to come for a day trip. So it is an all or nothing. On the weekend absolutely everybody is walking the Kokoda trail; on a weekday that relieves again. Looking at how you can spread the load and increase the opportunity would be a great benefit, but it does come with its challenges, and I think that proximity issue does play into the carrying capacity issues.

The CHAIR — Thank you, John, would you like to ask a question?

Mr PANDAZOPOULOS — It is good to see you focusing on new product, and as part of that on yield, because you are getting a huge number of day visitors who, as we all know, leave less than your overnight visitors. I am just wondering; one of the things we know, and I know as a former tourism minister, is that

visitors, particularly international visitors, do not feel like they have got a genuine Indigenous experience — noting you were sitting in the audience — comments about the key opportunities and the 2-hour focus. The reality is that your region is probably the one that is best placed to harness that above and beyond Bunjilaka at the Melbourne Museum et cetera and the Koorie Heritage Trust as a regional experience. I am just wondering what council's planning is in that area. Are you seeing that working with Wurundjeri in the area and creating experiences will add economic value for the community and for people in the Yarra Ranges?

Mr ZARRO — Very much so. Council employs an Indigenous development officer, who pretty much came with a clear remit to build the capacity of the Indigenous community arm in arm with the community. He has done a certain amount of work to build the community's capacity and a sense of shared leadership within that community. It is not even a question of marketing. You cannot even begin to build the story and onsell that story to people unless the community itself has that capacity. A lot of his work has been in building that capacity and working on projects by which he has built the community whose members have made their own connections to their own heritage. Now they have some really strong leaders who are in a position to drive those sorts of projects.

They do have assets that are sitting idle, unfortunately — not so much idle, but require better strategic thinking. Over the course of 2014, now that they have the people on the ground and the governance systems in place, we will be looking quite closely at some of the key potential hero projects there, one being Coranderrk. For people who may not know the story, in the late 1900s Coranderrk was an amazing, vibrant community whose members were involved in amazing agriculture, including growing hops. We have talked about potentially looking at a way to link our boutique artisan beermakers and winemakers with that community and give them skills as well around agriculture and horticulture. They are the sorts of projects that we are looking at. We are looking at quite shortly giving them some funding assistance to get the technical knowledge to look at what they can do with their land, what water rights they have, what soil types they have — so to look at that opportunity.

There is also the ongoing work that Healesville Sanctuary does in this space. They have been building capacity, and I think they even have some Indigenous members on staff, and they are doing some work around that space. A range of other opportunities have been looked at because the capacity is there now. One of the elders of the community in Murrindindi has been looking at projects around forest experience and the experience in forests with young people. So there has already been some really great work happening with young people. The national education curriculum tells us some of the wonderful narratives about William Barak and Simon Wonga.

We are working on projects that highlight a sense of place, which as a council we are doing at an integrated level through urban design, economic development and capital works. If we continue to work on a sense of place, I think the work we do around the Healesville area will also pick up some of the rich indigenous history. So we are pretty confident we have the skills. It is just a matter of teeing up what will be the right projects and then, I guess, picking a couple of winners and throwing energy, money and resources at them. It is not so much about the money, it is about building the skills and capacity, and I think we are getting there.

Cr DUNN — It does represent some really good opportunities for us. When you talk to the local schoolchildren, who actually participate, who go out on site and visit William Barak's grave and learn about Coranderrk and they are there and they are feeling, seeing and experiencing that, it is an incredibly compelling experience for those children that has enormous opportunities to be replicated for visitors to the area. So we are certainly supportive of that. I think there are opportunities as well to look at social enterprise models that assist the Indigenous community of Healesville in all of that.

The CHAIR — On behalf of the committee, I thank you very much for your presentation today and for making your time available to come to town to make your presentation. Well done.

Witnesses withdrew.