

**REPORT OF PROCEEDINGS BEFORE**

**GENERAL PURPOSE STANDING COMMITTEE No. 3**

**INQUIRY INTO TOURISM IN LOCAL COMMUNITIES**

**ROUNDTABLE DISCUSSION**

---

**At Dubbo on Thursday 10 October 2013**

---

**The Committee met at 10.15 a.m.**

---

**PRESENT**

The Hon. N. Maclaren-Jones (Chair)

The Hon. J. Barham

The Hon. N. Blair (Deputy Chair)

The Hon. P. Green

Mr Scot MacDonald

The Hon. L. Voltz

The Hon. S. Whan

**NATASHA COMBER**, Manager, City Development and Communications, Dubbo City Council;

**MATTHEW FULLER**, General Manager, Taronga Western Plains Zoo, Taronga Conservation Society;

**NEIL ALCHIN**, Director of Corporate and Business Services, Gilgandra Shire Council; and

**BELINDA BARLOW**, Executive Officer, Orana Regional Organisation of Councils, sworn and examined:

**CHAIR:** I welcome everyone to the General Purpose Standing Committee No. 3 inquiry into tourism in local areas. My introductory remarks will be tabled, with the agreement of members. Before we commence with questions, is there an opening statement that any of you would like to make?

**Mr FULLER:** I would be happy to make one. Firstly, thank you to the Committee for taking the time to come today. Welcome to both Dubbo and the Taronga Western Plains Zoo. I guess in Dubbo we benefit from the incredibly strong regional visitor economy—and I say Dubbo, but our regional area. We are influenced heavily by some very clear attributes: location, centrally in New South Wales, as a key service provider to many smaller regional communities; we have fantastic public infrastructure promoting visitation through events, sport and even health services, and obviously product, led by way of New South Wales anchor attractions, including the zoo, and serviced by a range of both public and private operators. As we discussed this morning, with a very large infrastructure base, there is something in excess of 3,500 beds for visitors to our city. As a result, visitor economy in our local government area is worth about \$335 million. It is a significant amount and that figure is the direct economic impact driven by the direct spend by visitors, which is about \$175 million, applying the Tourism Australia tourism economic multiplier of 0.91, so you can see that it has a significant impact on our local community.

My involvement in tourism and our visitor economy and related industry both in New South Wales and Queensland has really provided many opportunities to see and consider what works and what does not work amongst operators, tourism organisations, government and other accreditation and regulation stakeholders. Certainly my participation in the New South Wales Government Visitor Economy Taskforce Regional Advisory Group indicated to me very clearly that there are probably two key things that could be real game changers for our State and support tourism in local communities. Number one is the regional tourism organisation platform and the real need to consolidate and make more efficient that area, creating efficiencies and also engaging and promoting the use of seasoned tourism professionals to drive forward the intellectual capacity of our State through our regional tourism organisations and, secondly, I think most importantly, is the increase of collaboration between operators, local government, State Government and anybody who is involved in our industry because everybody thinks that it is about adding more money to the pool and, yes, some of the issues within tourism can be assisted with dollars but collectively and effectively using the dollars we currently have available to us in a cooperative fashion would be a significant step forward.

I understand that the Committee's terms of reference go well beyond those two areas and certainly the other areas are important to consider. I will say that obviously, and I am sure you realise by now, there are no quick fixes, there are no silver bullets; it is about the 100 little things you do right to experience incremental growth across the tourism industry. I am a great believer that there are significant opportunities for growth and for positive outcomes in regional communities, in particular, through growth in visitor economies. I think we are on the cusp of a bit of a wave here in our local area and we are certainly experiencing some of the benefits of that and the flow-on effects in terms of investment in our local area. I do think also that there has been a significant amount of work done by the visitor economy taskforce and the industry action plan that stems from that has some very good recommendations to help shape the future of tourism in all of our communities. Key to that is creating a strategic platform with a longer-term view than 12 months and ad hoc grants and availability of funds and short-term programs, having a longer-term view and a strategic approach to that. Thank you for the opportunity to be here today. I am sure you will have lots of questions and further discussion and I very much look forward to that.

**The Hon. STEVE WHAN:** One of the things that Matt highlighted in the tour this morning is the declining standard of accommodation in country areas west of the divide. What sort of things can we do in tourism to try to build the quality of accommodation that people can get around the country as part of the attraction? Are there any thoughts on that?

**Mr ALCHIN:** Speaking from a small country town's point of view, like Gilgandra, we feel that our tourism is really based around our location rather than attractions. We are not a destination and we recognise that clearly, and often that becomes frustrating to us when we look at the way tourism is funded in New South Wales, but we see ourselves as strengthening our position on those major highways and capitalising on the fact that visitation is already coming; it is a matter of what percentage of that visitation we are able to attract to either stop for five minutes, an hour or a day or night in our town. We recognised long ago that throwing money at trying to create attractions or trying to create false expectations does not work.

We already have something like, in a small town, 11 motels and, just to give you an idea, a population of 2,000 people, so obviously we identified some time ago and our operators have identified that there is an ability there. We do not see that it is about the quality of the accommodation, but it is about the style of service, the cleanliness, those sorts of issues rather than quality as in stars or anything like that, but we do see that at the moment, from our point of view, a lot of the direction where the funding is going—and I am probably going off the topic a bit—does not suit our particular circumstance, and I think I would be game enough to speak for a number of small towns in the same situation to say that in our region, for instance, the only real attraction that we identify is the Dubbo zoo, the Western Plains Zoo.

**The Hon. STEVE WHAN:** That is Destination people actually coming. As I was saying before, a lot of people are on their way from north to south as they come through. What role is there for councils and surrounding areas to try to retain people for longer than a day visit or an overnight visit?

**Mr ALCHIN:** To be honest, we would be happy with the day or overnight visit and we are not achieving that at the moment. Part of the reason why we are not achieving that is because we do not have the ability to fund to the level we would like from a local government point of view but also our local operators do not see the value in some circumstances, and others just physically have not got the ability to assist us with funding and improvement, I guess, in what we look like on the Newell Highway, for instance. That is a real challenge to us. At the moment we spend \$260,000 a year of our net budget on our visitors' information centre, for a town, as you can appreciate for a shire of 5,000 people in a town of 2,500 people that is a significant contribution.

In fact, we get questioned at the moment from both our business operators, moteliers et cetera and particularly our farming community on the level of contribution we make currently to tourism. We as a council recognise that if we do not put in, we cannot get out. As I say, the frustration we get at the moment is that we do not see that there are opportunities to partner with other levels of government to achieve a better outcome and a more sustainable environment. We certainly see tourism as a drought proofing exercise to us in our country areas. We relied on farming, very much so we rely on that highway now, particularly as was identified in our submission. We had something like nine years of drought there. For a farming community that is significant. During that time I do not think it is appreciated by the farming community but certainly tourism by way of our location has kept us as a vibrant community during that time coming on ahead, and we certainly did not go backwards during that time.

**The Hon. STEVE WHAN:** Have you seen an increase in grey nomads and self-contained travellers coming through? Have you been able to measure an increase?

**Mr ALCHIN:** We measure exactly that at our visitors centre. Over the past 15 years, we have just done a significant review of tourism at the request of the new council since it came in, our numbers have increased to around about, on average, just over 20,000 visitors into our visitors' centre each year. That is actually into the centre, not counting the car park and that sort of thing. A significant number of those are the grey nomads, between February and August each year, migrating north and going home south, that is exactly the pattern.

**The Hon. LYNDIA VOLTZ:** Following the whales.

**Mr ALCHIN:** Yes. It is nothing for us to have 20 to 30 caravans in our visitors centre car park at lunch time on a non-holiday, non-school, non-public holiday type time between February and August. That happens to be that we are halfway between Sydney/Melbourne of course, which we recognise. It is certainly significant.

**The Hon. STEVE WHAN:** Where do they stay overnight? Where do they spend their money?

**Mr ALCHIN:** I might add that that particular group is not significant to our economy. They are usually self-sufficient to a large extent. In fact, the push at the moment from their association and those types of

things is for us to provide more and more free facilities in our town. The expectation is that local government will provide those and, in fact, they have indicated to us that if we do not provide it they will certainly flag that Gilgandra is not a friendly town to the travellers. That is an issue we are grappling with at the moment. What we are trying to do is to work out how we can convert as much as possible the dollars that those people bring with them into our businesses in our towns. One of the real issues we have got is that when we developed our visitors' centre some years ago, and ours was in the 1988 round, I think, at that point Tourism NSW was pushing for visitors' centre to be on the edge of towns to be welcoming to the community.

The problem with that is that you are on the edge and it is something like in our case two or three kilometres from the business centre. It is very difficult to convince our business centre of the benefits of our visitors centre when you are traveller like I would be, once you pull up with your family or for your rest stop two kilometres away, you are not going to pull up again in the town. It was very hard for us to convince people of converting and it is very hard to convince ourselves we are converting a large number of those tourists into our central business district. That is our biggest challenge. Systems would then change is where we would see our viability in the future in getting that visitation closer to our CBDs. I think that was a pattern around the State, certainly in the Western area, was to locate those visitors' centres on the edge of your town and that has created a real problem because we have not got the money to move the infrastructure, but it is a real challenge to us.

**The Hon. STEVE WHAN:** Has there been much work or study about what could be done by surrounding areas to retain people in the area at the moment with the zoo and the regional tourism organisation, and what they are looking for?

**Mr FULLER:** Yes, absolutely, all areas are required at the moment by Destination NSW to have to undertake a Destination Management Planning process. Our area across Dubbo which extends out to the OROC area has led to something like 45 participants with each of the workshops getting together and discussing the attributes of the region, how we can take advantage of getting people to stay and stopover but also how we make sure the needs of the visitors are met. What we have been very good at in tourism in the past is being very parochial about our little patch of dirt, what we offer, how we offer it and how we keep people in whichever part of the country. What we need to focus on is what the consumer wants.

They do not see borders, they do not see State, local government and regional tourism organisation borders. They have an intent as to what they want to get out of their short stay, their holiday or whatever it is. We need to make sure that we are responding to that. The regional tourism organisation that all of the OROC councils are involved with is inland New South Wales tourism. It is the first RTO that has been established as a conglomerate or an amalgamation of previous smaller RTOs and extends right through the Queensland border, the outback region, the southern highlands in capital country so it is the first to create a new paradigm in that space.

They have been working very hard with all of the regions which I am sure these guys will attest to that. I am a bit biased because I am board member, I need to declare an interest in that. But certainly we have engaged seasoned professionals. We have engaged and funded an independent chair of that organisation, Roger Powell who has extensive experience. He is one of the directors of Tourism Accommodation Australia. We have now got a very professional outfit working on the challenges of tourism across our region. I guess, in terms of a case study, if you think about the recent success, Inland NSW and the Government just had its Regional Visitor Economy Fund program announced and put into the market.

In the first round of applications I think there was close to 50 applications from across the State. There were five grants awarded during that program. Four out of five were awarded to Inland NSW members and through inland New South Wales and two out of five were for Dubbo. One was about ourselves and the local government Dubbo City Council, NSW Parks and Wildlife, and other stakeholders working together on a destination brand, strategy and marketing program, and the other was supporting our eco-cabin development. In terms of the success rate, four out of five, the only other regional tourism organisation to get any success in that funding application process was the South Coast. I think that speaks volumes about the initial success and the direction in which that organisation is heading.

**The Hon. LYNDA VOLTZ:** There has always been a link in this region between the zoo, the observatory at Parkes and the observatory in the Warrumbungle. Do, for instance, the Elvis Festival, the fiftieth anniversary of the moon landing play out to the rest of the region?

**Mr FULLER:** Most definitely. Absolutely. Anybody who is not actively involved in those events through offers and options for them to come and partake in their attraction, their city, is crazy. We do and we get great benefit from it.

**The Hon. LYNDIA VOLTZ:** So you are getting more visits to those events?

**Mr FULLER:** Flow-on effects.

**The Hon. LYNDIA VOLTZ:** Is that across the board? Are you getting them in Coonabarabran and Dubbo?

**Mr FULLER:** Absolutely.

**The Hon. LYNDIA VOLTZ:** Gilgandra, yes?

**Mr ALCHIN:** I would say no from our point of view. Do not get me wrong, they are great things for our particular area, for Dubbo, and the Elvis festival is great for Parkes. If something was run at the Warrumbungles, that is great for Coonabarabran. Certainly, from a regional point of view if you said there were significant spin-offs to a small town like Gilgandra in our location, which in our case is 60 kilometres from Dubbo, 100 kilometres from Coonabarabran and 200 kilometres from Parkes, I would suggest that no, there is very little spin-off as such from events.

**The Hon. LYNDIA VOLTZ:** It is more playing out to the towns that have the other attractions to which they will go. If they go to look at the Observatory in Parkes, they may go to the Observatory in Coonabarabran?

**Mr ALCHIN:** May well do. That may be the link. Certainly, we see, as I said before, the significant ongoing attraction is the zoo. That is the big one. Yes, Parkes has been able to do that over a number of years with the Elvis festival. Probably most of the small towns have their own small event each year that they try to run. Ours has been called the Cooee Festival for a number of years and that is something we have tried to promote regionally and that type of thing and based it on our relationship with the Cooee March.

**The Hon. LYNDIA VOLTZ:** Who organises the sculpture event with the utes, is it?

**Mr ALCHIN:** That is Deniliquin.

**The Hon. LYNDIA VOLTZ:** Not the Ute Muster.

**Ms BARLOW:** No, it is Condobolin.

**The Hon. STEVE WHAN:** The one where they stand on their ends and things?

**Ms BARLOW:** Yes.

**Mr ALCHIN:** When it comes to those major events, we do not see the benefit to us directly. That is how we look at it. We are happy to support the fact they are happening but it is not of any significant benefit to our economies or areas. Certainly, the people of our communities do not have any ownership of any of those events. That is the other thing. There is no feeling that that is a regional-type thing. In fact, if you ran that past any of our community members, they would have very little ownership at all.

**Ms COMBER:** In reference to those events happening in the region, I think it comes down to taking the initiative to try to capitalise on them. I think we are getting a lot of overflow when people go to Parkes and they will come here. For example, for next year's Parkes festival we are actually creating packages to attract people to come to Dubbo for a three-night period. We will do the bus transfers over to Parkes and bring them back to Dubbo and they might go out to Gilgandra for the day or things like that. So I think it is good and, as Matt was touching on, we need to work as a destination, but part of that is also taking the initiative to see how your particular area can capitalise on those events and working with those event organisers. I certainly found from Dubbo's perspective events like the Parkes Elvis Festival are very keen to work with us because they only have limited capacity as well in accommodation. Everyone's camping and staying in houses and things like that. They want to help build their capacity so they are willing to work with regional operators. Certainly, we are

trying to take it that next step forward to not just hope that they stop in to Dubbo but really driving them to Dubbo first, going to Parkes as a stop-off and then coming back to Dubbo.

**Mr FULLER:** Could I respond to Steve's earlier question about increase in the quality of accommodation?

**The Hon. STEVE WHAN:** Sure.

**Mr FULLER:** A couple of things may assist that and certainly some things I have seen promote some success. One is about some flexibility in zoning within local government areas both for people to get into new accommodation developments but for people also to get out of existing accommodation developments. There are accommodation developments that will not be sold off as going concerns; they will be sold for other development. Zoning is an important component about what will form a replacement strategy. The other is certainly information and particularly if local government area operators can provide potential investors with some impetus to say our town is actually worth looking at investing in and this is what we have in terms of economic development and opportunity, what we have in visitor economy and all of those things, and even some initial feasibility work to understand what types of products may be viable in those areas. Then that allows you to actually contact some of those bigger operators.

Recently, we have seen a large private equity firm buy into the accommodation space here in town. Obviously, that is a big part of the accommodation sector future in financing those developments. With that comes the onus on operators, local government and anybody involved in that area to mentor, lead and promote investment in new, improved and different quality of accommodation products. We saw that recently with Quest and what we are developing. We know there is interest out there now for others. It has stimulated further growth and interests—probably also a better education process to let particularly private operators know what is available in Federal and State assistance because there is quite a push at the moment to encourage increased quality in accommodation. The Tourism Industry Regional Development Fund from the Federal Government's perspective and, obviously, the Regional Visitor Economy Fund are very keen to see increased quality of accommodation improvements in addition to expansion. I think they are a couple of things anyway.

**The Hon. PAUL GREEN:** With your experience and the way New South Wales is moving in trying to fund tourism, is it on the right tack or are there other ways to improve what is there? It is not a set-up question to hammer the Government; we are here to listen to see if we can do business better or smarter.

**Mr FULLER:** Absolutely. Going back to my opening remarks, certainly there is smarter and more efficient use of combining and cooperating to work together, pooling resources that are currently being invested because there are lots of people doing it individually.

**The Hon. PAUL GREEN:** How do we make those links? One of the issues we are finding is this "It's all about me and my business" culture.

**Mr FULLER:** Absolutely.

**The Hon. PAUL GREEN:** One issue is that a lot of people have people stay but they are not contributing to the local tourism industry.

**Mr FULLER:** I think some of those links are about education and leadership from people who have had exposure in areas, particularly outside of New South Wales. We are very good at being very insular about managing our tourism products. Compared to some of the other States, even the simple things like commissionable rates and working in with other operators and giving them incentive to promoting your business or operation, New South Wales has a way to go in that regard. For some reason we have very much fallen behind.

**The Hon. PAUL GREEN:** Are there any benchmarks we could look at where they are doing it far better?

**Mr FULLER:** Absolutely. I think Queensland very openly and effectively uses a commissionable rate structure with operators to work together and benefit from each other—win:win—particularly with people like commercial tour operators who are operating in national parks, with the accommodation sector and with attractions. That is one way. It is about educating. I think the most effective way of educating people is giving

them an understanding that this is about the consumer. This is not about a local government area. This is not about attraction. This is about the consumer and what they want out of it and what they are willing to spend. Your investment has to be driven by that. I guess it comes back to having information at the outset, having some good research and understanding what the consumer's motivation is. Then you can make informed decisions and actually take some of that parochialism out of it; take out some of that boundary kind of approach. I think that is where certainly inland and the successes we have had with Dubbo in cooperative programs is starting to help us. We do not have all the answers by any means.

**The Hon. PAUL GREEN:** That is a good point because you have over 9,500 Dubbo zoo friend members. That is the sort of thing we are talking about: buying from right across probably the globe. I imagine that is what that membership would be, is it?

**Mr FULLER:** No, they are Dubbo locals. They are people with a 2830 postcode.

**The Hon. PAUL GREEN:** That is brilliant.

**Mr FULLER:** We have fewer than 42,000 people in our city and more than 20 per cent of them have signed up.

**The Hon. PAUL GREEN:** That is very exciting. My next question flows on from that. One of the issues being raised is visitor infrastructure. Local governments have an infrastructure backlog worth billions of dollars. What is the impact of these visitor economy nights on local infrastructure? Could the Committee make a recommendation that would be helpful?

**Ms COMBER:** Dubbo does have an infrastructure backlog largely focused on roads. We will deal with that issue, but we do not talk about it in terms of tourist impact on roads. Many of our concerns are focused on the initial funding of asset development. Funding is provided to establish an asset, but there is no ongoing funding to maintain it. That is a challenge when we know we have to develop some new experiences to complement the zoo. We have been successful in getting funding for things like a botanical garden and the like.

**The Hon. STEVE WHAN:** Where is that?

**Ms COMBER:** It is Elizabeth Park Regional Botanical Gardens in East Dubbo. It is a large garden and we received funding last year for boardwalks in the oasis gully. That is great. Council manages many assets, such as Old Dubbo Gaol, but it is a challenge to continue to upgrade those assets when ratepayers must fund the basics like roads and so on. I certainly think there are opportunities and there should be more enforcement. When funding is made available to build an asset there should be stringent asset maintenance plans and the ongoing funding should be made available so that they can be maintained at a high standard. As with accommodation, the quality of the experience must be good.

**The Hon. PAUL GREEN:** My local government experience is that someone is employed privately to do that for a long period—perhaps for 10 or 20 years. The maintenance is built into the contract and it is taken care of. However, if the arrangement breaks down and the business no longer exists, council has to pick up the pieces. Is that your experience?

**Ms COMBER:** Yes. We have the caravan park as well and we have had mixed experience with contract management. It is the challenge of not only upgrading the facilities, for example, the Old Dubbo Gaol and the historic site, but also continuing to build on something so that it is significant and we do not end up with a lot of mediocre experiences. That is obviously a challenge for councils because we are trying to meet the needs of a diverse range of people in our local communities and also visitors. Some tough decisions need to be made. We cannot simply keep developing new experiences.

**The Hon. PAUL GREEN:** Does anyone else wish to comment?

**Ms BARLOW:** In most instances, an attractive and amenable town and facilities are the main priority of local government. Other than Dubbo and Bourke, not many are a destination. The numbers for Bourke indicate that visitors stay on average three nights. As far as local government infrastructure is concerned, roads are the major issue. It is the same issue in Dubbo.

**Mr ALCHIN:** I agree totally. Natasha summed it up very well. The problem is the same in each local government area and it is a real challenge. It is a juggling act year in and year out. Gilgandra has a museum and a historical and cultural centre. It was built with grant money, but the climate control system is no longer up to the standard we need to accommodate the types of exhibitions we would like to offer. A new system would cost about \$220,000. We have been applying for 50:50 funding for a number of years without any success because tourism funding tends to go to new programs, initiatives, regional organisations and those types of things. Not a lot of thought is given to that part of the business. That type of thing is a real challenge for us.

That is an example of something we are grappling with to improve the number of people we stop. But to get the quality of exhibition we need, we must have more significant capital input. Again, it is difficult for a small community to understand the size of the input that is needed and the benefits that will flow without some sort of assistance. That infrastructure assistance is not out there. Our challenge is the same as the challenge facing Dubbo, Bourke and so on—it is the roads. We have identified that we should be spending an extra \$1.5 million on our roads each year. That is out of a total budget of \$16 million to run the whole kit and caboodle. From that point of view, it is a significant challenge.

**The Hon. JAN BARHAM:** I am very interested in that issue, but I will not pursue it now. I refer to Aboriginal tourism, particularly given that the Government has produced an action plan. I know there is a large Aboriginal community out here. How much community engagement has happened and have you looked at the situation strategically? Is indigenous tourism part of a plan to keep people in the area longer?

**Ms COMBER:** The destination management plan recognises indigenous tourism as one of our key strengths and it is certainly an offering. Historically there have been some challenges around that and trying to get some involvement, especially through the cultural centre and so on. We have developed a master plan for Wiradjuri Park, which is down on the riverbank. This initiative has been driven by the Aboriginal communities largely from a suicide prevention point of view to create a place of reflection, contemplation and celebration. The plan was well received by the Aboriginal community and the rest of the population. We have also lodged an application for funding from the Tourism Industry Regional Development Fund. It has definitely been a positive experience, but it needs to be driven and owned by the Aboriginal community because we cannot come in and create something; it has to be created by them.

**The Hon. JAN BARHAM:** Do you think it is of such importance, not only in terms of tourism and the economy but also in terms of social connection, that it should be the subject of separate government investment because it cuts across more than just the economics?

**Ms COMBER:** Absolutely. The approach needs to be different from what we might take otherwise. That was certainly one of the challenges we faced when writing the application. Many of the points focused on the economic drivers, but I was very careful to ensure that the social aspects were highlighted. I did not want it to be presented as us creating an indigenous tourism attraction.

**The Hon. JAN BARHAM:** I heard about it and it is seen as a very solid, respectful program.

**Mr FULLER:** There are a couple of issues. It is a very big area and there are a number of ways to approach it. We are doing a number of things. Irrespective of that mentoring and leadership, education of our indigenous communities is a very strong element. New South Wales has very few successful commercial tour operators. You need to be successful to operate in national parks and to go into areas such as the Pilliga where there are cultural tours and so on. We certainly encourage them and offer that to some of the local operators, such as Michael McCulkin, who is an award-winning operator from Broken Hill. He works in *Mutawintji National Park* and other areas up there. We could get him to mentor and help local operators.

It is also about looking at those opportunities and informing them about what is out there. I think New South Wales is probably well behind in terms of investment by Indigenous Business Australia in sustainable community programs involving indigenous communities to form viable long-term enterprises, whether they be nature-based enterprises or cultural tourism operations like Wilpena Pound and those sorts of places. There are partnerships between the indigenous community, seasoned commercial operators and Indigenous Business Australia in terms of finance. There is also Mungo Lodge further west of here, but there are not many of those examples in New South Wales. I think there is an opportunity for us to encourage and educate our community about those sorts of opportunities.



**The Hon. JAN BARHAM:** Under marketing and regulation of tourism, the Orana Regional Organisation of Councils submission referred to "More strategy and innovation based on the outcomes of consumer insight and destination management is required not more regulation or cost shift onto local government..." What are you looking for in respect of that bigger thinking, the innovation and the strategic approach? How does this fit?

**Ms BARLOW:** For instance, Brewarrina Shire Council—and Matt may know more in his role for inland tourism—invested in an Aboriginal museum, also with some external grant funding, but the impetus was lost by the community. It has been opened and closed, opened and closed, opened and closed, and now it is closed, and the cost shifts come back on to council to look after it, to maintain it, to fund the opening of it with staff, those sorts of issues. What I mean by that is that external grant opportunities are given to local government or to communities to build or to create infrastructure to house or to have an Aboriginal keeping place, or a tourism activity, yet the cost shift falls back on to local government if it falls over and when it falls over.

**The Hon. JAN BARHAM:** What are you saying can be done in respect of that strategic thinking? What is missing to support councils to ensure the sustainability of those grants, the product and the community that supports it and is engaged with it?

**Ms BARLOW:** It is such a short-term vision by governments. That is just the normal election cycle; that happens, anyway.

**The Hon. JAN BARHAM:** But communities are here forever.

**Ms BARLOW:** That is exactly right. Communities are here forever, but now that local government has come into a new realm of integrated planning and reporting community strategic planning and those things, tourism does not always fall into that. It gets forgotten. It is not a major priority of ratepayers.

**Mr FULLER:** What would complement that, too, in the past, quite often what has been considered Indigenous cultural tourism in our State has been "build something static, have something to visit". To me, what inspires our visitors most is the people, the places, the passion. It is like spending time with an Indigenous guide, going to their special place, learning about their history, telling stories of the Tracker Rileys of the world, and hearing what is behind the history and what is behind the culture as opposed to having a bunch of artefacts in a place behind a window that I push a button and hear about. In respect of innovation, I think it definitely has to become about those personal highly emotive experiences, because that is what people are inspired by.

**The Hon. JAN BARHAM:** But that is a hard product to put on paper to try to compete with other grants, those experiential things that have value and are probably recognised more overseas. I have got an interest in whether or not there needs to be some accreditation around those experiences to ensure that they are ethical, that the right people are doing them, and the ownership is there for the buy-in.

**Mr FULLER:** Local communities almost self-regulate. If there is somebody from out of town telling stories about local Indigenous culture, they are pretty quickly told it is not appropriate. I do not think accreditation is necessarily the case. I think the consumer will drive what those outcomes are, because they will either accept it as a viable product that they want to take in or not. In respect of how it responds to potential grants and those other things, they really come down to numbers. Those things are based on what return the Government—or whoever it is providing the funding—is going to get. If you can get people attending, going on tours, paying to see an experience, whether it be an evening dance or going off with somebody in the bush or spending some time with a local and learning about local stories, I do not see why they should be excluded from any grant process, regardless of the fact that it is not bricks and mortar.

**The Hon. JAN BARHAM:** To follow up on the infrastructure issue, are you finding that a lot of the costs involved are new standard requirements rather than new infrastructure? Is it the maintenance? You referred to the museum and up-grade standards. I am trying to isolate whether or not it is about new infrastructure or whether the maintenance issue is to upgrade standards with new expectations or regulations?

**Mr ALCHIN:** In our case, it is to do with the change in expectations of what a visitor wants to experience, and so that includes things like changes in technology and those types of things, but interactive, whereas 10 years ago a static display might have been something that someone was interested in seeing. Now, if there is not an interactive point to that, it may not be of interest to a lot of people, and the types of things we are moving to are very costly within our small budgets, so everything from that interactive thing to climate control

through to the things that are going to either allow us to bring higher standards to our areas or to provide someone with a greater experience, they are things that small communities cannot afford to keep up with.

**The Hon. JAN BARHAM:** Because they are unforeseen.

**Mr ALCHIN:** They are unforeseen, and from a community's point of view, they are hard to justify at the time of the expenditure, so that is a real challenge to us.

**The Hon. JAN BARHAM:** Thank you.

**Ms BARLOW:** Can I also add that telecommunications is an important issue for travellers and the consumer. Good mobile service, good internet service is a given in metropolitan areas, and when you come out here to the bush, you get a bit of a shock.

**CHAIR:** I will start with a question about training. I have noticed in Taronga's submission that you have 95 per cent retention of staff. Will you outline some of the work you do for training and apprenticeships? From the council's perspective, I am interested in anything it might do at a local level to assist your businesses to be self-sufficient.

**Mr FULLER:** Where do we start? We have a range of training options internally for our staff. We source externally. We have everything from field fellowship opportunities for staff to travel and participate in programs internationally through to vocational educational training. We are a RTO registered training organisation, so we offer Certificate III in zookeeping, we offer tourism courses. We are able to mould some of those outcomes in quite a self-sufficient way across our two sites within our organisation. It literally starts with volunteers. We have about 100 volunteers and quite a number of those progress to be staff. We have flexible options for people to work in. Somebody might start off selling admission tickets and work in commercial areas, but ultimately wants to be a zookeeper and sees that as their way in the door, so they progress and work in multiple areas. Some of our hospitality products that we are developing, we are finding that some of our life sciences staff are very keen and interested to be involved so they can tell their story and their passion to the people who are staying here on the overnight programs.

We have got a diverse range of training programs. We are quite fortunate that over many years—it has come from a lot of hard work, but we have structured a number of different means of training. We certainly can do more. In respect of traineeships and apprenticeships, we are quite limited in what we currently offer. We certainly would like to do more. That really comes down to priority of funding and application across the site in respect of the demands of the site, our strategic priorities and where they fall. We currently have got a couple of people placed in those areas, apprenticeships in hospitality, traineeships in horticulture, but we are certainly talking and have expressed great interest in the new program, the O.C.H.R.E (Opportunity, Choice, Healing, Responsibility, Empowerment) project, with government for Indigenous opportunities, for traineeships and apprenticeships, and ongoing employment opportunities. We have a strong retention rate, which is probably influenced heavily by our core business activities, if you like, our life sciences, conservation areas. We still have quite a considerable turnover in hospitality, which you would expect, it being a transient industry, but we have also got some very long-term people there as well.

**Ms COMBER:** From Dubbo City Council's point of view, we do a lot of apprenticeships and traineeships within council. We do a range of things in trying to influence in the broader city. We encourage the training programs delivered by Inland, especially in regards to tourism operators. The last one was of quite a high quality, but we started with 10 businesses and only one fully completed it. We have introduced a central business calendar, cooperating with the local chamber of commerce to develop an online calendar so all the different businesses can see all the different training programs that are available across the city.

We have also undertaken specific programs around all the businesses involved in the visitor economy under a program called Your Dubbo. Last year's was largely focused on customer service. However, the next one to be rolled out will create a few different categories of training, so businesses can opt into what is relevant to them. It could be digital communications, customer service, store layout or the like. We try to work closely with some of our major training suppliers, like TAFE, to see what is being made available locally. I do not think enough conversations happen, which is why we created the central training calendar with chamber. There could be a course delivered down the road for \$50 that someone needs to go to, but they are not made aware of it because they are not in those communications circles. A lot is available but we need to, firstly, get the businesses there; and, secondly, make sure what we are delivering is what they need.

**The Hon. NIALL BLAIR:** Part of the government's strategy is to increase or double the overnight visitor economy. I am very supportive of this and we are seeing great programs. Something that cropped up in a conversation this morning is that in an RTO the size of Inland, how is Gilgandra going to be able to get funding for a project which does not target people to stay overnight? I agree that you are not going to stay overnight in Gilgandra when you are so close to Dubbo and you are heading somewhere else. In trying to address one issue, like getting people to stay overnight, will that negatively impact on the smaller members, particularly those out west in the Inland area? Are the Southern Highlands and Dubbo going to benefit more from such an initiative?

**Mr FULLER:** I think it creates lots of opportunities for smaller communities and is not an inhibitor. There are many unsuccessful applications for programs from a lot of the smaller communities. It comes back to cooperation, the hub-and-spoke approach, having a lead centre, destination, attraction or whatever saying: "We're going to put a stake in the ground and invest X. You guys come on board and invest something towards that and we will make sure you have a seat at the table, and promotion in our venues to ensure that people understand what is there, where it is, how far it is, whether it is on the way to the next destination and whether it offers what a colleague refers to as a fantastic tea-and-wee stop." If you are just a tea-and-wee stop, be the best goddamn one out there! If you are not going to be an overnight destination, make sure that people venture into the CBD of Gilgandra and stop at an attraction.

**The Hon. NIALL BLAIR:** What buy-in is there to those applications? Is the application process inclusive enough to make sure that if Taronga puts in an application it does so with Dubbo, Gilgandra and the Newell Highway to show the whole benefit?

**Mr FULLER:** Inland in the successful destination brand marketing program we were involved in through the RVEF program includes the zoo, Dubbo City Council, National Parks and a couple of council operators like the old Dubbo jail. The inland staff canvassed many other areas, like government operators, for participation in that program. The door is still open even though we have grants. We have progressed down a path of supporting and trying to encourage a regional approach to things. It may not help in grants for bricks and mortar, facilities management or maintenance, but that needs to be considered separately to how we are going to influence what is happening in the visitor economy.

**The Hon. NIALL BLAIR:** Would OROC like to comment?

**Mr ALCHIN:** A smaller town like Gilgandra sees that a little differently. Maybe I have been around too long, but we have experienced over the last 30-odd years significant attempts for regional tourism in all shapes and forms with very limited success from our point of view. We have seen attempts at creating all sorts of regions with all sorts of regional tourism themes. All sorts of organisations, bureaucracies, have been created with significant funding put towards those bureaucracies that in hindsight—and hindsight is a wonderful thing—would have been better out on the ground, whether in bricks and mortar or local programs or initiatives. It is difficult for us to grasp the concept of a tourism region called Inland, or the one before that or the one before that or the one before that. Communities of the region do not grasp that they are part of Inland. If I asked what Inland means, it would have a lot of meanings for a lot of people.

We have had themes of that type over the years. To us large areas with large attractions would be better off funded to improve on their visitation to those attractions and to those cities. In most cases they are small inland cities. Attempting to create regions that do not exist from a tourism point of view is a challenge that Gilgandra would probably not think was worth taking up. Gilgandra would probably accept that that does not work, and the funding would be better off allocated directly to challenging each of those towns to identify their role in tourism and to show that to the government, so that it could be funded directly rather than always considering the regions have significance.

The example I give is that I can relate to the Sunshine Coast, the Gold Coast and the Central Coast. But when you ask me if I can relate to the Inland, inland of what, where? Over the years we have experienced with each of the themes that people come to our towns and say they are on the Explorer's Way, and they ask what they can expect to see in our area of the Explorer's Way. We did not even know what we were trying to explain. There has been significant amount of funding over a lot of years. During my 30 years of involvement, I do not think I would be overstating it if I said there have been at least eight or nine different groups with eight or nine different ideas. We have seen them come and we have seen them go, but the usual lifespan is somewhere between three and five years for the best of them. Some of them only a couple of years and some of them not even 12 months.

**The Hon. NIALL BLAIR:** That has been the case historically, but I guess the question I am asking is: is there not now a better buy-in by those surrounding areas? Surely, a strong Dubbo visitor economy and a strong visitor economy to the north of you will have a flow-on effect from people moving between the two if it is regionally linked. Now with the new regional tourism organisation—and given the spoke-and-wheel type effects we have heard about—is there better collaboration and consultation with members of the Orana Regional Organisation of Councils [OROC] and the smaller councils?

**Ms BARLOW:** There are two local government representatives from OROC on that Inland NSW tourism board. I think it does have a better impact.

**Mr FULLER:** The local government areas are very well represented by tourism managers, economic development managers and councillors. It is the first time I have ever seen councillors from places like an Coonamble turn up to meetings about tourism. I also should clarify that Inland NSW is not a brand; it is an organisation. It is not a consumer brand.

**The Hon. NIALL BLAIR:** But some of the others were brands.

**Mr FULLER:** Mr Blair is right in saying that Explorers Way and all these other things that did become brands were created by organisations with very limited capacity—they were almost there to perpetuate their own existence—and with no consumer research. They had wonderful intentions but did not have the background. We are a significant operator. The zoo is the largest paying member of Inland NSW in terms of operators. We are a member of that organisation because we see significant benefit in the programs that they make available to us—for example, consumer research. We are able to make strategic decisions about our business from the research that they make available to us through the programs they undertake.

I think over time the groundswell of support will build. It absolutely needs to start with the hubs. You need to see that success, and then I think you will see the other guys jump on board. I think you will see a couple of very interesting case studies in that regard in the next 12 months with the Regional Visitor Economy Fund [RVEF] program. Inland NSW is not a brand; it is a destination management organisation. It is not about regions; it is about destinations. The Gold Coast and the Sunshine Coast are clearly destinations. If the zoo is the destination—or if it is Jamberoo on the South Coast or whatever it is—then everybody else has to feed off that and create ways to maximise those opportunities.

**Mr SCOT MacDONALD:** We are out of time so I will give you some questions to respond to on notice—I do not need a response right now. Somewhere in the submission you mentioned that you were concerned about regulation of the display and exhibit of animals. Do you have a recommendation for regulatory change that we could consider that would benefit the zoo? Can you give us your thoughts as to what impact Animals Australia or Voiceless might be having on your business? Is that a threat to you in the future? I think you have already answered some of the other things I was going to raise about social media, but if there is anything more you want to add on that issue then that would be good. I see from your submission that you do not support special rate variations. I was interested in that, and it is one of our terms of reference. I guess my question is: are you concerned about the methodology and that whoever benefits ends up paying? I do not quite hear what Ms Barlow said about tourism. Did you say that people are or are not interested in tourism?

**Ms BARLOW:** No, I was talking about ratepayers.

**Mr SCOT MacDONALD:** Are they interested or are they not?

**Ms BARLOW:** No, they are not.

**Mr SCOT MacDONALD:** They are not. The Orana Regional Organisation of Councils submission identified tourism as providing only a weak return on investment due to poor infrastructure. If the return on investment is weak then why would you make any further investment into tourism? Would you not make that investment somewhere else if the return on investment is so weak—whether that be agriculture, saleyards or whatever. How do you continue to justify supporting tourism if the return on investment is so weak? I think everything else I wanted to raise has been talked about.

**CHAIR:** I have one question for Taronga Western Plains Zoo to take on notice in relation to capital investment and funding. It is about not only your long-term plan and how you got to where you are but also your

overseas market. Mr Fuller mentioned this morning about the zoo targeting visitors from the Chinese market, amongst others. Was that with package deals and programs? Was that something you initiated at a local level or have you worked in with government as part of a statewide plan?

**The Hon. NIALL BLAIR:** And, while we are putting questions on notice, I would like Mr Fuller to expand on the long-term view versus short-term view mentality that he talked about in his opening statement.

**CHAIR:** We will send these questions to you in writing as well. We will send you a list.

**The Hon. NIALL BLAIR:** I just wanted Mr Fuller to expand on that long-term view versus the short-term view. You were saying that there is money going to short-term projects versus longer term projects.

**Mr FULLER:** Yes, I was talking about 12-month projects versus strategic activities.

**The Hon. NIALL BLAIR:** Yes, if you could expand on that then that would be great; and maybe OROC would like to respond to that question as well.

**The Hon. PAUL GREEN:** I would like one quick answer from Mr Fuller. Do you have alcohol served here? How do you handle that? Is it a problem? How do you handle it for your consumers? I am thinking about it as a problem in the sense of creating antisocial behaviour?

**Mr FULLER:** We are a licensed premises. We have an on-premise licence and obviously extensive function facilities, hospitality services and overnight accommodation. Broadly speaking there are very few incidents of any kind of trouble. We take quite strict approach in how we manage that. We have security for events and close monitoring by our team. Generally speaking, we are quite lucky in that people are very respectful of this place as a venue; that goes a long way towards assisting us.

**CHAIR:** I have one final question about destination management plans and grant applications. How have you have that process? Has it been an improvement or has it been challenging? All those questions will be sent to you and you do have 21 days to respond. Thank you very much for your time this morning, and particularly to Matthew Fuller and your staff. We have all had a great experience as visitors.

**(The witnesses withdrew)**

**(Short adjournment)**

**LUCY WHITE**, Executive Officer, Central NSW Tourism,

**NORM MANN**, Chairman, Central NSW Tourism,

**JENNIFER BENNETT**, Executive Officer, Central NSW Councils, and

**GARY STYLES**, General Manager, Orange City Council, and Economic Development Sponsoring General Manager, Central NSW Councils, before the Committee:

**CHAIR:** Thank you very much for coming today to the General Purpose Standing Committee No. 3 inquiry into tourism in local communities. As this is a roundtable discussion there is no requirement for you to be sworn in; however, you are still covered by parliamentary privilege. Would anyone like to make an opening statement?

**Mr STYLES:** We have had a look at the terms of reference. Central NSW Councils [Centroc] is a regional organisation of about 17 councils and it is in the centre of New South Wales. It has a population of about a quarter of a million people and a gross domestic product greater than Tasmania, I guess. Our views on the importance of tourism, particularly looking to the future, are that we value it very highly. We have seen the contribution the State Government makes through its various grant programs and things like that and the degree of coordination that we see coming from Destination NSW and the role of the regional tourism organisations [RTOs] in the administration of a lot of those funds. The tourism future is something that a lot of our towns see as a growing and emerging industry. There are various degrees of levels of development in the different towns because we come from some quite small towns to places such as Orange and towns like that.

Orange, which I know fairly well, plays an important role in economic development. It is one of our more important economic development clusters in our economic development strategy. It is similar to towns such as Bathurst, which is in our region, Parkes, Cowra and Mudgee. We are very keen to see a continuation of State Government involvement particularly in the capacity building side of where the funding goes. Centroc got quite involved with the RTO a few years ago because it stumbled three or four years ago. We did quite a bit of collaborative work with the RTO to get to a point with a model that we are happy with. The model we have now we are quite happy with. We went for a very sort of cut-back model where the key focus was to get the grant funds out to the operators to build that capacity.

We also wanted an organisation that did not cannibalise a lot of our local tourism organisations. Orange has a very strong local tourism organisation, Mudgee does as well. Bathurst's is developing and Cowra's is developing. Parkes's is at the early stage. Centroc, representing those councils, wanted an RTO that allowed the local tourist organisations to grow and flourish and that did not cannibalise or compete for that annual membership with them and that worked collaboratively with the Centroc councils. The fees that the Centroc councils pay to the RTO are quite low and there has been such a good measure of growth in the collaboration and cooperation. There was a need to do a destination management plan. It was like a voluntary contribution from the Centroc councils to fill the gap to help that to happen, because the Centroc councils have their own members of the RTO.

To see that degree of cooperation amongst councils in the region to voluntarily find the funds in an unscheduled way is a measure of the way it has developed. That sort of close partnership has been very good in building the collegiate nature or the fraternity of the tourism managers and everyone having skin in the game and things like that. The best thing by which to measure it is the destination management plan that has been produced collaboratively. We are very keen to see a continuation of funding. Of course, like every other aspect of what the State Government funds, or local government for that matter, any expansion would be good. I think we can provide metrics on the value of it in our communities. You can certainly look at some of the economic development strategy work that has been done to identify it as an essential cluster for the future growth however that might happen.

As you would appreciate, in some of our regional areas there are some great challenges with the variable nature of agriculture and things like that. We look to get a more diverse economy and tourism is important to it. I do not think we should underestimate how important the tourism offering is in our communities in terms of bringing good stuff for our whole community to enjoy. A lot of our economic development or visitation is also visiting friends and relatives. The good stuff it brings—I will take Orange for example—are

restaurants, wineries, cafes, retail offerings and then some great events. It is all the sort of thing that goes to make a very good lifestyle for people in our areas. It is like it has a knock-on effect. You do not see it directly, but the range of goodies it brings to our communities is very important to us for the lives our people live. That is pretty much it.

**Ms BENNETT:** Just building on that a little bit, from my perspective I have been working very collaboratively with Ms White of recent times. We have done some interesting research. You will see it in our submission, but I just thought I would bring along these infograms so folk can see what they look like in the real world in colour. This is just an opportunity for the community of, say, Bathurst to have a look at an individual spend of \$16 per person. As you can imagine, we have got a large visiting friend and relative economy for our visitor economy. If we can gradually build the capacity right from the grassroots up of our people in doing that spend and increasing that spend it is just showing the sort of knock-on effect we can get in our economy. That is one example of the kind of research we are doing, and we are doing that across all the local government areas in the Centroc area.

We have worked on a fantastic project. Again, it has been about grassroots, bottom up. I have got here copies of the destination management plan for all the members. If we can table that, that would be great for all you folk. Ms White has got some documents that she will be handing out in a bit, but at the end of doing that kind of work we are then actually doing the actions that are in that destination management plan. It is all about the local folk doing it ourselves very collaboratively. We find that by using that real bottom up stakeholder engagement process we have really got something happening here in central New South Wales at the moment.

**Mr MANN:** I will not take too long because the two ladies are obviously across more statistics than we are because they are dealing with it all the time. I just thought I would explain the structure of our organisation. We have an opportunity to have seven board members. At the moment we only have five—no, we have seven. It is a little bit confusing because we are a skills-based board and we have got to reapply for positions at our annual general meeting in November. It is all in a state of flux from here through until November. We have representatives from five or six of the local government areas, Centroc having 14, so we have got a fairly good diverse representation from throughout the area. We like to pride ourselves on the fact that we do not favour Bathurst or Orange over Parkes or Forbes or Grenfell or whatever it may be. If we can get representation we more than welcome their attendance.

To put it in perspective, the area that we are in charge of has around about a quarter of a million people in it. Approximately 200,000 to 250,000 people live there. According to statistics, there are 4.5 million visitors through the area every year. That gives you an idea of the size of the component that we have here. I have noticed in some of the documents that central inland is expressed as central inland. We are central New South Wales, not central inland. Central inland is another area, whereas central New South Wales runs from Lithgow through to Wellington as our furthest depth. We control our destiny in that area. As Mr Styles has outlined, the councils are very supportive of what we do.

As you are aware, the races are on this weekend in Bathurst. I was just reading about it today in the paper. The value to the local economy, and I will have to read it because I am not au fait, has risen to \$25 million from \$21 million in five years into the community. That is not Bathurst; that is the central west. It has risen by 18.7 per cent in five years. It does its own things in spite of tourism, but the flow on effect to tourism is absolutely unbelievable. As you can imagine, there are a lot of people that are not interested in racing but they come with partners and so they then spread out into the community. The ladies want things to do, so there is a whole raft of things in the surrounding villages and towns that they participate in. It is quite interesting that we are very supportive of visitors centres.

Now I am more au fait with the one in Bathurst and, of course, Garry is with the one in Orange. The visitation rate through the visitor centre is between 200 and 300 per day, seven days a week. They have a counter on the door to do that—they subtract the staff and halve it because people go in and go out obviously—and that puts it into perspective. In the wintertime I think it drops down to about 150 per day every day of the week. The only days they are shut are Christmas Day and that is it—I think they are still open on Good Friday. It is the gateway to the Central West. People come from the urban areas of Sydney or internationally and the first place they tend to stop at in any great volume is Bathurst because it is about a 2½ hour drive from Sydney.

**CHAIR:** We have limited time so I would ask you to bear that in mind.

**Mr MANN:** It is a gateway and then they spread out from there. I will let Lucy give all the details, facts and figures but we are very supportive of all the visitor centres and our organisation now runs very smoothly.

**Ms WHITE:** Thank you for the opportunity. I will give a broad overview.

**CHAIR:** If your comments are written they can be tabled.

**Ms WHITE:** I will just give extracts. I will not table the document. One of the purposes of Central NSW Tourism is to support community sustainability and, consequently, our destination management plan [DMP] concentrates on local economic development. Some of our priorities are to minimise economic leakage, strengthen linkages and assist in building a strong market for local suppliers—we are very much in touch with Jenny and Centroc. In our opinion and research if we are going to make the visitor economy viable, and for tourism to be sustainable in communities in regional and rural Australia, we need to minimise the leakage and retain the expenditure within our own regions—hence the example of doing the matrix around getting more people to spend \$15 per day. In a minute I will show you a slide of some examples of how to retain that dollar in the region while we are there to capture that. We have also given focus to the value chain through actions to increase visitor expenditure from farm gate manufacturers, retail and dining.

We acknowledge at the State level that there is a commitment to doubling overnight visitor expenditure by 2020 and preparedness to invest in sound business cases to help achieve this aim. Those seven strategic imperatives that are outlined in the Visitor Economy Taskforce [VET] report have been acknowledged and identified in our DMP, which you have just received a copy of. We are assuring you that we are actively committed to growing the visitor economy and will be implementing initiatives which establish credible foundations to double that expenditure. The focus for Central is very much on providing authentic experiences for the visitor. Our research—and you have probably heard this before—is that food and wine, nature, heritage and culture are the key drivers for visitation to regions. Indeed, we have discovered that through our product auditing over the year with 1,100 nationally cultural and heritage significant places. We are a treasure trove of food and wine, nature, cultural heritage, Banjo Paterson, Henry Lawson and events that flow from that.

That is how we are positioning ourselves because it is based on reality from governance and accountability—we are focused on both of those things—transparency and collaboration with members in our industries. We are collaborating where we can with other RTOs. At the moment we are looking to rollout a campaign with the Blue Mountains, because visitation mostly comes through the Blue Mountains and then back again. We believe we have undertaken all the steps required by Destination NSW to function as an independent entity. We have reported appropriately. We have administered a couple of million dollars in funding. We have prepared the DMP and our focus is very much on adhering to the recommendations in our DMP.

If we can make a broad statement about where we would like to see investment continue, in our opinion it is consumer research to guide marketing activities. Particularly with statistics, we believe there is some inconsistency in the way and the sample sizes of how statistics are gathered. To us it is not just about visitor nights or about numbers; it is about yield and expenditure. For example, a bus could pull up at the Bathurst Visitor Information Centre today, 50 people could get out and they might spend \$5 each—\$250, not a huge deal. If we are targeting our marketing to specific segments, based on the research that we have got, and then we are actually monitoring the spend in the visitor centre, in our opinion it would be better environmentally, industry-wise and investment-wise for 10 people to come through the door of the Bathurst Visitor Information Centre and spend \$50 per person, probably on some local produce—honey and nuts and some local wine—and then drive away and tell a story about the experience they had.

That is retaining that dollar but it is a better bottom line outcome for the Bathurst Visitor Information Centre, which then can reinvest in the industry in Bathurst. In tourism there is a large variation in the type of operators. Some are big professional, well-resourced financially, economically and probably intellectually, and others may perceive tourism as a lifestyle decision they make to supplement a part-time income. They need training and customer service and the value of industry networking and investment in infrastructure and product development to supply the above.

**CHAIR:** Thank you. We will now proceed to questions.



**The Hon. STEVE WHAN:** Garry has raised with me—and I have looked at the map since he did—the coverage of Inland NSW as well as your RTO. What is your relationship like with the Inland RTO and where do you see the future going with them?

**Mr STYLES:** We tend to collaborate more with the Blue Mountains—obviously the market segment we are in comes from there—but Lucy would be best placed to talk about any further collaboration to the west. We do not see it as a positive step for us to amalgamate, subsume or have bigger boundaries or things like that. There was an opportunity for that some years ago. From the Centroc perspective we put a lot of effort into looking and thinking about that and trying to get a region that fitted the offering we had. There are some differences between what we have to offer and what further west does, so we have not had a lot to do. At the sort of specific level, there is cooperation between our region, the zoo and shared packages and things like that but we do not tend to focus on that much because most of our visitation is by road—it comes through the Blue Mountains to us. So a lot of our collaboration is focused in that area, focussing on our market segments. Lucy you could talk more about that.

**Ms WHITE:** I think it is important to see things from a consumer perspective in terms of experiences and what is actually happening, what is driving people to go to a place and have a particular experience. Visitors do not see boundaries; they see products and experiences. They do not actually care whether they are driving through Lithgow into an RTO zone called "Central" or driving through Dubbo into a RTO zone called "New England North West". It is absolutely immaterial; it is about the experiences. Our job is to find out what the consumer wants and match what the consumer wants with the product we have. The product in Central is very strongly around food and wine, cultural and natural heritage and nature—caves, national parks, rivers, waterways, sporting tourism opportunities and all sorts of stuff. In terms of collaboration we have not done anything financially with any other RTO but we are just venturing into looking at that at the moment. I do not think there are any issues. There are certainly no problems.

**The Hon. STEVE WHAN:** Do you have any issues with the direction and funding structures of Destination NSW in the way they are now dealing with RTOs?

**Ms WHITE:** With the minimum \$50,000 spend?

**The Hon. STEVE WHAN:** Just with the structure and the way in which you are getting your funding and grants?

**Mr STYLES:** I will have a crack at it first. There have been some changes in terms of the tier one and tier two type stuff where Centrop provided some guidance to the RTO, had some input, and we decided to head to the tier one so we could maximise the amount of spend on our operators with grants and things like that. It becomes a bit of a challenge when the funding is not available like it used to be for the tier two, for the ongoing operation of the RTO, and that has put the focus back on the councils to fund it. There was a bit of dissatisfaction with that to start with, but the way that the Central RTO has gone, I do not think the councils are that concerned about that any more. I think it turned out to be a wise decision to head to the tier one to see as much money as we could in the grants go into our tourism operators. I think we would have grizzled about that initially, but I do not think it is a great big issue anymore in terms of the structure of that funding.

There are always going to be challenges in the administration of grants and all the sign-off that is required. From an external observation, it seems like a bloody huge process to me to administer some comparatively small grants because, from my perspective, we administered some really big ones for RTA and that. The amount of work that I see Lucy have to do with some of the administration, if that could be streamlined it would be great. Some of the stuff that has happened with the minimum \$50,000 grants will help with that. The only other observation is that the destination management plan was quite a challenge. Having got to the end of that, I think we are pretty satisfied with it, but what fits, what does not fit, the feedback from Destination NSW—it has been a fair task and I do not know if it needed to be that hard. That is my observation.

**The Hon. STEVE WHAN:** Do you cover most of your administrative costs through your own funding from councils and members?

**Ms WHITE:** The membership from the 10 local government area members at the moment is for purely operational purposes.

**The Hon. STEVE WHAN:** So you do not need to rely on external grants for that?

**Mr STYLES:** No.

**Mr MANN:** We take a percentage.

**Mr STYLES:** Ten per cent.

**Mr MANN:** We take 10 per cent of any funding.

**The Hon. STEVE WHAN:** Yes, only to service the management.

**Ms WHITE:** Yes, which we introduced earlier this year.

**Mr MANN:** We are pretty lean and mean, we have one employee, and it is a big area. As Garry said, the work that she has to do in going through all the projects is fairly huge.

**Mr STYLES:** In a way, the council has got what it asked for. They now have some skin in the game with their tourism managers to see the outcome.

**Ms BENNETT:** Which is of benefit, because you get the bottom-up collaboration.

**The Hon. STEVE WHAN:** Your membership is councils, and is it also industry?

**Ms WHITE:** No.

**The Hon. STEVE WHAN:** Just councils.

**Ms WHITE:** Yes.

**Mr STYLES:** That was the point I made earlier about cannibalising some of our LTOs. From Orange's perspective, and I know from some other general managers, we want to see the LTOs flourish and the research we did at the time when we made that decision was operators are not going to differentiate too much, they will just join one, and we were worried that our LTO would not prosper if they cannibalised the spend.

**The Hon. STEVE WHAN:** In your submission you say one of the recommendations you would like to see us make would be about resolving some of the conflicts between recreational vehicles [RVs] and others. What did you mean?

**The Hon. LYNDIA VOLTZ:** High-productivity vehicles?

**The Hon. STEVE WHAN:** Yes.

**The Hon. LYNDIA VOLTZ:** We assume that means trucks.

**Mr STYLES:** Yes.

**Ms BENNETT:** Very big trucks. That has come mostly from the Newell where we are seeing increasing numbers of RVs and a significant number of your larger trucks running down the Newell. The communities, for example Forbes and Parkes, along that road have been saying that it is increasing and becoming really quite frightening, the interrelationship between those vehicles. That is what they are reporting back from their tourism folk in those local government areas.

**The Hon. STEVE WHAN:** How would you see it being resolved?

**Mr STYLES:** That is a good question.

**Ms BENNETT:** Obviously upgrades to the Newell would be handy. I guess that is one thing that one could look at.

**The Hon. NIAL BLAIR:** Passing lanes—which is happening, is it not? There are more passing lanes.

**Ms BENNETT:** Yes, I mean the folk along that road—the taskforce would be suggesting that they would be looking for basically a better quality Newell Highway.

**The Hon. STEVE WHAN:** Is it also about places to stop?

**Ms BENNETT:** Yes. There are some really interesting demographics around the RV. It is all changing. Some of the RVs are quite incredible, and I am sure you folk have had a look at them, but they are like travelling palaces, so there is some real opportunity, I suppose, and certainly some of our communities are looking at what the opportunity is in that RV space.

**Ms WHITE:** I think one of the other issues to raise there is that consumer demand is changing in relation to the provision of caravan parks, which have traditionally been low cost, low maintenance, not very many facilities. That is changing now with particularly families wanting a different style of accommodation to be self-contained, less expensive but also with facilities, swimming pools and other facilities. The traditional RV people are more self-contained and they are resenting the fact that they can no longer then inexpensively stop at just a caravan park along a highway and have the sort of experience they want and contain their costs. There is some tension around those issues. Does that make sense?

**The Hon. JAN BARHAM:** Yes, we are hearing it everywhere.

**The Hon. LYNDIA VOLTZ:** Is the conflict with the vehicles related to the issue of speed? There was an issue about passing and they were putting those metre separators in the middle for that reason.

**Ms BENNETT:** Yes, it is an issue around overtaking basically and different speeds.

**The Hon. LYNDIA VOLTZ:** Is that because the RVs are travelling slower than the trucks?

**Ms BENNETT:** Yes.

**Mr MANN:** In most cases, yes.

**Ms WHITE:** They are called wanderers. That is why. But I think one of the solutions could be, and it is not a quick or easy fix, that the people who already own the caravan parks—there needs to be some compromise. RV people want a section in a caravan park. If the caravan park has been done up and it is now expensive and has spa baths, playgrounds and all that sort of stuff that the RV maybe does not want, there just needs to be a separate area in some of those facilities where they can do their own thing and pay less because they are using less of the infrastructure, and leave when they are ready to leave. If I was a business owner, that would be how I would run a caravan park.

**Mr MANN:** It is interesting. I have a caravan and I have been all over Australia with it and, if you do not sit on 100 kilometres an hour, you get swallowed up by the heavy vehicles. I mean they are sitting on 100. It does not worry me because I used to be a heavy vehicle driver myself, so I would just sit on 100 everywhere I go, but there are a lot of them sitting on 75 or 80 and that is where the conflict comes in.

**The Hon. LYNDIA VOLTZ:** Do you have the traffic numbers on how many RVs and trucks are coming up the Newell Highway?

**Ms BENNETT:** I can take that on notice. I know that that has actually come up, particularly Parkes has raised it as an issue, so if you do not mind me taking that on notice, I will get the information from Parkes.

**The Hon. LYNDIA VOLTZ:** I know that there was at one stage a taskforce looking at it, but it would be good if we could get the numbers.

**Ms BENNETT:** Yes.

**Mr MANN:** The other interesting thing is, and Lucy has touched on it, the expense of the caravan parks. Personally, when we are travelling, we stay out of the caravan park for three nights, so national parks or wherever, and then you go in once to have your shower and do your washing, and then another three nights out.

**The Hon. STEVE WHAN:** You are a heavy user for one night.

**Mr MANN:** That is right, but the RVs do not want to go at all, they have their own facilities. They need a dump point in the towns, which is very critical. That is what the changing thing is. The cost of caravan parks has gone up from an average of about \$25 a night to about \$35 or \$40 and, over four or five weeks, that is quite restrictive for a family to have to pay every night.

**The Hon. LYNDIA VOLTZ:** Is having those RV facilities and dump points in towns that do not have a large tourism market and want to attract more a pay-off for some of the smaller towns to get some tourism into their region?

**Mr MANN:** It would be, yes.

**Mr STYLES:** It has worked well for Forbes. Forbes, in particular, has catered to the RV market and done a lot in terms of dump points and that sort of thing.

**Ms WHITE:** It is a perfect example of how they can keep the dollars in the town and not let them go straight through, because if they are looking at the purchases that those travellers are buying, it is basics, it is essentials—it is bread and milk and all sorts of things—and if they are able to supply them they are going to capture those dollars and retain them in their small towns rather than letting them go straight down the highway to a big city, to a Big W or a Woolworth's where we know the money is going straight out of town. That is what we are focused on, trying to ensure that when people are travelling in these communities the facilities, the resources, the services that they require lead to employment and lead to revisitation.

**The Hon. LYNDIA VOLTZ:** There was also a view that moving visitor centres from the edge of town into the centre of town helped because that is where people stopped.

**Ms WHITE:** I agree with that.

**The Hon. PAUL GREEN:** Are they using a lot of showgrounds?

**Mr MANN:** Scattered, not everywhere, not all over the place, but it is a good adjunct to caravan parks. Where they are, they are generally very good and very cheap.

**Ms WHITE:** It depends on who owns the caravan park.

The showgrounds in Mudgee it is an issue with the three commercial operators the council wanted to introduce, particularly for big events, overflows of events—to me it is a no-brainer—it will encourage them. Charge them similar prices to the caravan parks, or less, depending commensurate with the services they are using but the business owners were very anti it because they saw business being taken away. I think that is a bit short-sighted because it is a win-win there. The council could get some extra dollars and we are accommodating more people in the town who spend more money in the town.

**The Hon. JAN BARHAM:** I spent three years doing the tourism management claim and I look at this and I think, wow, a lot of work and a lot of actions. How much did it cost to do? How long did it take? Where did that money come from? In terms of delivery of these multiple actions what is your reporting and commitment to review report, update and implement?

**Ms WHITE:** I will answer the first part of the question. We spent around \$25,000 on the document. We had a short time frame. The first draft was completed by 30 June because that was the deadline of the State. It has been refined since then and it was done by a consultant and a working party consisting of Norm, Jenny and myself, and a few other board members, with the consult mostly by teleconference. There are a lot of priorities in it, some of which have been prioritised but that will be a directive from the board. It was going to require a lot of collaboration with our tourism managers to deliver.

**The Hon. JAN BARHAM:** Are they costed?

**Ms WHITE:** Not all of them.

**Mr MANN:** To be perfectly honest with you, in its present form we have only had it since August so as a board we have only had one meeting since then. We are in the process of doing them. I am not trying to dodge the question; I am just saying why we have not.

**The Hon. JAN BARHAM:** No, I just wondered whether it was factored in because it is all very well to have a requirement to do a document, and everyone can think of a lot of actions or ideas, but implementing and realising that rather than it going on a shelf is often. The local government and community watching is a big deal.

**Ms BENNETT:** We did have a session with all the tourism managers who went through and prioritised what they saw the priorities were, and that information has been provided back to the board. We very much view it as a live document and we do own it. Actually every page of that has been read by a combination of industry, local government and other National Parks and Wildlife Service and those kinds of people all came along to this stakeholder session. We went right through it blow by blow. In that session we actually put priorities around but we are still going back and going through that process now of what we can and cannot afford. Even we cannot afford doing every single one of our number one priorities, we still have advice about if we can find funding elsewhere, where we would expend it. Even if we have not got the dollars ourselves at the moment we know where we would if we could. I guess that is a real opportunity to be working with the State and others on making that expenditure because we can re-demonstrate where it would go.

**Ms WHITE:** In the past 12 months we held 11 stakeholder workshops which turned into a product audit which then underpinned the content of the products in the region. One of the biggest things to come out of that was that not enough people in the region know enough about what is in their own backyard. So hence the fact that this is now pretty much condensed what central is—which is a treasure trove of cultural and natural heritage, supported by a lot of fantastic events—

**The Hon. JAN BARHAM:** If I can interrupt because I am interested in Aboriginal tourism and the action plan of whether you see that as future growth and I am keen that you had eco-tourism as an identified growth sector with the comment that there is growth rate of three times that for the international trending. What are you doing about that? Do you think there is a need for any regulation and accreditation to ensure the creditability of those two areas, the cultural and the eco-tourism segments?

**Ms WHITE:** To be perfectly honest at the moment we have not done very much because the document is so new. It is going to require a lot of close working with National Parks and identifying where those products are in, where they fit, and what the plans the proponents of the products have. So early days, I am afraid.

**Mr STYLES:** I make the point that it is enormous regional resource. It is never going to fall solely on the RTOs to implement that. Elements of that are going to be picked up by the councils or by some of the operators, it might be Taste Orange or the vigneron society where I am at or something like that. It is probably the basis of a huge information pack from which people can pick up and develop. Because we are a bit uncertain about our funding, we have a fairly small amount of funding and the sorts of things we do with it, the RTO can pick off some of that but it is going to be a matter of negotiation and establishing priorities to grab what you can do, and make it open. So there is not an over-arching amount of funding to deliver all of that.

**The Hon. JAN BARHAM:** That is why I asked about your commitment with a document like this to report back and to review. How does that work?

**Mr STYLES:** That will happen as a matter of course in the process of the RTO. Annually they will report against the Destination Management Plan. As the grants roll out that will be used as a guide to pick up the projects that the RTO puts us on. My council will use that to inform some of its tourism strategy, and Bathurst and Parkes will do the same so it is a bigger thing than just the RTO to develop it. They are fairly small organisation and that is a huge regional resource.

**Mr MANN:** As your Aboriginal tourism comes on board, there are some areas that are very strong in it, or have the assets to capitalise on and there are some areas that have very little. Again it is a huge area capitalised on. We are open to suggestions and help from any given direction. The councils themselves have all

got copies of this and if they see an opportunity in some particular area of tourism they collaborate with us. They have done in the past so I am hoping that now this is out they will do it even more in the future.

**Mr STYLES:** The councils pointing together on that will be something that would come from the RTO. Like there is a campaign to do X. All the councils will come in but the RTO will take over leadership of that. But if it is a thing, I do not know, some of the key features in the Orange area, I would expect my tourism section to pick that up. We will use that to update our tourism strategy, for arguments sake, and that is where some of those things will get priorities in the funding.

**Mr MANN:** The best collaboration example we have got are those which we are going to hand around. They are trails and they are not confined to one local government area, they are all of our local government areas. So if you are on a wine trail you start in Bathurst, you might go to Mudgee, Cowra and it just continues on if it is an arch trail or a heritage trail. We took these around and delivered them two weeks ago so these are brand new and they are a perfect example of collaboration right through the area, and something that all of the councils and operators have been involved in.

**Ms WHITE:** It is also worth noting that of the \$250,000 product development money that came through the State Government, the 2011-12 program, the RTO was allocated \$79,000. That project is a result of that which resulted in an entire product audit and 11 workshops. I am saying that we spent our money wisely and thanks for the investment. What it has created is 30 maps, six different themes right across the entire central region with a focus on industry networking so they are now in operators' businesses at the visitors' centres and they are online. It is all about connecting the locals with the product in their backyard and then connected to what the metrics we did here with the visitor economy in Bathurst. If we all know what is down the road literally—whether it is nature, food and wine, science and invention, cultural heritage, events and folk lore—word of mouth can send that message to the visitors, to the visiting friends and family. They stay a day longer. They did not know the Borenore Caves existed. They did not know there was a waterfall at the top of Mount Canobolas. We need to keep them there and the only way to do that is—this is one way have done it.

**The Hon. PAUL GREEN:** The Committee heard that it took 55 pages of a submission to get the grant funding. What would you do to change that submission?

**Ms WHITE:** Is that for demand funding?

**The Hon. PAUL GREEN:** I am talking about a 55 page application that virtually drained quite a lot of resources.

**Ms WHITE:** We found the Destination Management Plan a really good exercise in discovering what we had, letting people know what we had in terms of experiences and product and certainly collaboration amongst the members, and now a product that they can all use.

**Mr STYLES:** I think he is talking about the length of the application document.

**Ms WHITE:** It is what it is.

**The Hon. PAUL GREEN:** That is my point. Could it have been simplified? If so, in what way would you simplify it?

**Mr STYLES:** Part of the problem is the capacity of some of the operators to do some of this stuff. We find Lucy having to cross both sides of the fence, both to help them fill things in, get things, tick boxes and all that which takes up a lot of her time. In my view capacity building amongst the operators to do these things, or some sort of simplified thing for the operators so that Lucy does not have to do so much work to get a sign off, would be good.

**Ms WHITE:** One of the issues has been that the goal posts change a fair bit in the measurable outcomes of the investment of the application.

**The Hon. PAUL GREEN:** That would be a fair comment for yesterday's outcomes.

**Ms BENNETT:** Just looking from the outside, it looks to me—correct me if I am wrong, Lucy—that what she has to do is actually pay based on invoices that come in from people. You can imagine this process you are attempting to administer.

**Ms WHITE:** Everyone's processes are different, by the way. This is just the way we run the process.

**Ms BENNETT:** In order to provide a defensible, accountable trail you need to actually say that these people have spent this money. Because some of the components of that spend are quite small, you start to get a large number of quality points you have got to stop and look at and just make sure that everything has come through properly.

**The Hon. PAUL GREEN:** I will move on because I have another question about this particular tourism management planning. Page 123 talks about major stakeholders, government agencies, local government, community groups representing a business sector region. Then in the observation, opportunities and analysis, No. 176 states, "The rail and bus companies do not consider tourism a focus. Airlines and airports do not see tourism as a priority. A collaborative tourism strategy is required." Do you want to comment on that? It is quite concerning that you have these players who do not see tourism as being—

**Mr STYLES:** I could talk about our airport's point of view.

**Mr MANN:** We are talking about our airports, not Sydney.

**The Hon. PAUL GREEN:** Whatever that is referring to.

**Mr STYLES:** If you look at Orange airport, well over 90 per cent of air travel is business. It is not a big air travel thing into Orange for it. I presume it is the same for Bathurst.

**Mr MANN:** Similar.

**Mr STYLES:** I presume that is where that is coming from.

**The Hon. PAUL GREEN:** Is it miners or something of that nature?

**Mr STYLES:** Miners, visiting doctors.

**Ms BENNETT:** DPI.

**Ms WHITE:** Medical health.

**Mr STYLES:** Health—all that sort of stuff.

**Ms WHITE:** Education.

**Mr STYLES:** We are probably within proximity for car travel—our region. The vast bulk of our visiting friends and relatives and tourism visitors come by car.

**The Hon. PAUL GREEN:** This leaflet you have provided "Growing the Visitor Economy" I cannot quite read because it is too small.

**Ms BENNETT:** I am sorry. I will send you a larger version. This is the best we could do.

**The Hon. PAUL GREEN:** Part of it says, "Staying with family & friends and Day Trippers" as opposed to "Staying in Paid Accommodation" and I cannot see the figures that well. Do you want to comment on the benefits of family having friends come as opposed to staying in paid accommodation somewhere?

**Ms BENNETT:** The point we are getting to with that is that the friends and families recognise they are really important to the tourism industry in our region. This is part of growing and understanding. You will see there are all these little world bubbles.

**The Hon. PAUL GREEN:** Yes, and I cannot read them.

**Ms BENNETT:** They talk about the sorts of things you could say to your visiting friends and relatives to help them to go and do some spend in the local economy. Like go down and buy a lemon tart or whatever it is. There will be a whole lot of things in there that also focus on local produce.

**The Hon. PAUL GREEN:** That is to help and pick up that \$15 each?

**Ms BENNETT:** That is right. It actually provides advice and it is about growing the capacity and the recognition of local people. It is not about taking away from a hotel; it is actually about recognising that the visiting friends and relatives are a significant segment.

**Ms WHITE:** Thirty-nine per cent of 4½ million people per year in Central.

**The Hon. PAUL GREEN:** Yes. It is something that many local areas do not observe. I note that Southern Highlands picked up on it with the Ambassador Program. It is a great thing and you have picked up on it here. One way to increase the spend is through local families and friends.

**Ms BENNETT:** There are a whole lot of really simple things that can be done and Ambassador is another fantastic program. It is that recognition by the local people of the value to the economy.

**Mr STYLES:** We took the simple step when we send the rates notice out for the year to give them a copy of the visitor guide when they have visiting friends and relatives. It works well.

**The Hon. NIALL BLAIR:** If you read the transcript, from what we have spoken about earlier the people in Forbes and Parkes might appreciate this free shot. I refer to the relationship with inland. You have spoken very much about working with Blue Mountains and about travellers coming into your region from east-west. You have inland to the south and north, and there is also that other pocket in the south-east. There are those other travellers from the Canberra region into the Cowra area, and the north-south travellers through Parkes-Forbes and linking in with Dubbo. What is the relationship like with inland? I know Centroc has been a strong organisation for a long time in a number of areas. Is there competitive tension? Is there a good working relationship? Surely, the western part of Centroc definitely relies on that inland relationship?

**Ms WHITE:** The working relationships are based around campaigns at the moment. There is a new rollout now, so it remains to be seen who is going to work with whom, I guess. I do not think there is any competitive tension. We are all in New South Wales trying to double visitor expenditure by 2020. Different organisations and different focuses are going to be had to run different campaigns. I think it is early days.

**Mr MANN:** It always struck me as strange that they were based in Sydney. But then I am a country boy. I could not see any logic why they would be in Sydney when their basic area is two-thirds of the State. Having said that, you have to realise, take Bathurst and Orange, the people who feed into that area, if they come from the south, they come into the visitor centre and ask, "How do we get around Sydney without going anywhere near it?" That is probably 20 per cent to 30 per cent of people with caravans and whatnot. They have the maps and they show the map. If they are going west, generally speaking for myself, if I am going to Western Australia or the Northern Territory, my first stop is Broken Hill. Most people say when they come up, "Where's the outback?" It is outside of Dubbo, getting to Nyngan. That is the outback. So you feed them into Dubbo where there are all these attractions here of course. They go to Dubbo and then they feed off whatever attractions are there. It is quite an involved process that does not necessarily involve us having any interaction with inland except passing them on to Dubbo and places that affect them.

**The Hon. NIALL BLAIR:** But inland is not a brand; it is an organisation that tends to work off the other brands.

**Mr MANN:** I understand that.

**The Hon. NIALL BLAIR:** Even in the trails that you have here, they are very much within your organisation. I am sure that is what you are there to do: look after your communities. I want to make sure that we do not create another boundaries system where we are not working across those borders, particularly for the western part of your organisation.



**Mr STYLES:** I might have a crack at that. Parkes and Forbes, because of their geographic location, have much more to do with inland. There is already a Newell group that does things together. From Orange's perspective, we tend to do arrangements with operators in inland than having to deal with that specific organisation. We will refer people on to the zoo, to this and that in Dubbo, all that sort of thing. Orange has an alliance with Dubbo and Bathurst councils. We tend to operate under that framework. We did look at inland early in the piece, amalgamations and all that sort of stuff, but we did not see the benefit in that for our particular geographic area.

From Orange City Council's perspective, I do not appreciate its model where it has operators because of my concern I mentioned earlier about the cannibalisation of the local tourism organisation. I have had one approach in my time to be a member of both organisations, my council, and personally I found that divisive. If you are looking for competitive tension and things like that, I do not think that exists, but from the perspective of the General Manager Orange City Council I did not really appreciate the model in terms of my specific environment with local operators and I do not think I found that approach was very constructive either. That is the best I can answer that.

**Mr MANN:** We are trying to liaise with the Blue Mountains to follow on with the trails.

**The Hon. NIALL BLAIR:** I understand. I just think that if you read this transcript of your evidence so far today and if you were Ken Keith or someone, you would have the impression that you were Orange-Bathurst heading towards the Blue Mountains. That is why I wanted to allow you to put on the record what you were doing for those other ones and how you work across them.

**Ms WHITE:** It is a very good point and we acknowledge that a large percentage of the visitation is intraregional, most definitely.

**The Hon. NIALL BLAIR:** It was not a criticism; it was more I think that if you had read the transcript up to this point, every example you were using was day trippers coming and spending dollars in Bathurst and things like that rather than in those other areas.

**Mr MANN:** It is a definite thing we have been doing. We have not got around to them all because there are 14 councils. We make a particular point of talking to the general manager, the tourism officer and generally an economic development officer and ask what we can do to help. We have done four or five at this stage. We are constantly talking to these guys. I have the greatest respect for Ken Keith and his organisation. They do a fantastic job with the Parkes Elvis Festival.

**Ms WHITE:** It is important from our perspective to note that it is about experiences that the consumer wants, not necessarily whether it is Parkes, Forbes or Bathurst.

**The Hon. NIALL BLAIR:** That is exactly what I am saying.

**Ms WHITE:** Where is the product, what is the consumer segment and how will we get them to have that experience?

**The Hon. NIALL BLAIR:** To do that you need to work across the boundaries of other regional tourism organisations.

**Ms WHITE:** That is correct.

**Mr SCOT MacDONALD:** You can take these questions on notice. They are all directed at Central NSW Councils. On page 9 you state that members also provide advice that better and more tourism friendly infrastructure in national parks would add value. Can you elaborate on that?

**Ms BENNETT:** I think that relates to activity being undertaken at Mount *Canobolas*. There was an issue with the National Parks and Wildlife Service and there was a similar problem with planning around the mount. We have had some issues with various agencies where we felt there could be better support.

**Mr STYLES:** The mount issue has been resolved in terms of the zoning in the local environmental plan. Bathurst had a problem with zoning changes and the new template for the local environmental plan, but that has now been resolved. We sometimes need to engage government agencies in a partnership arrangement.

Mount Canobolas is a fantastically well visited site and it is under the control of the National Parks and Wildlife Service. Trying to crack the nut of getting the National Parks and Wildlife Service and the council to join us to maximise the outcome is very difficult.

**Mr SCOT MacDONALD:** What could the Committee recommend? Should there be better communication or a go-to person in the National Parks and Wildlife Service?

**Mr STYLES:** The Premier's coordination unit could be involved. That would be the way to do it. We collaborate quite a bit with Jason Collins.

**Mr SCOT MacDONALD:** Does the local member have enough grunt?

**Mr STYLES:** I have not tried him on with this. I have had a lot of experience with Jason in relation to water and he has done very well. I do not know about the National Parks and Wildlife Service. Sometimes great things could happen, but we cannot crack the nut of getting the agencies to the table. If our regional Premier's person could be given that sort of scope that would be a good thing.

**Mr SCOT MacDONALD:** The Committee will take that on board. How does Burrawang West Station resort promote itself? I would like more detail on notice. Your submission states that you struggle with the value of small grants for small towns. Do you wish to add anything to that? How can we justify small grants to small towns? Your submission acknowledges that there is a lot of value in regional collaboration, but is there any point in throwing small amounts at relatively small events?

**Mr STYLES:** It is essential, particularly for small towns so that they get some of the goodies or outcomes. They often do not have a lot of resources. Inclusion and the potential for capacity building and growth is important for the smaller towns.

**Mr SCOT MacDONALD:** Is that building any community resilience?

**Mr STYLES:** In my view, it is more about product champions in the smaller locations. We get some gem who will make something fly that we personally thought would not fly. It is a little hard.

**The Hon. NIALL BLAIR:** The Parkes Elvis Festival is a perfect example of that.

**Mr STYLES:** It is a cracker. I am not thinking of that as a new thing; it has been around for a while. But there are some product champions out there and smaller towns need to be included. We are about spreading some degree of service across the whole region. I get the notion that it is hard to administer so we go for big grants and then try to build everybody into them. However, the smaller localities need a look in and some individual care.

**Ms WHITE:** It depends on where you are talking about and who you are dealing with. Parkes has had a very strategic approach to building events for more than a decade. It is included in integrated planning and resourcing and the things it does. It now has smaller events like the ABBA Festival at Trundle. That will probably turn into an event like the Parkes Elvis Festival. Those sorts of smaller, quirky events, which are very appealing to visitors, have the capacity to grow enormously over time. However, as Garry said, they need a bit of a kick along.

**Mr SCOT MacDONALD:** Is it always about money, or is it also about other support such as training?

**Ms WHITE:** It is probably a combination of both. Again, it varies. In regional communities you find that much of this stuff is volunteer driven and after a while the volunteers get bored and go away, and they take their intellectual property and skills with them. Some of them can be possessive about it and will not share the information. Some of these events need funding, capacity building, training and so on. I emphasise that tourism and the visitor economy are not one size fits all; it is not an industry like the motor vehicle industry where you build a car and drive away. It is an amorphous amalgam of all sorts of products, people and skills sets. Handing down an edict about how it should be done will not work. It is based on levels of maturity, what is out there and the level of expertise within the regions to promote and develop it. It is not a one-size-fits-all scenario.

**Mr SCOT MacDONALD:** Is there any value in allowing private operator access to national parks? There is a great deal of emphasis on national parks. Should it always be an agency thing?

**Ms BENNETT:** I fantasise about a fantastic downhill bike track through a few of our national parks, but I do not know how we would achieve that.

**Ms WHITE:** In my opinion there is enormous potential for appropriate, sustainable tourism experiences in national parks. That does not include hunting and shooting. Dunn's Swamp in Wollemi National Park in the Mudgee area is fantastic. For a number of years a private operator was doing fabulous cruises, teaching small groups of people about the ancient rock pagodas and indigenous history. It was an incredibly beautiful experience. Some Roads and Maritime Services regulations changed and they have now shut down. That has stopped an enormous amount of money coming into the small town of Kandos in the mid-western region. They were not doing anything wrong. If they are appropriately managed, there is enormous capacity. Research about the sort of experiences visitors want indicates that nature is right up there, particularly for the Asian market.

**Mr STYLES:** To get some of the facilities you need there must be a capacity for private sector joint ventures in national parks and areas like that. The National Parks and Wildlife Service never has the money and if councils do have it they do not have expertise in hospitality area. There should be a pathway to joint ventures, leases or some other arrangement.

**Mr MANN:** By the way, Dunn's Swamp is not a swamp.

**Mr SCOT MacDONALD:** It is a wetland.

**Mr MANN:** No, it is a dam. It is a brick dam installed by the cement works many years ago. It is very picturesque.

**CHAIR:** You said that you would like to see a bike park but that that would not be happening.

**Ms BENNETT:** Whether or not they are perceptions, when I have discussed these things with various stakeholders across the region, they visualise substantial sites. The number of pushbikes is increasing—it is the fastest growing mode of transport. People ask how it will work and say that we will have to go through a long process. They then suggest that we use private land. Whether or not it is real, there is a perception that it is too hard to do it on the most suitable landscape because of the barriers. I am sure you can do it in some places and it is working somewhere, but that is the perception.

**The Hon. LYNDIA VOLTZ:** But it is working in your region.

**Ms BENNETT:** I am not familiar with the amount of downhill bike riding that happens here at the moment. Whether they are just perceptions or not, when I discuss these things with various stakeholders across the region, I guess they visualise these possible substantial—say pushbikes is doubling in numbers as the largest growing vehicle, would it not be great if we could have—and then people start to think, "How is that going to work?" going through all these steps and then everyone goes—

**CHAIR:** It is education as well.

**Ms BENNETT:** People start saying, "Is there anywhere on private land?" So whether it is real or not, there is a perception that it is just too hard to think about doing it on perhaps the most suitable landscape because of whatever the barriers are going to be. I am sure you can do it in some places and it is working somewhere, but that is the perception.

**The Hon. LYNDIA VOLTZ:** But it is working in your region. It is happening here.

**Ms BENNETT:** I am not overly familiar with the amount of downhill bike riding that is around here at the moment.

**CHAIR:** Ecotourism.

**The Hon. JAN BARHAM:** I want to follow up on that point. We did a similar thing up north. We got farm and nature tourism happening on private land because the area attracts. It went to private lands where that was an added investment for a lot of farmers, so that they could do tourism as an ancillary business, even if it

was just to lease the rights to do things. Southern Cross University did a program of training private landowners to pick up on their opportunities and work with councils.

**The Hon. LYNDIA VOLTZ:** I have a follow-up question on the main thing you were talking about with the minimum amounts. Things such as the Deni Ute Muster started off with \$10,000 funding for advertising. It is about marketing those small festivals to get them going. Would that kind of funding now be available in those amounts?

**Ms WHITE:** No, the events that are now through Destination NSW are going through the flagship funding program. It is quite an onerous application. The criteria now is that you have to have been going for a couple of years to establish the fact that you will be sustainable beyond having any funding coming in, which makes it very tricky for emerging—and the quirky events that have turned into this massive thing for Riverina and Deni Ute Muster. It is brilliant.

**The Hon. LYNDIA VOLTZ:** I think the Elvis Festival started off with that small funding as well.

**Ms WHITE:** That is right, and there are lots of little ones. The Caragabal Sheep Races out near Grenfell, done in the right way by the right people with the right capacity and a bit of money would be a brilliant income earner for that small community.

**Mr MANN:** Trundle Irish Festival would be another one.

**Ms WHITE:** Yes.

**CHAIR:** We have had the fossickers and prospectors come to see us. I know you have got five gold tours advertised. One of the things they raised was the lack of access to the trails and they would like more trails. Is that something you have experienced as well, or is there more demand?

**Ms WHITE:** These things have come out of the product auditing and the research we did about what we have got in central New South Wales and what the consumer wants. It was also designed to get them from right across the region because it was an RTO-funded program, so it was not about collaborating with anyone else. The regional tourism organisation said, "Here is \$79,000, what are you going to do?"

**The Hon. STEVE WHAN:** Do they involve fossicking, or is it people going to look at heritage?

**Ms WHITE:** It is the history of gold and the experience of—

**CHAIR:** Not fossicking?

**Ms WHITE:** Not necessarily. But it does not preclude fossicking. If you want to walk into the Mudgee visitor centre and hire a pan or buy a metal detector from Big W or somewhere, you can go looking for gold. It is about telling people where the history of gold came from and what you might be able to do now, certainly.

**The Hon. LYNDIA VOLTZ:** There are certain areas you cannot go into.

**Mr MANN:** There are plenty of areas through Sofala that you can pull up on the riverbank and fossick. There are miles and miles of it, and it is all Crown land.

**CHAIR:** Thank you very much for coming today. Any questions you have taken on notice will be sent to you and you will have 21 days to respond. Also, if there is any additional information you would like to send to us, please do so.

**(The witnesses withdrew)**

**DAVID SHELDON**, Chair, Australian Regional Tourism Network,

**TRACEY VALENZISI**, Executive Officer, Australian Regional Tourism Network, and

**VAL SCHAEFER**, Marketing and Communications Officer, Aurora Research and Development, before the Committee:

**CHAIR:** Thank you very much for appearing this afternoon. We have just under an hour. You are not required to be sworn in, but you are bound by parliamentary privilege. Do you have an opening statement that you would like to make?

**Ms VALENZISI:** Yes. Briefly, the Australian Regional Tourism Network is a national organisation. We are a membership-based organisation. We receive no funding from State Government or Federal Government. As I said, we are a membership-based organisation. We consist of a board of up to 13. This year we have 11 directors on the board. They are representatives of regional tourism across Australia, so each State is represented. We try to have at least one member from each State on the board. They sit for a two-year term and that is rotated. Our main activity is the annual convention, which this year is being held in Margaret River, which is in eleven days. We always go to a regional destination. We are solely regional focused. We liaise and work with metropolitan but we do not have a lot to do with metropolitan-based tourism, and we look at regional tourism.

The majority of our members are local government regional tourism organisations and visitor centres. Each of the State tourism organisations are members and Tourism Australia is a partner, and we work very closely with Tourism Research Australia. We have operators as well as our members in our membership base. My background is that I have been in tourism for 12 years. I was the previous tourism manager for Leeton Shire Council, and upon leaving there I started my own business. I have been contracted to regional tourism organisations, local government and different organisations to undertake predominantly industry development work. My last role before starting with the Australian Regional Tourism Network was to do industry development for Riverina Regional Tourism. I am based at the home office in Leeton and I contracted to the Australian Regional Tourism Network.

**CHAIR:** Would you like to make an opening statement or table a statement or start with questions?

**Ms SCHAEFER:** I am happy to make an opening statement. On behalf of our accredited visitor information network of 178 visitor information centres throughout New South Wales, we are the appointed contractor on behalf of Destination NSW to manage the accreditation and marketing management program. We believe that visitor information centres are the unsung heroes in respect of destination management, and is a stimulus for increasing visitation. They do, however, face a number of challenges, and that is transitioning to a bricks and clicks strategy, moving to the digital economy, of course, and also funding models and resourcing largely through local government.

**The Hon. STEVE WHAN:** I am going to start with something that I did not get to with the last witnesses, but it is more relevant now. As I understand it, your members are essentially tourism businesses.

**Ms VALENZISI:** A small proportion are operators.

**The Hon. STEVE WHAN:** Yes. I wanted to get some comment from you about training needs in tourism in regional New South Wales, particularly, and whether there are things that Government could be doing to assist with upping the skill level in tourism.

**Ms VALENZISI:** One of the main activities or the main things we would like to undertake in regional Australia is the upskilling of practitioners. We deal mostly with the practitioners and they are the regional tourism organisations, executive officers, visitor centres, economic developed tourism, managers within the local governments, and a lot of them are very educated and skilled people, but not necessarily skilled when it comes to the visitor economy. We try to refer to it more as the visitor economy rather than tourism, and the convention that we run every year is a form of professional development for the practitioners, and we try to address the issues that are facing regional tourism and provide some input, some initiatives and also some professional development in those areas.

We are now starting to work with Southern Cross University to look at more ways that we can provide online courses, not as in masters or bachelors, or whatever, but it is short courses on things that are really important to our practitioners through webinars, anything online, ways like that, but it is something that we acknowledge nationally. There is a large requirement—not only within New South Wales—for upskilling of the current practitioners within the local government visitor centres and RTOs.

**The Hon. STEVE WHAN:** I do not know how many people you employ, David. What about grassroots training in hospitality, service standards and things like that? Who in country New South Wales provides those services? Are they getting to the people on the ground working in hospitality?

**Mr SHELDON:** There are a number of TAFEs in New South Wales doing what we could call the ground-level service skills, including South Coast, Tumut and Wagga. There are a number of TAFEs right around New South Wales. We have also been in conversation with Southern Cross University. They want to partner with ARTN and move to build relationships with the TAFEs across New South Wales and across the nation to open up other training facilities and skills for those people at the ground level.

**Mr SCOT MacDONALD:** Would TAFEs be the key provider of those skills on the ground, or are there private providers as well?

**Mr SHELDON:** There are private providers. There are the Blue Mountains and places like that. But it is mainly TAFEs. I do not know of many private providers—Tracey might help me on this—but I believe there is one, the catering and hospitality one in Sydney.

**Mr SCOT MacDONALD:** Would you say TAFEs are the key organisation delivering those basic hospitality skills?

**Mr SHELDON:** I think TAFEs can become very important to the development of the industry.

**Ms VALENZISI:** It is also about making the skills available. We are talking about regional areas, starting to get to the outback areas. This means a day out of the office to get to where the course is held, say two days for the course and then a day to get back. That is nearly a week out of the office for that person, and if it is a two-operator business, that business is left for a week with only one person in the business. We are looking at not only being able to make more courses available but being able to make them more accessible and more affordable for the people living in these regional areas.

**The Hon. STEVE WHAN:** What flow-through is there for young people who have done hospitality courses or VET courses at high school?

**Ms VALENZISI:** Unfortunately, we see a lot disappear to the cities, because they go on to TAFE and a career path. To do further qualifications, they might decide to go to university. The good thing is, if they are getting trained within the school system, they take up that employment within their regional areas while they are still there and when they come back. That is really important, because that adds to the visitor experience. It is all about upskilling people not only on the ground in tourism and hospitality but for operators running the business and practitioners in the local government and RTOs dealing with them. This experience increases their skills in the visitor economy, not just the tourism and hospitality component.

**Mr SHELDON:** Visitor numbers in regional Australia are not as strong as they are in metropolitan or larger areas. To guarantee younger people with that basic training consistency of employment, they tend to gravitate to major areas. It is hard for local operators to keep in regional Australia a lot of experienced people or young individuals coming through.

**The Hon. STEVE WHAN:** In your organisation, have you seen much change in the delivery of programs and funding since the government changed the structures in New South Wales? A number of operators in regional New South Wales, presumably your members, have been applying for grants from Destination New South Wales through the different rounds. There has been a recent restructure of the way those grants are going out, with destination management plans and so on. Have you seen any impact from that? If you have, what have you seen?

**Ms VALENZISI:** There has been an impact, both positive and negative, although I would not use that word. The positive is that it is causing local government areas and smaller towns that are not necessarily tourism

destinations to look at why they may not be a destination. The destination management process is really important. We had a lot to do with the development of the guide for that. It is making areas focus more on the destination itself. That way it enables them to go for the bigger funding that would contribute to developing experiences on the ground.

The other side effect is that when you have a completed destination management process—for example, Leeton—that may make the town pick up on some of the priorities of the destination management plan that has been done for the larger area, in this case the Riverina. Leeton might look at nature based on the wetlands, but it would have to come up with \$50,000. Having a threshold of \$50,000 to get the matching funding is going to restrict a lot of people from going for contestable funding. Yes, it has been positive because it has enabled destinations to get together and identify what the destination is about and the visitor experiences. But on the other side of that, some of the local governments may not be able to fund some of their priorities.

**Mr SHELDON:** Having held the role of chair of Tourism Snowy Mountains and watching the transition from tier 1 and tier 2 of the new funding program rolled out by the New South Wales government, a lot of people are worried about that ceiling. They cannot see how they can get involved and get together. Whereas the destination management plan, if they read it and understand it fully, should bring the operators and the regions together to realise that if we are going to approach this in a positive and holistic way we have to band together and do a group marketing thing, which makes the bottom line ceiling quite affordable for most regions.

**The Hon. LYNDIA VOLTZ:** I have some questions on the visitor information centres. The model for visitor information centres was built at a different time in the tourism cycle and pre-technologies that exist today. Given how overstretched most regions are for their tourism budget, I would think it is difficult for local government areas to adapt their visitor information centres to new technologies. Are there any moves to look at apps and having an overview app that will link in as you come into the town, or something that makes it a lot easier for local government areas to hook into a statewide initiative that can be integrated into the visitor information experience?

**Ms SCHAEFER:** You will be very pleased to know that it has been developed by our company, Aurora Research. It has been developed specifically for accredited visitor information centres. It is called AppnGo. It is up and running and, as of last week, it is available for android phones and tablets as well as iPhones.

**The Hon. LYNDIA VOLTZ:** Did the local governments link into that?

**Ms SCHAEFER:** We are heavily encouraging them. At the moment we have all of the Inland tourism on board with that app. All of Tasmania has come on board with that app. We are in the process of making sure that all the remaining regions come on board as well.

**The Hon. LYNDIA VOLTZ:** What is the cost of that app to a local government area?

**Ms SCHAEFER:** There is a cost. At the moment they all get a basic listing, so there is a base level of information. That includes a near-me function, being able to see where the nearest visitor information centre is. Above that there is a small cost of around \$1,000 or \$2,000 that can be offset by looking after their industry-operator content and charging their industry operators for that, or using that as a model as part of their partnership with their membership base. A bricks-and-clicks strategy is one of the key challenges facing visitor information centres. You are right, many of the visitor information centres around New South Wales were built in a different era, and a lot of them have ageing infrastructure. The previous model was that they were libraries of brochures to be handed out. They are quickly realising this is not the case. Some of them have already transitioned way beyond that, but there are still some that have to transition, otherwise they will be left behind. That is a key challenge.

**The Hon. LYNDIA VOLTZ:** If you were going to do what some of the towns without big attractions are planning to do, particularly making areas RV-friendly, and you have visitor information centres out of town and they want to get them in town, is there a strong argument that these should be covered by local government? Isn't that a crucial part of restructuring visitor information centres and growing visitor nights? Would they be able to access grants to reallocate the visitor information centres?

**Ms SCHAEFER:** That is a key issue for local government. Resourcing and funding visitor information centres—just the physical infrastructure alone—is a challenge for them, particularly as they deal with growing infrastructure backlogs and greater community expectations around service delivery needs. So they are finding it difficult and challenging. A lot of the funding models do not permit the funding of visitor information centres. A lot of the funding from Destination NSW and the federal government, or the grants from T-QUAL or Tourism Industry Regional Development Fund [TIRF], do not allow us to tap into funding for visitor information centres. So basically local government pays the lion's share of funding the physical infrastructure and the resourcing for these centres. Some 114 centres, both level 1 and level 2 centres, out of the 178 operate for seven days a week; most only close one or two days a year for Christmas Day and Good Friday. So you have weekend costs associated with training as well, and then you have the issue of managing volunteers which is a whole other subset of the resourcing issue.

**The Hon. LYNDIA VOLTZ:** I have another question which maybe Mr Sheldon and others can answer. We have been talking a lot, particularly when talking about anywhere west of the "sandstone curtain", as people call it, about recreational vehicle [RV] tourism and visitors coming over the range. But I have not heard much talk about the backpacker market, which is crucially important part of tourism. About a year ago when I went through Nevertire I noticed that there was an Irish backpacker working behind the bar there. I think he was the first backpacker I had seen in that region. I am wondering how you can expand the market to those kind of long-term stayers who are the ones more likely to go out of the Sydney region into the bush. How do you market to them? Because it is not only about getting them here and keeping them here, Australia has always been seen overseas as an aspirational market; and it is those people who have those experiences who make Australia the aspirational market it is.

**Ms VALENZISI:** I can speak about our experience in Leeton. Leeton has quite a large cohort of backpackers who come here mainly for the seasonal work—including to work at The Fruit Shack. Being able to encourage more backpackers to come out into regional New South Wales is based around the work, because they like to live in the cities and up and down the coast but they run out of money so they have to come out into the regions to look for the seasonal work and to be able to earn that extra money. They stay for some time—for example, The Fruit Shack in Leeton can have them for up to three months. Then they will do trips to and from the city and come back. Another component to it is that they stay for the 12 months and then decide they would like to stay for another 12 months.

But because tourism is not in the list of work that they are able to undertake in their second year we lose a lot of them again into the regional areas. So they come for the agricultural work and they also come for the hospitality work. So they fill jobs in two fields while they are out here. So not having that second year where they are able to fill jobs in tourism and hospitality means we do start to lose backpackers in their second year in Australia. So it is about, firstly, having facilities for them to stay, as in the backpacker hostel type accommodation, and, secondly, being able to provide some kind of seasonal work for them. I do not think there is any rural local government, visitors centre or regional tourism organisation that goes out and markets to backpackers specifically. All the marketing done for Leeton is through the operator himself for The Fruit Shack, and through word of mouth.

**Ms SCHAEFER:** Recently I think federally there was a backpacker marketing program that was done to encourage people to put up some itineraries and to have more direct marketing messages to the backpacker market.

**Mr SHELDON:** From my experience in tourism, the backpacker or itinerant worker market, whatever we want to refer to them as, has been around since the 1980s. It was a big way of drawing the youth from Europe into Australia. They would actually land in Sydney, Melbourne or Perth and travel around regional Australia. On a local basis, when we look at Tumut and the Snowy Mountains we see that there are a lot of backpackers who come in, especially for fruit picking in the Batlow and Tumut regions and then again in the winter period to work on the snowfields. If you look at Perisher, Thredbo and a lot of the ski resorts, you see that a lot of people traverse the globe chasing the snow; and we get them coming here in our winter. So the market is there. I understand that the gentleman from Skills Australia is actually trying to broaden the horizon on that endeavour.

**The Hon. JAN BARHAM:** Do you think that in some circumstances there are areas in regions where that backpacker workforce is taking opportunities for work away from locals? Does there need to be any regulation around whether backpackers cannot work or have limited access to work in areas where there is already high unemployment and tourism work is important?



**Ms VALENZISI:** That is a good question. In some areas they may be taking work away from locals. I will come back to the experience in Leeton. The work that the backpackers are doing is the work that the locals do not want to do. So it is the harder type labour work in agriculture such as picking oranges and working on cereal crops. Without the backpackers coming into fill those roles it is very hard to get people to do that work.

**The Hon. JAN BARHAM:** I suppose I am focusing more on coastal areas and work in the area of hospitality. Are you through your network aware of that happening?

**Ms VALENZISI:** A lot of the time too these jobs are transitory and seasonal so the backpackers will come in for a peak period whereas the locals will sometimes require longer term employment. They may not specifically want the part-time nature of the work that is available whereas that suits the backpacker market. So, yes, the backpackers probably are competing with the locals; but it is a question of whether or not the locals want to fill those positions. I think in a lot of cases the backpackers fill that market for jobs that the operators are unable to fill locally.

**The Hon. JAN BARHAM:** I was interested in the points you made about unregulated tourism. We have heard a lot about that. One of the points that has not been made is about the issue of unregulated holiday homes. What they fail to provide is any service contact or any management, which is what traditionally tourism was about. Tourism is a service industry. You have made some good points. Are there any other points you want to make about the level playing field for those in the tourism sector who do the hard yards of paying their rates and making their development contributions and all of that?

**Mr SHELDON:** The only thing I can think of to emphasise the importance of this is that New South Wales and a lot of local government areas are sitting around waiting for another hostel fire to happen like those that occurred in Childers and Gin Gin. Something has to be done about this, because it is going to create such a ripple effect through the industry. The other thing we have to look at in regions or destinations that do rely on the visitor economy is that if a person goes and stays in unregulated or non-compliant accommodation and has a bad experience then they do not go back to that accommodation outlet and they do not go back to that region. They have been provided a very bad experience and have not been happy during their stay. So it has a great ripple effect across an entire region.

**Ms VALENZISI:** There are times, particularly around events, when accommodation needs to be opened up on a short-term basis to cater for crowds in certain regional areas. But I agree with David that there definitely has to be something done about those long-term accommodation providers.

**The Hon. JAN BARHAM:** I think this is the distinction: whether it is a short-term and ancillary use or whether it is a permanent use of something.

**Ms VALENZISI:** Yes.

**Mr SHELDON:** It would also be very interesting to go back over one of the other concerns in this area—that is, the lack of insurance of these non-compliant accommodation providers. This applies to houses in particular.

**The Hon. JAN BARHAM:** I turn now to the issue of training. I have heard strong support for working electronically, working smarter and making things accessible. In some regional areas community colleges, adult education or workers educational associations—whatever they are called—are well placed to be locally focused. In my area we did some good work with online courses where the trainer then meets the students once or twice. Is there support for training and an understanding that those shorter courses are possible for some of those programs? What are you doing about it? Are you being heard when you talk about those opportunities?

**Ms VALENZISI:** I do not think we are being heard. Unfortunately with regional tourism, as you would appreciate sitting around with all these different hearings that you are having, there are so many different challenges that we face. And there are so many different personalities and organisations. Especially in the organisation of Australian Regional Tourism Network we come across all those different challenges in different States and different regions. But the bottom line of it all is that there really has to be a clearer understanding about the professional development needs of the industry and it is getting the industry to really understand the industry, because there are a lot of people within the industry that do not understand the full gamut of the visitor economy.

I have been looking at some of the transcripts of the hearings you have been having and it has been talking about who are the industry. The industry is so broad. It is not just accommodation and it is not just the transport. I think you mentioned this morning about the bus. I had a bit of a chuckle. I thought, "Oh no." It is so broad. That is why they do not understand the tourist. When it comes to that education, it is getting those educational providers to understand that in some way they are involved in the visitor economy.

**The Hon. JAN BARHAM:** And that could be a short course, not a degree?

**Ms VALENZISI:** Exactly. That is probably one of the biggest areas that we are pushing. I suppose our main focus has been on the visitor centres because we are looking at a national association because they are all very different in each State. Also we are really trying to push the ongoing destination management. I know it is relatively new within New South Wales but some of the other States are now into their second and third processes of destination management. It is about bringing in all those different partners within a destination. That is a time thing. It is really getting all those different players to understand the industry. I think a part of the education is getting the industry to be educated.

**Mr SHELDON:** I would like to add that there is one term that I have not read throughout all the transcripts that really is vital to the sustainability of this industry. That is the industrial visitor: the gentleman that they were talking about who takes the buses and the planes and are vital to a lot of regions.

**The Hon. STEVE WHAN:** The business traveller.

**Mr SHELDON:** The business traveller, the industrial visitor. Where I come from, Tumut, Monday to Friday you cannot get a motel room because the industrial visitor has meant there are no vacancies. Come weekends you can get a room anywhere in town. There are a lot of regions in New South Wales such as Wagga Wagga that have a very high occupancy rate.

**The Hon. STEVE WHAN:** And Orange.

**Mr SHELDON:** Exactly. I think we need to get that knowledge out there that the industrial visitor is vital to a lot of regions and it is part of the overall visitor economy and it impacts greatly.

**The Hon. PAUL GREEN:** When we were short of dollars in the Shoalhaven one of the first casualties was going to be the visitor centre because, as you have noted, visitor centres are outdated, they need a lot of paint and the customer's expectation now is far greater than it was when they were built. How do you see a way forward for those visitor centres? Is it closing them down and going online? It is the same sort of argument with libraries in that they are past their time now that we have got online books. What is your experience?

**Ms SCHAEFER:** I will quote a report that a colleague sent me a couple of months ago, Jenny Massie, from the Northern Rivers. There was a report released that said libraries were a better investment than gold. When she sent it to me she said, "This is what we need." That is really what I would say about visitor information centres: They are a better investment than gold. But, yes, they do need to be reviewed and to be looked at. We need to have new ways of thinking around them, and that is why I mentioned a bricks and clicks strategy. No, it is not a matter of just shutting them down; it is a matter of looking at their locations, maybe relocating some or co-locating them in other like businesses and premises. It is also looking at greater partnerships as well.

At the moment most local government areas be they larger or smaller will have a visitor information centre. Some of those towns and villages are now bypassed or are certainly on the horizon to be bypassed. It is a matter of looking strategically at where they are located and it is doing a strategic review, basically, of how they are delivering their services. It is also about looking at providing information outside of the visitor information ahead of the visit, so the pre-visit in the preplanning phase. Then it is in the in transit stage, so it is when the visitors are actually in your destination in your region. It is putting in those key areas of influence at shopping centres. We looked at touch screens and plinths and digital signage and all those sorts of things. They will help also direct the visitor to the visitor information centre to then redeem special offers and coupons and itineraries and promotions. Then you can upsell that visitor and then you get the conversion for them to actually stay that additional night, which is going to help deliver that goal that we have in the State of doubling overnight visitor expenditure by 2020.

Aurora Research did a study last year, and it was a very significant study in the Northern Rivers. It was the first of its kind and was a regional visitor services strategy. We had research staff in the field for 100 days doing mystery shopping and doing interviews basically outside the visitor information centres and at shopping centres. There were around 500 pre and post interviews conducted. From this strategy it was found that 22 per cent of visitors that stepped into a Northern Rivers visitor information centre then stayed an additional night. An amount of 59 per cent then engaged in an additional attraction or activity. Just the overnight expenditure equated to \$34 million. That is why I say visitor information centres are the unsung heroes. They are the locals with the passion, the professionalism and the consistency if they are doing their jobs well and they have got that training and support around them who will upsell the visitor and get that conversion happening for our State.

**CHAIR:** Is it possible to get a copy of that material?

**Ms SCHAEFER:** Yes, I have brought two and I certainly can provide a digital copy as well.

**The Hon. PAUL GREEN:** One of the issues we have learnt during this inquiry is that the visitor centres are on Crown lands and the Government is now charging quite substantial rents on those properties. That is a double hit on the local councils in trying to manage their tourism dollars. Are you getting much feedback on that?

**Ms SCHAEFER:** No, I have not had a lot of feedback on the Crown lands issue. There might be a portion of those accredited visitor information centres [VICs], but I would have to check on the actual portion. But the majority are local government owned and managed land. But there would be, I would say, a portion that might be in that situation.

**Mr SHELDON:** I agree with everything that has been said but I do think that there is another very valuable thing we have got to look at with visitor centres. They have to evolve and they have to become an attraction or an experience to the visitor themselves.

**Ms SCHAEFER:** I agree with that. That was one of the findings as well in our studies that we have done and in our engagement. We have managed this program now for well over 10 years. Adding attractions and activities and having compelling reasons for visitors to enter your visitor information centre is important. They should not just go there to get a map or a brochure; they need to have compelling reasons. That includes great itineraries, great local produce and merchandise and also being able to book accommodation, providing ticketing for events and a whole range of reasons. It is important to have a museum or an activity or an attraction or an experience in itself. Many of our VICs do have that at the moment. There are a lot of visitor information centres that are co-located with museums and experiences and interpretive centres but certainly there is more room for adding those attractions.

**The Hon. PAUL GREEN:** I note your comment in your submission about the special rate variations. Basically, places like Shoalhaven have one but there are many that do not. Do you want to add to that?

**Ms VALENZISI:** I think the more west you go you get the least likelihood that councils understand the importance of tourism and how it all works in with the community. In particular, one of the comments came from the general manager in Wagga Wagga who said: "Why would we be worried about a special rate variation for tourism when I have to build new levy banks?" It is getting that whole destination happening again, getting them to understand how everything works in together. I think the further west you go the least likelihood there would be of a special rate variation being requested by a local government.

**Mr SHELDON:** The other thing is that some of the LGAs I have spoken to have moved from a special rate variation to a bed tax. Now special rate variation— I agree with everything that Tracey has said but getting the importance of that through to a lot of LGAs, in getting them wanting or willing to implement it will be a different exercise.

**The Hon. PAUL GREEN:** How much would the bed taxes you are talking about be?

**Mr SHELDON:** I can only talk from my experience in Queensland. In the Whitsundays they used to raise a lot of money through the bed tax and there was a lot of opposition. But the point I am trying to get across here is that the accommodation provider is only a very small part of the overall experience and a contributor to the visitor economy: the food, the grocer and the petrol. If you look at the chart the accommodation provider is a far way down the food chain. I agree with special rate variation but it has to be a holistic approach, not just

necessarily to a business area. Tracey spoke about the Riverina and the levy banks. That levy bank impacts on the visitor economy because if the town floods the visitors cannot come. So it is right the way across the board. Being an accommodation provider we have seen our guests use doctors, dentists and tyre repair places. Everyone is impacted. So the visitor does have a huge impact on the overall economic and social development of a community.

**Ms SCHAEFER:** I agree, David. I have a background in local government and tourism management as well and with a lot of local councils if you were to put a community consultation out there for special rate variations I do not think tourism would be top of mind; it would be more like critical infrastructure such as roads and bridges. But once again if you do not have that critical infrastructure—which they are confronting a huge backlog—then that is also going to impact on visitors if roads become impassable. A lot of tourist drives are not on the best roads, they are not a pleasant experience to drive on. A classic example is Ellenborough Falls in my former tourism area near Taree. It is beautiful—it is on the Legendary Pacific Coast touring route—but there have been times when it has become impassable. They become key issues and they need massive injections of funding. I would say critical infrastructure is more top of mind. Then you have got the whole issue of climate change and coastal erosion and issues like that which are also impacting on local government.

**The Hon. NIAL BLAIR:** I liked Tracey's visitor centre so much I got married at it. I think that actually underpins that the visitor centre that Tracey managed was an attraction in itself. The gardens and the statues in the garden were an attraction, and the building itself draws people to it. That is the focal point. You get them at the start and then it goes from there. But that is enough about me.

**Ms VALENZISI:** I think you managed the gardens.

**The Hon. NIAL BLAIR:** Yes, I managed the gardens. I stayed at David's cottage as well.

**Ms SCHAEFER:** I can trump that. Someone actually named their first child after Taree because they had such a positive experience coming to the Manning Valley Visitor Information Centre. They do make a difference.

**The Hon. NIAL BLAIR:** When we talk about training my fear is that we are only talking about hospitality. When we look at a lot of the destination plans we are identifying things like ecotourism, adventure tourism and things like that and I am after a comment as to whether you think the training sector is attuned to that. Because if I come to your cabins I want someone to take me fly fishing or I want to go bushwalking in the mountains with someone who is qualified in outdoor education. I think the training mindset is still about hospitality. I see too many personal trainers being trained in this State and not enough people trained where I think the growth market is.

**Ms VALENZISI:** Interesting point, Niall. As part of the guide that we did for the Federal Government for destination management we also had to develop a knowledge transfer plan. We had to submit both of them to the Federal Government. Unfortunately, once they were released—the knowledge transfer plan has not been released because it is just an internal document—it addressed all the components of destination management. It looked at not only upskilling of the people in all the different areas as you are talking about but it was also working with the educational facilities so they understood what was required for the upskilling of the market. So it is twofold. We do have to upskill our professionals in our industry but we also have to work with the educational institutions to make sure that they are delivering on the courses and the skills that are required. That is why we are working with Southern Cross University so that we can try to get them to understand what the practitioners need. Not coming out and saying: "Here is a marketing degree" when it is not a marketing degree that is required. It is something to do with nature-based tourism or Indigenous tourism and that is not what is happening at the moment.

**The Hon. NIAL BLAIR:** Every year the Government puts out its targets for priority skills training—that is where the funding for TAFE and privately registered training organisations goes. Are you aware of any tourism-type training packages or ecotourism being on that skills priority list? You may not be able to answer that. It is probably a question we need to ask the Department of Education and Training. But just flowing on from this, one way to get more people to do training is to identify it as a required skill and provide the funding to the training organisations to then be able to offer it. They have done it for mining, they have done it for agriculture, I am just not aware of whether it has been done for tourism.

**Ms VALENZISI:** I am not aware either.

**Mr SHELDON:** I think you are right there. I think one of the problems is that the visitor economy or the tourism industry is regarded as a soft industry. There are a lot of players out there. We impact greatly on the State and Federal budget but to actually nail the industry down is very hard.

**The Hon. NIALL BLAIR:** Do you think that the ability to meet the doubling of the overnight economy in New South Wales is impacted on by the lack of training?

**Ms VALENZISI:** Yes, I do—especially as Val mentioned about the visitor centres. They have a large impact on the length of stay and also on the "spend" of visitors if the staff are trained. We find that a lot because we deal a lot with the Federal Government. So we look at doubling the overnight expenditure coming down from the Feds in through to the States. We talk to a lot of our practitioners and our members not only in New South Wales; they do not understand the connection. When it has come out for New South Wales: "Okay, this is the Tourism 2020. We have to double overnight expenditure." A lot of them think it is a Destination NSW requirement but it has come down from the Federal Government. So it is getting them to understand how it all works.

**Ms SCHAEFER:** Another key point that came out of this strategy was that training and support around volunteers and professionally engaged staff at visitor information centres was critical. That was part of the feedback through those 500-odd surveys that were conducted and the mystery shopping and the 11 accreditation audits conducted between 2011 and 2012—so training and support of the staff in the visitor information centres to make them understand the importance of how much they can really make a difference. I have recently just come back from Ballina and you will be pleased to know that they have already implemented one of those strategies—our company is also a training provider so we actually deliver training across the region—which was wonderful.

So it was not just one local government area, it was 11 different LGAs across Northern Rivers all coming together cooperating and forming this partnership through the tourism management group. The key staff in their visitor information centres and volunteers attended the training and we got wonderful feedback from that. They really said how valuable it was. Training and support is an absolute key issue because these are the people who have the local knowledge and have the passion but maybe they just need a few more tools in the toolbox to realise.

**CHAIR:** Is there resistance, in the training? Is the resistance from the local government area or is it from the staff themselves, that they feel a bit inadequate? What have you found, because you say that there is that need. What is the blockage?

**Ms SCHAEFER:** I think resourcing and I think probably lack of awareness of the need—"Well, we've always done it this way". And, from a local government perspective, an insular perspective because this was discussed during the Northern Rivers training. Again, Jenny Massie from the Northern Rivers, she is a fantastic tourism manager and she did a ring-around to find out how many other regions do this on a regional basis and she was surprised to see that really Northern Rivers was the first to kick it off. So it is maybe just a lack of awareness or recognition and funding, I would say, as well. They are just so busy because a lot of visitor information centres have had declining staff levels—a lot of local governments are scaling back their staffing levels of visitor information centres. It does not mean the work has stopped, the phones have stopped ringing or the visitors have stopped coming through the door. Now they have this whole new digital economy to deal with as well, as the foot traffic.

**Mr SCOT MacDONALD:** Just a couple of questions, first of all, the Australian Regional Tourism Network [ARTN]. At page 2 you make a statement about "investment required to improve productivity". What sort of productivity are we talking about—labour?

**Ms VALENZISI:** It is across the board because we see the investment that goes into regions, not just the Government investment because we are big advocates for tourism being about the whole of industry. It is a partnership between industry, so it is the private operators and also State Government or Federal Government. To be able to get that level of investment to increase productivity, it is about being able to do that training and to increase the visitor experience. It is to create new attractions, to be able to understand who your market is and create an experience for that market, so it is making the whole destination more productive.

**Mr SCOT MacDONALD:** More bang for your buck, is it?

**Ms VALENZISI:** Yes but it is a partnership investment, it is not just an investment from local government.

**Mr SHELDON:** Can I add something? I think when the Department of Resources, Energy and Tourism approached ARTN to put together, in conjunction, the best guide to destination management, it brings into account all the things that Tracey has raised there and gives a more holistic view of the industry, to be able to put the puzzle together, how every segment, everything intertwines. There is no rush to do a destination management plan, it is ever evolving and if it is done correctly, we will see the economic and social improvements to any given region.

**Mr SCOT MacDONALD:** The Independent Pricing and Regulatory Tribunal [IPART]—I think somebody touched on this—at the end, you are suggesting that IPART consider tourism in their development of special rate variations [SRVs]. My first question is, is that not done now? So when a local government puts an application in for a special rate variation, they are not accounting for tourism, is that right?

**Ms VALENZISI:** Not specifically, no.

**Mr SCOT MacDONALD:** So what is the recommendation to us? That this Committee recommends that government ask IPART to—

**Ms VALENZISI:** I would not like it to come out to say that this is just for tourism. It is to look at what makes up that destination, so it is giving local government a little more leeway to be able to put in a special rate variation that is for the betterment of the community, increases the liveability of that community but it adds value to the visitor economy as well. I would not like to say a special rate variation for tourism because I do not think any local government would ever get that over the line, but it is making it acknowledged in the criteria.

**Mr SHELDON:** It is about understanding, again, the complete destination management process.

**Mr SCOT MacDONALD:** I thought your submission was very good but you make a statement at page 3: "Visitor Information Centres are vital shopfronts for a region's economic development". And I know you have talked about adding another night or visiting another tourism destination or whatever. But is there any evidence for that? I understand that you have identified some sort of leveraging on tourism with those nights and whatever but is there any wider evidence for making the statement that it adds to regional development?

**Ms SCHAEFER:** I understand that there have been three studies done in 2012 on that very topic—ours, the Northern Rivers Visitor Services Strategy, being one of them. I understand Destination New South Wales has also done a brand health tracking study which taps into that and also the University of Wollongong has conducted a study which taps into that very topic which was presented at the 2013 Local Government Tourism Conference.

**Mr SCOT MacDONALD:** What I want to ask is, to me there is a lot more to regional development than just tourism. So I get, in your submission, that the Visitor Information Centres have proven that you can leverage up a little bit but is there that wider impact on regional development, economic activity?

**Ms SCHAEFER:** I would understand that there probably would be a need for greater research around the broader economic development and those visitor information centres being shopfronts for economic development. But they are places where people who want to establish a business do naturally radiate towards when they are looking for information about an area. Quite often they will go to a visitor information centre and a council office as well. For instance, in Taree we had a doctor and he wanted to start a medical practice and he came to the visitor information centre and wanted all the demographic information and to know all the information about the region. As a result of that doctor heading into the Manning Valley Visitor Information Centre, there are now three medical practices.

**Mr SCOT MacDONALD:** So are you saying there is a role for them in driving, not just the RV or grey nomad or whatever but attracting driving some other economic activities?

**Ms SCHAEFER:** Definitely. They have been in the past and I think they can continue to do that in the future. A lot of visitor information centres also have conference facilities and conventions so they tap into that

meetings, incentives, conference market as well. They are also places where business is naturally conducted. There is a natural link.

**Mr SCOT MacDONALD:** So economic development officers should live there?

**Ms SCHAEFER:** Some have in the past. I think there has been a trend to move the economic development officers out of the visitor information centres but still, through visitor information centres, you obviously get the feedback that that is the place where people who are looking for information about a region go—new residents as well wanting to move to a region.

**Mr SHELDON:** Yes, I only applied for the job in Leeton after I contacted the visitor information centre and found out about the town.

**Ms SCHAEFER:** Visitor information centres are so much more than just tourism or the visitor economy.

**Mr SHELDON:** Part of the evolution of visitor information centres to a lot of people, a lot of councils—I know Snowy Mountains, for a fact—they are looking at bringing the VEC centre into the visitors centre, move all that economic development. And, as you are saying, you can go in there and you can look at buying a house. A classic example of this is the Southern Highlands Visitors Centre. It will become a one-stop-shop for economic development, tourism growth and socio-economic improvements to the region. It will be the place to stay.

**CHAIR:** You are happy to table that report?

**Ms SCHAEFER:** Yes.

**CHAIR:** Thank you for coming and the additional information that you would like to provide, please feel free to send that through as well.

**Ms SCHAEFER:** Okay, thank you.

**(The witnesses withdrew)**

**(Luncheon adjournment)**





**GREG LAWRENCE**, Manager, Tourism, Economic Development, Griffith City Council and board member of Riverina Regional Tourism,

**KEN MURPHY**, Chair, Riverina Regional Tourism, and

**SALLY NOLAN**, Manager, Events, Wagga Wagga City Council and Deputy Chair, Riverina Regional Tourism, before the Committee:

**CHAIR:** Do you wish to make an opening statement?

**Mr MURPHY:** I recently sent in a submission from Riverina Regional Tourism and when I looked at it I thought it was a little skimpy so I have redrafted it. I have a copy here today.

**CHAIR:** You can table it.

**Mr MURPHY:** Okay. I can send it by email. That is a copy of our submission.

**The Hon. NIALL BLAIR:** Do you want to provide a summary of your position?

**Mr MURPHY:** Certainly, when I first looked at the terms of inquiry I had visions of the task force and I went back through the terms of reference again. Obviously infrastructure has been an issue as terms of reference and also I guess value of tourism and return on investment. One of the points I have added in our submission on return of investment is that it is my observation after working with government over the years is that the boards certainly give a good return on investment and I guess you have to balance that out with how effective you can be but, for example, our board, we have nine people who are all selected on skill. We have industry and governance experience and when you look at the operations of the board, they are all volunteers. We are paid a whole 30¢ a kilometre when we travel to a meeting. We have an executive officer who has a high skill level, works from home. We lease a vehicle and we use council premises for our meetings.

I think the money that we get we have pretty much been putting back into direct programs. Certainly it has to be acknowledge that under the previous program of partnership we have that capacity funding and that is where we are all finding it probably difficult to various degrees. I think in terms of return on investment, on all our 18 members of our regional tourism with a return on investment every year. They vary from 9 to 1 to 28 to 1 so they see what they get back for what they pay in their fees. I think some of the other issues covered are in our submission and I think we have brought into the fact that whilst the investment by the current State Government is really impressive, given the circumstances of budgetary constraints on all levels of government, there is just a couple of aspects we think in the first years of this program could be tidied up to make it easier for some RTOs because one thing you will notice is that all RTOs are different, not so much the geographical area but the calibre and the depth and spread of industry affects us all.

I think this limit of \$50,000 is going to have an impact in our adaption to the new scheme. Some of the guidelines with obtaining some money for capacity to me appear to me to be evolving not straight from some of the press releases, the interpretation seems to be varying and where we believe we should be able to try to access our capacity funding as per the press statements—I have put it in here so I will not consume any more time about—but I just make that point. It is important. If you are going to talk to any of our 18 member councils they would all say that same thing so I would not be doing justice to our member councils if I did not make mention of that. I think that is the key parts of what I have got to say.

**Mr LAWRENCE:** If I could just follow on from that. I will preface this by saying that my background is private enterprise. I have only been 3½ years in local government and loving it immensely. My background is tourism and making things happen, I suppose, and understanding the big picture. I am trying to get people instead of spending one dollar individually let us all get together and put money in the middle of the table. It has been really made apparent to me just how hard it is when you work in local government there are two schools of thought. One is that those who embrace tourism or the visitor economy, and those who think it is a necessary evil but if it comes down to thinking about can we get some budget savings, may be tourism can be a bit of a quick touch to lose \$100,000 off the bottom line.

I think with councils that embrace tourism and go after it there is a definite new issue now where we have been funding tourism to a point—and I am also talking about things that the Committee does not understand. For example, Griffith funds the information centre which is probably a \$500,000 investment and some people say or they do is hand out brochures but that is not the case. We can turn a customer around and do a whole lot of other in terms of not just even the business side of things but in terms of national disasters and fires and floods, the information centre is a critical part of that infrastructure.

**Mr SCOT MacDONALD:** Fruit fly?

**Mr LAWRENCE:** Fruit fly, yes, that one is asked all the time. But the point I am trying to make is the new threshold of \$50,000 that councils or operators have to come to is another impost on ever-shrinking funds that people have available. I worry that we have taken a one-size-fits-all approach, and not wanting to disparage the Blue Mountains or Shoalhaven or some of those bigger councils because they also have problems with more tourists coming to town and there is more stress on their infrastructure, as we all know, because they have to drive on their roads. They have their issues as well. I certainly believe that when we are dealing with public money, as we all are, that there needs to be accountability; if you cannot measure, why do it is my simple philosophy. Suddenly this one size fits all—\$50,000—is a big, tall ask for some of us small councils.

I know from my point of view we have a certain budget but I am sure there are an awful lot of other councils within our region that do not have anywhere near the same level of funding and they will find it hard but they know they need to work together. That is all I will be saying. I understand that we need to all work together. We all need to be able to put money in the middle of the table rather than individually doing things but it is just another impost that someone has to go to now and find that extra revenue source.

**CHAIR:** Ms Nolan?

**Ms NOLAN:** I think Ken and Greg have covered their area quite well.

**CHAIR:** We will commence with questions—Steve Whan?

**The Hon. STEVE WHAN:** Thanks. Just on your opening comments about the capacity funding and "difficulties to various degrees", do you just want to expand a bit more about where you see difficulties in the funding model we have been given? Is it just that \$50,000 or is it actually your base funding for administration and things like that that you are talking about?

**Mr MURPHY:** It really relates back to your very existence, your administration. I think, when the previous scheme started, the Partnership Program under the previous Government, I guess it had a component to finance your administration and a component we matched dollar for dollar to market. We raised about \$70,000 from our councils and we put that dollar for dollar and we marketed with it. But at that time we were only about two thirds of that, so we have been increasing that, knowing that the day would come where we had to try to be sustainable to a large degree or fully. What I mean by the difficulty with the \$50,000 limit, is that in the provision, when the arrangements for the new scheme were announced, it was talked about that Regional Tourism Organisations [RTOs] that currently receive funding for operational costs—salaries and rent—can again elect to access a proportion of the quarantined funding for operational purposes. However, under the new program, RTOs must match any funds requested on a dollar for dollar. That is fair enough.

But when we went to actually apply that—and it is like any new program, I guess you have to road test it—we found that we could not apply for that separately. The way we applied for it would be the same as if we applied for a normal project which you would expect key performance indicators [KPIs] and you would say: Well, we want a double tourism expenditure by 2020; this program is going to do this and this and it has got these KPIs. It is very difficult to put this application for operational funding because the obvious thing is that you can operate, so you can bring in a scheme such that will meet the guidelines to achieve the State's objective. So that is the area that I am talking about, the \$50,000 limit, for a start, and secondly, that it cannot be applied for as a separate component as it was presented in a normal sort of press coverage, you might say, or the guidelines that came out.

**The Hon. STEVE WHAN:** How much of your administrative costs do you recover from the annual fees paid by your member councils?

**Mr MURPHY:** See, the thing is, we were fully funded for our administration. At the moment we are meeting 100 per cent of our administration—

**The Hon. STEVE WHAN:** So you have had to completely change?

**Mr MURPHY:** Yes. We have brought in a new structure and I have put that in the submission. We have brought in a new structure that keeps our board running for I guess major strategy and receiving and handling all the grant funding and then we have got three destination management areas that have a slightly different focus and they are taking on more day-to-day roles under this new structure. We have had two special meetings with our 18-member councils and all of that has been endorsed to the point where it will start in 1 January. But we are already doing a lot of consultation. The Destination Management Plan, which we have just completed and circulated to our member councils, is built around those three distinct components of our region.

**The Hon. STEVE WHAN:** Who has done your Destination Management Plan? Have you done that in-house?

**Mr MURPHY:** No, we had that professionally done. We obtained a list of accredited people. It is done by Urban Enterprise. They did the Murray Destination Management Plan and we made quite a few inquiries and we got expressions of interest from three and we chose Urban Enterprise, after doing an evaluation. They finished that probably only about a month ago.

**The Hon. STEVE WHAN:** In terms of the long-term picture of the organisation, are you comfortable with remaining with the RTO as it is or have you been looking at the Inland New South Wales RTO or are you basically happy with where you are at the moment?

**Mr MURPHY:** In a nutshell, we have looked at many, many options over the last three years. We have even looked at being a subcommittee of RDA Riverina because we have a lot in common and we work with them on projects, the same as we do with TAFE Riverina. We put a case through the task force hearing that if we could do that, we would save funding. We would still need some element of capacity funding because it would take us a fair while to build up to that sustainable level. However, that did not gain any support. I had informal discussions with Murray, but Murray were very busy dealing with their new structure—I spoke with the Chair informally on a number of occasions about whether we could merge or work together. They were rebuilding Murray and they have done a fantastic job and they felt their energies were best at that time continuing on that program.

**The Hon. STEVE WHAN:** They seem very active, Murray. I get a lot of emails from them.

**Mr MURPHY:** Well they are and I think, good on them, they have got \$300,000 from Victoria as well, which is pretty good. And then we did get a presentation from Inland last year. At that time our board felt that it was not really in the best interests of our member councils to go that way. As I say, we have looked at various options and the latest one is this structure that we have at the moment. The object is to keep the board going, on a minimum level, but a level such that we can be effective to deal with the role that has been agreed upon and have more contact with our industries. The key really, as you probably will have heard, is to get connected with industry, because the areas that do well, in our board's observation, are those that can engage with industry. The Riverina is huge—18 local government areas—and we feel that we will be able to have a closer connection with industry under these three distinct areas or subregions, as you might say.

**The Hon. STEVE WHAN:** So, you do not have industry as direct members of your body, is that right? They are just councils that are the members?

**Mr MURPHY:** We have had industry members.

**The Hon. STEVE WHAN:** Do you still or not?

**Mr MURPHY:** No, because we felt that, while we were going through this process of whether RTOs would continue or not, that we did not follow up on our membership, we wanted to see what would happen. Because unfortunately, this task force took a long time to come to a conclusion. A lot of us were left in the wilderness while the recommendations came down. Good as they are, they took a long time.

**The Hon. LYNDIA VOLTZ:** There seems to be a difference amongst different towns within regions and different places about being able to grow their visitor economy. So, it must be difficult—and I do not know how it is for you guys—about how you balance that mix in towns, those that are getting the economic benefits from tourism and those that are not or maybe not growing it.

**Mr LAWRENCE:** If I could jump in on that one. It is like everything; I am a great believer that for most projects you need a hero or you need a person to drive that vision. Tourism or—as I prefer to call it—the visitor economy is something that people just do not understand and I think that is being driven by us in the industry because we keep talking about tourists all the time. The bloke or the girl who runs the BP service station or the real estate agency or the newsagent does not see it but it is the visitor coming into town. We are a visitor here. I have just spent some money in the restaurant; I have just kicked that a long. So it perpetuates itself. My role in council is to be the facilitator, the conduit. We know we have limited funds but that is the challenge. The challenge is then to go out and talk to those out there and make a connection with everyone. To say, "Look here is an opportunity. We are going to run a six-month campaign."

I will give you an example: Easter just gone. When I first took over here we had four or five different festivals happening all at once—all were individually done—money had been spent but not coordinated. My process was to put them altogether, to sit down and put together a program. The end result was we took a very successful weekend in the south and we grew it by having a concerted approach. We put together a TVC campaign. I still had to go and talk to people and say, "Linda, I need \$5,000 from you and I need \$5,000 from you Steve" and so it went down. So suddenly we turned a \$5,000 project into a \$25,000 project. I think that is how these things evolve in various towns. If you sat down and analysed those towns that are working well you will find there has been a commitment or there has been a person or a driving force who has said, "Hang on, we need to get out there and this is the way we need to do it."

**The Hon. STEVE WHAN:** There is leadership in town.

**Mr LAWRENCE:** Yes. It is like everything, in government, local government, business, retail—retailers can claim "Online, online", well guys you have got to get out there and make things happen. My biggest beef is—having lived in the industry for 40-odd years—is that we do not offer licences to anyone who opens up a hotel, a B and B or a restaurant—apart from food safety and things like that. You can come in as a customer, get the worse service in town, they do not want to open on Sundays, do not want to open on Easter, do not want to open at Christmas, and visitors will not want to go to that town. They do us a really great disservice.

**The Hon. LYNDIA VOLTZ:** The other thing I was interested in—they guy from Tumut mentioned it—was during the week business underwrites total accommodation. How important is business to visitor economies in regional towns? How do you get that mix when tourism is not focused at the business sector but at the other sectors? Is that the right mix to look at particularly for regional New South Wales?

**Mr LAWRENCE:** In my opinion—I will let the others comment because I am only one person here—I think they are vitally important. Let's be honest, if you can hang out your shingle that you are a tourist town—different circumstance if you are a through town that has a hotel and a BP service station where you stop, fill-up and go—like Dubbo, Griffith or Wagga Wagga, if we want the tourists to come and see us we have to make sure that our businesses are open. I do that—and I know Sally would do the same—by engaging with our chamber. We do that be letting people know that this is what happens—

**The Hon. LYNDIA VOLTZ:** When I said "business" I was meaning business travellers.

**Mr LAWRENCE:** Sorry.

**The Hon. LYNDIA VOLTZ:** If businesses are filling up most of the accommodation most of the time and we have a target of an increasing visitor economy, how do regional towns do that when the whole of the tourism dollar is aimed at not business visitors but tourism visitation? There is not necessarily a conflict but—

**Ms NOLAN:** You need that mix in regional areas.

**The Hon. LYNDIA VOLTZ:** You need that mix but if you grow your tourists it is not going to grow proportionally to what your base level is.

**Ms NOLAN:** I guess from Wagga Wagga's point of view our business mix is business, leisure, visiting friends and relatives and also the event side of things.

**The Hon. LYNDIA VOLTZ:** And the army base.

**Ms NOLAN:** The army base well and truly, and the university. We are very fortunate. We tend to put the army base, the RAAF base and university into that education side of things. They are extremely important but it is also very much that visiting friends and relations business. Sure we do have a lot—as Tumut does—of business people during the week; however, that does not fill our motels to capacity. We still have capacity for other events. Recently we had a huge soccer competition that pretty much booked out the town. When the larger places have those sorts of events we end up then spilling into the other regional areas. One of the questions was about how we convince smaller towns so they can increase their visitation. That is by working with them, talking to them. In the Riverina we have what we call the Riverina Visitor Information Network and all of the LGAs, tourism managers and officers et cetera meet on a regular basis. We have that incredible interaction that we did not have, say, 10 years ago. It is a sharing of ideas. I guess the larger towns do have a little more ability to be out there working with the smaller ones. I think we have seen over the years—I am sure Ken would agree—that we as an area: Riverina, have really cemented our relationships.

**Mr MURPHY:** It is a good network where people can pick up the phone and talk to someone else. Referral is strong to try and make win, win situations. When you are talking about support I guess there are different ways but the Riverina has a lot of festivals and I think a lot of business involvement tends to come to those as well. The first thing that happens when there is a festival on is that the businesses are asked to support it in various ways, in addition to, I guess, more businesses like the motels that put funding in for brochures and other promotional and marketing materials. I guess it is a different level in each area but it would be a common thread that businesses are generally being asked and involved to various degrees with festivals and special events. We do have a lot of festivals.

**Mr LAWRENCE:** Can I just comment about business involvement—this is not a free ad but I always take a chance. In Griffith right now we are celebrating our Festival of Gardens and the citrus sculptures. This is a unique event—the only other place you can see 60 orange sculptures is in Menton, France. It takes 200,000 oranges and grapefruits to produce these 60 sculptures. These sculptures are individual. They are mainly done by businesses.

**The Hon. LYNDIA VOLTZ:** Have you heard of this one before?

**The Hon. STEVE WHAN:** No, I have never heard of it.

**Mr LAWRENCE:** That is why I take the opportunity. I have only been with Griffith just on 13 months and to me it is the most unique selling feature that we have got.

**The Hon. LYNDIA VOLTZ:** When is that on?

**Mr LAWRENCE:** Actually 400 volunteers will be erecting them this Sunday so if you are down at Griffith on Sunday. But the point I am trying to make is that we have organisations like the sellers, forklift trucks, Rotary, Apex, you name it. There are 60 different businesses who are constructing this. This is a serious construction—weldmesh rubber bands. When you go there you have a grand piano, a forklift all sitting there in oranges. These are all done by businesses that fund it and put it together. They go to an engineering company and say, "Please make this" and they do it. It shows you how important tourism and events such as this can be.

**The Hon. PAUL GREEN:** I know that you have been very complimentary of the Committee holding this inquiry. Having looked through the terms of reference, what recommendation would you like to see this inquiry achieve to help you?

**Mr LAWRENCE:** From my point of view, a greater understanding, I suppose. I come back to the one size does not fit all. We are all struggling—from Federal all the way through down to the bottom line with businesses at the ultimate end—with costs rising. We all know there are those who do not necessarily grasp it and will just take \$20,000 and waste it in the corner and nothing will happen, but there are a number of us out there that when we get a grant and then we get sufficient money to go with it, we will go because we want to grow our regions, and the best way to grow and double the visitor economy by 2020 is working with those

organisations that understand, and say, "Hang on, we cannot get the 50, but we have 25. We will match 25 and we will make it happen."

**The Hon. PAUL GREEN:** In your letter you mentioned that some radical thinking needs to happen by the way of councils.

**Mr LAWRENCE:** Yes.

**The Hon. PAUL GREEN:** What are some of the outcomes of this radical thinking?

**Mr LAWRENCE:** I think an understanding of where council sits. As I said earlier, council is always under the pump in relation to funding. Road, rates and rubbish gets rammed down our throats. I had to get a road rated the other day for this festival, which was out of the blue, so that is a cost to us. What I was thinking, it is an understanding that the importance that council plays within the tourism network—Destination NSW is up here as the peak body, but if you do not have organisations like council, those who get the vision and are prepared to say, "Hang on, we are investing seriously in this industry", that is the sort of radical—otherwise, it becomes, "Well, let us have half a dozen RTOs."

You can talk about the inland all you want, and we can have super highways—fantastic—but when you are an individual and you are this microcosm person here in a \$5,000 shire, and you part of a huge organisation, it looks good, the organisation is looking great, but who is missing out here? The dollar can only go so far. That is why I personally have never believed that we should be part of a large organisation—we have enough trouble getting people to understand what the Riverina is all about. Take the Murray Regional Tourism Board; it goes from Adelaide all the way up to Albury. Try and tell me that if you draw a poll in Melbourne, Sydney or Canberra and say, "What do you think of the Murray River?" I would imagine that Mildura to Stefanos would be mentioned—

**The Hon. LYNDIA VOLTZ:** Wentworth.

**Mr LAWRENCE:** Yes, and paddle wheelers. To their credit, they have built their strong branding—talk about wine, you might get the Hunter Valley, Yarra Valley. Would you know there is 70 per cent of wine coming out of Griffith? No.

**The Hon. NIAL BLAIR:** Yes, I do.

**Mr LAWRENCE:** Thank you. I know it is hard. I come back to the fact that we are limited with funds, but I have always found in my limited tenure and experience that I will work with everyone, but I work harder with those who are prepared to work because they get the vision, because I will bring the rest kicking and screaming to the table, but I need to get this project happening.

**The Hon. PAUL GREEN:** Mr Murphy or Ms Nolan, is there any recommendation you would like to see coming out of this inquiry?

**Mr MURPHY:** The recommendation I would like to see from our member councils is a reflection of some fine-tuning. We need to be grateful that funding has been made available in total. That is the first point. Point two, if we can have some of these anomalies, as we see it—I should not call them anomalies. It is more how we would like to see things fine-tuned, because, as Greg said, we are not all the same. Some of us are trying to grow at a different level to others. If our group had some outcome, I think it would be that the \$50,000 limit be reduced under the RVEF program.

**Ms NOLAN:** I think a greater understanding of how regions differ. Riverina is very much different to the Blue Mountains, I guess from a geographic point of view, and also from a population point of view and product point of view. However, we exist. We have over two million visitors to the Riverina each year. That is overnight visitation, and it is vital to the whole region's economy that we continue to grow and that we do not stagnate.

**The Hon. PAUL GREEN:** In your submission, Greg, you have mentioned the visitors' information centre and funding regarding that.

**Mr LAWRENCE:** Yes.

**The Hon. PAUL GREEN:** We have been hearing some evidence about the funding and keeping the valuable centres going. What are your reflections on that?

**Mr LAWRENCE:** I think they are an incredible organisation. The "I" sign has been well marketed. It is as good as Pepsi Cola, Coca-Cola and the Macdonald's sign. In particular, and I come from the Deni Council, and I have worked with different visitor information centres in the various roles that I have had around throughout the north-east of Victoria and in Riverina. People misunderstand what the visitor information centre does. It is not just about handing out brochures and saying, "Here is the church. Here is the cemetery." There is a lot of information. To give you an example, right now the Festival of Garden of Citrus Sculptures is being managed by my team. They are putting it all together. If I was being really hard-nosed and I was in private enterprise, I would say, "I am going to apportion a cost of their salaries to that event", the event would not happen because we would have to raise more sponsorship.

During times of crisis—national disasters such as fire and flooding that we have all the time, unfortunately, in this country—we get inundated with calls. People do not realise, and I have often said that we have emergencies, we need to centralise with the emergency departments the importance of the information centre because people ring up and say, "Is this road safe? Can I go this way?" They cannot get on to the Roads and Maritime Services website, or the big roads website because they are a bit hard to navigate sometimes. We have 900 Country Women's Association ladies coming in next year. We are providing accommodation. We fill the city and then we go to Leeton, and we keep pushing out from there. Now, we can take a viewpoint that it is nothing to do with us, we are just going to hand out brochures and at five o'clock we are all going home—that is the thing I spoke about that I am trying to get across. There has been an argument, "We could close them down." That would save council \$500,000 on the bottom line, but it is a facility that the community likes.

The ratepayers come in when they go on holidays. "I am going to Dubbo. Have you got a Dubbo brochure?" It may seem silly, but it means that they can get the information straightaway and go on from there, and we can help to plan some of their holidays. Free flyer—get the question all the time. It is a very tricky question, but it is information that needs to be given out. There is a lot of importance, and our reviewees say, "Let us get rid of all the information centres. Everyone is going online. The world is changing", but there are still people who want to come in and get the information then and there. Caravanners; we talk about the grey nomads. It is worth \$2.2 billion-something to the economy. These guys are travelling. They are getting younger. It is not just the grey nomads any more. We are starting to see a shift where younger people are now saying, "This is going to be a cheap holiday. Let us take the family. We cannot afford motels or resorts anymore. Let us go to the BIG4 with our caravan."

**The Hon. PAUL GREEN:** One of the previous speakers mentioned an app for the iPhone and the Android called App and Go. Are you aware of that?

**Mr LAWRENCE:** Yes.

**The Hon. PAUL GREEN:** I have used that. That is hot to trot. It is pretty quick for visitors in the tourist information centre, but one of the clever things they have done is they have linked another app with live traffic, which virtually does answer your questions about which road is the best road to take and while you are in the car, you can travel along and see if there are roadworks from the local council. It sounds like the technology is going a long way to make regional tourism accessible.

**Ms NOLAN:** It certainly is. We do not have App and Go.

**The Hon. PAUL GREEN:** Do you have something else?

**Ms NOLAN:** We have a mobile site for our website. However, just talking about the value of visitor information centres, Wagga City Council is part of the Evocities campaign, and I do not know whether you are aware of it.

**The Hon. PAUL GREEN:** Yes.

**Ms NOLAN:** From our point of view, we manage the inquiries that come through from Evocities from the website. We upload jobs on to the evojobs, and basically we have a dedicated person who is taking those inquiries. That has been the best thing for us and we are now able to track our potential relocators. We have

direct contact with them. It would be no different to Greg's staff at the visitor information centre. They are dealing with potential investors, relocators, so it is not just that visitor. It is a potential relocater, and, also, what we have got to remember is that from a visitor information point of view, we are looking at assisting other local economies in referring business to the rest of the nation. From our point of view, we have information on the whole of Australia, so it is not just New South Wales.

**The Hon. PAUL GREEN:** There was a comment earlier about industrial workers as tourists.

**Ms NOLAN:** We do not have tourists. We have visitors. Every person who comes to town is a visitor, and it helps that whole economy grow, so we prefer not to do "tourist", because those dollars are not visitor dollars.

**The Hon. JAN BARHAM:** The point that is coming through from a lot of people is about how broad is tourism. They say that other levels of government or other people in the community or business sector do not get how important is tourism. Why do people do not understand that? Is there scope available so you can articulate that in your integrated management plans or whatever else? There seems to be the point that people do not think they are part of the visitor economy, even though they are, or the rest of the community might begrudge money being spent on the visitors centre and not potholes in the road. Does a narrative need to be told about how it works and what it is about? You have stated it really succinctly. I love the part about the value of tourism which has been done nicely. The message is not clear and that has come across the board.

**Ms NOLAN:** I think from the point of view of Wagga Wagga it is just advertising for an economic development manager and a visitor economy.

**The Hon. JAN BARHAM:** As one?

**Ms NOLAN:** I was tourism manager but I have now gone on to events. My role will be visitor economy. I think a lot of councils are now seeing that whole thing coming together. Greg is tourism and economic development but we do not sing our praises well enough. If there is anything that can come out of this, it is the fact that we should be celebrating what we are doing every single day.

**The Hon. JAN BARHAM:** The other thing is what local government does that supports and enhances and builds that strength and stability. Greg said that if someone else does not do it then council picks it up, and that messaging needs to be clear. Do you put all the dollar values of those contributions to support volunteer groups or putting out the bollards for a festival? Is that calculated so that it is identifiable somewhere in terms of your contribution?

**Mr LAWRENCE:** Most definitely. I am very big on saying "thank you"; it is part of my family upbringing and also making sure we get the message out there. You are quite right, local government or even governments all around, Federal State and local governments have all copped a bagging because of the perception of how people view governments to be. That is just across the board, in particular, local government because we are there on the deck 24/7. I commend Wagga Wagga for going to visitor economy because I said to you earlier in my opening statement, I have been 40 years in this industry and I have heard this, maybe not the first 10 years, but I can guarantee for the past 30 years I have heard the same sort of thing.

I was president of the Yackandandah Tourism Association when I left P&O, the cruise industry, some 26 years—I wish I was still there now because cruising has come of age. I had to fight for every square inch to get them to go on a cruise but that shows you how things change. I could see the value because as a publican I knew that when that caravan park down the road was full I was going to be full that night because people were going to come up the way and see me. For as long as I put out a good fare and look like I was clean and smart and smiled at someone they would come back as well. You try to convince the guy around the Shell station down the road, he would not understand it.

**The Hon. JAN BARHAM:** I was 13 years in local government and it was hard to calculate how you measure your peaks and troughs. One year we calculated how many litres of petrol were sold? How many loaves of bread? How many litres of milk? It would be nice to have a list of indicators that could be regularly reported to include some of those people so they get when their peaks and troughs happen when visitors come and go. It is common to hear about it on the coast and now here and I liked what you said and wondered if the whole point is not being missed.



**Ms NOLAN:** In actual fact REMPLAN does have the ability to track that information as well but we are not using it as well as we should. REMPLAN is an economic software package that will calculate the spend by various sectors. Say, we use it mainly for our events to get the economic impact. We will get the number of people attending, overnight stays, day visitors, the period they have come for an event. It is a really great way of very quickly getting your figures.

**The Hon. NIALL BLAIR:** Is that an acronym?

**Ms NOLAN:** It is just called REMPLAN, yes.

**The Hon. JAN BARHAM:** It is an acronym but no-one ever knows what it is.

**Ms NOLAN:** Basically it known as REMPLAN.

**The Hon. JAN BARHAM:** The idea of the IPART test for rates has come through and then financial assistance grants and if there was consistent reporting or monitoring of those measures then it might be possible to get one group—Seachange Task Force has put forward about GST flowing according to the level of visitor impact or visitation to certain areas. The idea that more money can flow to assist local government particularly in doing what it does to manage and support an industry. Do you have any thoughts on those factors—the financial assistance grants, the rate increases or GST money? Are you saying you need more funds to work for your community and for an industry that is so important to your community?

**Mr LAWRENCE:** I think, having run my own business and from having been a businessperson myself and I think knowing the tourism industry, and all businesses are like this, how many people ask, “Where did you come from? Do you know where your business is coming from?” If you are running a retail shop in Griffith are there people coming from Hillston so you can understand where you need to do some of your marketing of things like that? We can always deal with more money but it is how wisely we spend the money. I would be saying as long as we do not place too much burden and more barriers in front of those of us who want to get on and make things happen.

I know, and Sally mentioned, we had an under-13s soccer team here for five days. It contributed \$650,000 to our economy because they were here for five days. There were 256 of them, plus their hangers on. I reckon there were about 500 people in town and there were 400 people at one dinner, I know that, so the numbers are right. We had 98 per cent occupancy. The first thing I did was to get that message out to people. The point I am trying to make is that some people do it well, other people do not do it well. That is why I say, one size does not fit all.

**The Hon. JAN BARHAM:** How much did council get out of that \$650,000?

**Mr LAWRENCE:** The way I look at it is that we facilitated that operation by bringing in those people and making sure they had a wonderful time, communicating pulling things together because at the end of the day my philosophy was simple: I have got 750 businesses and if they are making money our rateable base is going to stay where it is, and they will start to improve their businesses.

**The Hon. JAN BARHAM:** The rate of that base will not change.

**Mr LAWRENCE:** My contribution is not so much measured in by the fact that we got \$500,000 net return to the local government or Griffith—it would be nice if we could, do not get me wrong, I do look for economic strings but in this particular instances it was about facilitating this opportunity. When the guy rang I could have said, “No, go to Wagga” it will take it on. End of story and they would have said, “Yes, thank you very much” and 500 people would have been in Wagga Wagga, possibly. I take a different view. I build my economic development on three pillars based on a business model of relationship—first, the current businesses that are in town; and, second, trying to build complementary businesses. I do not want to set up six shoe shops within five metres of each other only to put the first guy who started 20 years ago out of business. Third, I then look for other opportunities. At the moment we are trying to get rid of our rail that is the middle of the CBD. We are trying to find a green field site and move it out.

**The Hon. JAN BARHAM:** Your what?

**Mr LAWRENCE:** Our Rail site. They are the things that I work on, but I also look at sporting as an important economic driver. If we bring people into town, they spend money—I have done my job right.

**Mr MURPHY:** The other thing that complements what we have been talking about is you need some overarching coordination so that the big picture keeps coming through the area. We have always had a good network of councils. One of the things that has come through our destination management plan, and I do not think you should get hung up that they are performing miracles, but they make you go back and look at things. Agritourism is coming out as a real strength across our area. The first thing that people ask you—and you can ask anyone in one of our towns—is there anywhere that serves our local product. We are really getting on to that.

Last year we started what is called Taste Riverina, where people get together and they try to connect networks, people who are producers and someone to serve the food. That has now expanded across our area with small and large councils. We are getting 80 events in this month that are connected with food, not just wine. We have boutique breweries. Two breweries between Griffith and Wagga put together a regional beer and came up with interesting names. It is starting to move. That is a potential strength that we see, and all our councils do because we have had great response, have we not, a tremendous response.

**Ms NOLAN:** Yes.

**Mr MURPHY:** There is some growth potential, and it is getting back to what the visitor wants.

**Ms NOLAN:** It is about experience.

**The Hon. NIALL BLAIR:** I will start with a very quick comment to Sally. I have had the pleasure of being on the set of Backyard Ashes while it was being filmed, and the Premier is coming up very soon. I look forward to Wagga being the regional Hollywood of Australia. There is a real opportunity for film and DVDs to be made in Wagga. Congratulations to the council for getting behind that. That was a fantastic thing. My question is, the visitor economy, particularly in the western parts of your area, is impacted upon by air services. I can fly to Singapore cheaper than I can fly to Leeton and Narrandera, and Griffith has had services—on and off—to Melbourne. What impact do those services have on that visitor economy? Do you need assistance? How can we help start the conversation around accessibility and affordability for those areas?

**Mr LAWRENCE:** We are certainly trying to get our Melbourne-Griffith service back again. It is fair to say it was run at a time when there were a lot of issues. I will not go there, but there are opportunities there. Personally, I think 80 per cent of the air service would be business travel. That is not to say that we would not get behind—obviously we have the grand finals and various things that people want to jump on board and go to Melbourne by air. It is really important to get the right infrastructures in place, because that is what will deliver more sustainability for our regions.

**The Hon. NIALL BLAIR:** We do not need to talk about this in the tourism sense, but it is more specialised. Ken mentioned agritourism. International people are coming to Australia to look at cropping techniques or particular things. One of the limiting factors to get them to the Riverina to look at the citrus in terms of horticulture, investors and things like that, has surely got to be the air services. Ken, you might have a bit more association in your previous role at Narrandera Shire.

**Mr MURPHY:** While I was at the shire, we ran our own airport and Leeton were in with us. I can tell you that when that problem occurred when the airlines literally crashed, the regional airlines fell over. The place was just so quiet. It is not just one particular area of community. All the doctors travel by plane up through Griffith and Wagga and other places. Visiting medical officers are flying in all the time. There will be quite a few of those on the aircraft; freight, to keep things going—just-in-time stuff. When you are in full swing in harvest, big money is involved. So when that took place, you could feel the impact.

The air services are certainly extremely valuable. If you look across New South Wales, how many towns have still got an air service? Not many. I think protecting what we have got, number one, and also ring-marking our landing slots. If you move the regional airlines out of Sydney, you move them permanently out. People will not travel. You have got to bring people into that airport, it will not work any other way. We have tried it. It took us longer to get into the city in a cab than it took to fly to Sydney.

**The Hon. NIALL BLAIR:** You mean from Bankstown?

**Mr MURPHY:** Yes. Protecting the ring-marked areas of scheduled landings and keeping our services moving. I do not know how you can impact on the fare levels. I am not sure how you do that. It all comes back to bottoms on seats, does it not? Certainly we have appreciated our regional services, and they have an important role. Even though most people might travel by car, you have got medical and business personnel and other factors coming into it as well.

**The Hon. NIAL BLAIR:** Do you think being able to land bigger planes would have an impact? Wagga might be a good example. You have got more carriers because of that reason.

**Ms NOLAN:** I am not actually sure of the capacity for size. We have upgraded the runway in the past two or three years. We are also developing a commercial precinct there. We certainly have one major business that has recently set up, and that is a business that paints aircraft and that is bringing in potentially much larger planes than would normally be landing there, so we have the capacity for larger planes. From an aviation point of view, it is important that regional areas do keep on investigating areas of growth, and we have just recently received the Regional Airport Award for 2013. That is the second time we have won that award, which is fantastic.

**Mr SCOT MacDONALD:** I am intrigued that Wagga has not applied for a tourism grant since 2004. Is that saying you are self-sufficient and you have worked out the model?

**Ms NOLAN:** We have a very supportive council. We have worked very closely with Riverina Regional Tourism. The major areas we have been concentrating on in the past 10 years would be events.

**Mr SCOT MacDONALD:** But you fund those internally?

**Ms NOLAN:** We do.

**Mr SCOT MacDONALD:** How can Wagga do it but not other places? Is it just size or is it experienced staff?

**Ms NOLAN:** It definitely is a reflection on how Wagga sees visitors and the value of visitors to the city and the fact that we are very, very fortunate, because of our location, that we do get a large number of events. We have gone through a stage of having a major events program, and we identified four major events that we would support. We supported those. A couple of those have grown, and now we are looking at trying to develop other events.

**Mr SCOT MacDONALD:** So obviously from 2004 or so your leadership within Wagga Wagga, mainly the council but also the business community, have said, "This is a priority for us. We are not necessarily relying on the next government handout of one sort or another. We see the value in it and we commit to it. Off we go." Obviously you must retain some people underneath the councillors or the mayors or whatever who are making these events happen?

**Ms NOLAN:** It is the staff. I would like to think it is the fact that we have had some very dedicated staff involved from a tourism level. There has been consistency and I guess quite a lot of vision in the fact that we have been very consistent in what we have been doing.

**Mr SCOT MacDONALD:** Without labouring that too much, how would you compare your attitude with some other places that are waiting for the next grant or spend all their time and effort preparing the application or doing that sort of thing?

**Ms NOLAN:** I guess some of the other places might need that grant.

**Mr SCOT MacDONALD:** Because they are smaller?

**Ms NOLAN:** Yes.

**Mr SCOT MacDONALD:** They do not have the skills, the people or—

**Ms NOLAN:** Maybe they do not have the resources; they do not have the staffing. Maybe they apply for a grant to hold an event and it might be to employ an event organiser, whereas in the past we have been fortunate enough to have staffing to run an event. We run a couple of community events such as the Regenerate Youth Festival and Little Big Day Out. Now those are community events and we run that internally. We just had Little Big Day Out, which is for children aged two to 12. It runs from 9 a.m. and 12 noon and we had 4,000 to 4,500 people come.

**CHAIR:** Do you get revenue for that?

**Ms NOLAN:** No.

**Mr SCOT MacDONALD:** That is something you decide.

**Ms NOLAN:** Basically it is put on by council and it is all of the divisions within council that have their own stalls and displays.

**Mr SCOT MacDONALD:** One reads submission after submission where tourism is an add-on, it is a challenge that is not well supported and it could fall off any day it would seem. Does your council roll in year after year and say, "This works so we are going to keep on doing it" or does someone say every year or every couple of years, "This is costing us staff-wise, resources-wise X hundreds of thousands of dollars but we have decided it is still good." Is it under review?

**Ms NOLAN:** We have done reviews from time to time. We have just recently gone through a review of what we are doing. That is the position of the tourism manager—

**Mr SCOT MacDONALD:** Is that you?

**Ms NOLAN:** That was me.

**Mr SCOT MacDONALD:** You are events now?

**Ms NOLAN:** Yes, I am events. They are looking at that particular role coming under economic development because it is a—

**Mr SCOT MacDONALD:** It is a package.

**Ms NOLAN:** Yes, it is a package.

**Mr SCOT MacDONALD:** I see you do raise a special rate variation for tourism in Wagga Wagga.

**Ms NOLAN:** We no longer have that. It was for the four-year period.

**Mr SCOT MacDONALD:** Looking back at it historically, was it raised fairly and equitably?

**Ms NOLAN:** I think I probably misunderstood that question because I was referring to the special rate variation that council applied for and we were able to get funding.

**The Hon. NIALL BLAIR:** It was just a special increase.

**Ms NOLAN:** It was a special increase.

**Mr SCOT MacDONALD:** Not a special rate—

**Ms NOLAN:** Sorry, I misunderstood that.

**Mr SCOT MacDONALD:** The sum of \$500,000 seemed to be a large amount of money. I suppose the beneficiaries are those great motels you have in Griffith and all those other sorts of businesses. Do they come to the party at all or is it just purely Griffith City Council?

**Mr LAWRENCE:** No, we fund enough. As I said, my role is to get out there and, through my team, to look for the funds and that is how we facilitate the whole thing. Otherwise council would become a cash cow and there would be no thank you—it would be take, take, take and have a nice day.

**Mr SCOT MacDONALD:** Of that \$500,000 roughly—

**Mr LAWRENCE:** What I was talking about there was based on the "spend" of 500 people staying in our city for five days. That is taking into account accommodation for five nights, assuming they are going to have a meal somewhere—we all like to be watered and feed—and assuming there would be some retail because we got feedback that the retailers were busy. It is a bit like the REMPLAN; it is a modelling. We say it is \$250 per night and we use that as a model going forward.

**Mr SCOT MacDONALD:** Is your VIC not an impost on council?

**Mr LAWRENCE:** Is it an impost on council because—well council does not see it as an impost; I think that is an important definition. If councils do see it that way—we are always at the whim of the next election because if someone does say: "We can save money, we are going to go for a cutting cost"—

**Mr SCOT MacDONALD:** That is an easy pick.

**Mr LAWRENCE:** Then that is an easy pick. Bang we lose it or we cut it in half, easy done. But council, and all councils I believe, view it as the same as the library, swimming pools, playgrounds; these are essential services for the community. If we did not have them here the community would say: "Oh well, we spent \$1 million on the library and X, Y, Z on the swimming pool, cut them all out we are going to have a dusty old bowl and everyone has gone to Leeton or somewhere like that."

**CHAIR:** Thank you all for appearing before the Committee. You did not take any questions on notice but if there is anything you would like to add then please feel free to send that through to the Committee secretariat.

**(The witnesses withdrew)**

**ANDREA ROBERTS**, Manager, Economic Development, Broken Hill City Council, and

**WINCEN CUY**, Mayor, Broken Hill City Council, before the Committee:

**CHAIR:** I welcome you to the General Purpose Standing Committee No. 3 Inquiry into Tourism in Local Communities. Because this is a roundtable discussion, you are not required to swear an oath or undertake an affirmation. Would either or both of you like to make an opening statement?

**Mr CUY:** We would both like to. We welcome this inquiry. I think it is a great opportunity for regional areas to have a voice and to have input into what we believe is a very important industry in regional Australia. When it comes to Broken Hill, you are really talking regional—you are talking very isolated. Broken Hill was privileged in that 30 or 35 years ago we had a very good council that saw the advantage of diversification, away from mining and into tourism. We now have had a very strong tourism industry and a strong tourism presence. Over those years, the Council has been a great advocate for tourism and making sure that we try to diversify away from our core roots, which is mining.

We believe that councils, State governments and the Federal Government have a role to play in tourism, as strong advocates and strong partners. I really would like to emphasise that point—a strong partner, in tourism. Because we, as an industry—and I say "we"—I want to give you a little history on that. Whilst I am the Mayor of four years, I have been involved in the tourism industry for 25 years. I own a motel, I own two operating businesses, I own a travel agency, a marketing company and I was also the Chief Executive Officer for Outback New South Wales for eight years. So, from every level, I have a full understanding of tourism. Some people probably think I have a conflict of interest in being here. I do not, I think if you are going to have people speaking about it and you have somebody with my history, it really enlightens it.

So, having council involved in local government, State government and Federal Government, involved as cooperative partners in all this, making sure that the industry is also a partner, they need to be partners. They need to be felt as partners and not talked down to. From an industry point of view, they should not be saying: That is local government or that is the Government's area that they need to look after. They need to be looking after the marketing, they need to be looking after the statistics and all that. All of it is a partnership and we really need to drive that home to State, Federal and local government, as well as the tourism industry. Equally as important, we need to be driving that home to the peripheral areas that get benefits from tourism but that do not believe they are actually in tourism, such as supermarkets and service stations.

I think the coffee shops of the world ought to understand that. If they are smart enough to have a register where they can take post codes at the till, they would start to find that maybe 25 per cent or 30 per cent of their business is coming from tourism. They are the smart ones. But the ones—such as Big W, Woolworths and Coles, or the Shells and the Caltexes of the world—they need to fully understand that they are a major player in tourism. That is especially so in remote areas where I think about 75 per cent to 80 per cent of our visitors arrive by private transport. So fuel plays a major part in that. We have visitation in our area of about 3.5 nights so the Coles and Woolies of the world get huge benefits because tourists are staying at caravan parks and fending for themselves. So it is a must that we have that education process. I believe that if, through this inquiry, we can drive that home, making sure there is an education process that is a collaborative exercise that everybody is involved in, we can be part of that.

You can drill down as far as the undertaker and even he is involved in tourism. It might be a hard stretch but at my reception, in my motel, a gentleman came off the train, walked into his room and passed away. We hope that does not happen too often. He was a gentleman who was very sick but had never been to the outback and wanted to go there. Basically his last breath was in the outback. His mother comes back every year now for his memorial. Really from a tourism perspective it is really important that we collaboratively work together and make sure that marketing is paramount. We also need to, I believe, fully integrate from a State Government point of view the marketing process to isolate in regional areas as well.

For instance, in our area we have what was the CountryLink train which is Trains NSW now and also National Parks and Wildlife have campaigns. We have campaigns. What we are saying is that there seems to be no co-ordination of those departments. They really want to have their own little pile that they need to be in charge of. If we can actually have a greater co-ordination of agencies marketing destinations and regional destinations I think that would actually work. Collaboratively together that would work much better as well. So it is not one little pile over here and one little pile over there where we can pull a campaign. Broken Hill made

more than \$100,000 spend but if we can pull that with the CountryLink's campaign and the National Parks campaign in relation to Inland's campaign, in relation to the industry's campaign and their neighbours campaign, rather than having a \$100,000 campaign, we actually have a million dollar campaign because that is what makes the difference.

Education of the tourism industry about Destination marketing and making sure that they understand that their competitor is not up the road, their competitor is the rest of the world. The biggest competitor at the present stage is probably Bali because that is where people are flying to. It is not Cobar, Bathurst, Dubbo and other places like that of the world that are major competitors to outback New South Wales, it is the Bali of the world and Fiji that take that initiative. We should promote travel locally and domestically and see Australia first. I think that was once a campaign in Australia. Off the top of my head, that is my opening statement, to say that collaboratively working together, making sure that all tiers of government are working together with the industry in trying to encourage those peripheral areas that really benefit tourism, making sure that they understand what the benefits and what they are doing—really they are bludging on the system. They are piggy backing on the system, without any input whatsoever.

**Ms ROBERTS:** I will add that tourism really has the opportunity to do for regional Australia is to transform communities towards a viable future. I suppose what the mayor was saying is that in Broken Hill we rejected the notion that they city would live or die on the back of a mining industry that is a two-speed economy; that we wanted to create other levels to the economy. But because tourism is such a holistic industry, I am sitting here in the zoo thinking that we almost eat our young. We do not deal with it in a totally holistic sense so we will focus on the marketing and State Government will come out and will put marketing dollars into the area but we do not think about "How do you re-educate a population to understand about hospitality when it is essentially a mining or an agricultural community?"

I think in a way because we always use the word tourism, and even now the words "visitor economy" which at least is a broader vernacular to cover fly-in, fly-out, business conferences and events and all that sort of tourism but what we are really speaking about is tourism provides the opportunity to transform regional communities and if their youth and their population is a viable future. That is why Broken Hill hung its hat on tourism 30-odd years ago and why it is so important. I do think we are dealing with a level playing field in terms of tourism. I think we need to have a little bit of grit and decide which communities we are going to really carry forward this tourism message. I think we should be working with communities across areas like health, law and education, as well as marketing industry development, engaging petrol stations, transport—whether it be rail, road or air.

I do not think we have really grabbed it properly yet. I think there is a huge opportunity because especially in a place like Broken Hill that is remote, just putting our hand up that we would be really happy to work on some sort of model that truly makes a difference for regional tourism.

**The Hon. STEVE WHAN:** In relation to transport links to Broken Hill, I was interested that you said 75 per cent to 80 per cent is private transport so presumably drive yourself people coming in to town. What can we do to improve air and train links? Is the train being marketed as a unique way to get to Broken Hill or is it just languishing at the moment?

**Ms ROBERTS:** I hold that question very dear to my heart from not only Broken Hill but from having that link to Sydney for our Broken Hill domestic market but equally, if not more importantly, is that link to Sydney from a tourism perspective. I think putting on a train, just for the sake of having a train to fill a political promise, and not understanding why the train is put on, is paramount to the outcome. Put up your hand and Peter Black puts on a train in 1996. What happened? There was an influx and a general consensus, they know there is a train, they do not quite understand when, how and whatever in the Sydney market. CountryLink then came on board with a wholesale program, developed packages and so all of a sudden it has increased. But there was still no marketing behind it.

A model that makes all the sense under the sun is Virgin. Virgin pit, and did its research and said it would fly into Ballina, for instance. What did they do? They spent all their dollars and cents on marketing Ballina so that they have got bums on seats on their transport. CountryLink to me at a certain point have said, "This trains goes out there once a week." We only get pensioner vouchers on there. What does it really mean anyway? We are only picking up a little bit of cash off it? To me it is the social and economic benefits for the community that you are driving into that community.

If you are running a train at 50 per cent occupancy, and you are doing okay, we are not spending much on it but from a Government point of view, if you are saying they have put a train to Broken Hill. Yes, we are not getting a lot of return from a cash point of view but we are basically getting an economic point of view from a sickie at the end of that line, we are getting a social impact back on to that, we are getting occupancy on to our train from a government point of view. There are some KPIs there that a government could stick its hand up and say, "Hey, we are doing okay. We know this is costing us XYZ millions of dollars to have this train but that is insignificant compared to the social, economic and moral benefits getting out of it by having that train. Marketing a train and packaging is paramount to running a train.

A train can be put on and then in 10 years' time that train is running at 15 per cent occupancy, let us take it off. We did nothing to embrace that train and its service to a great destination. I am confident that the CountryLink train out to Broken Hill was one of the best destinations they could have in their wholesale program. I know that for a fact. Wearing my pecuniary interest hat I know that I am number one product in the CountryLink train. I am quite literally declaring a pecuniary interest in that statement. Yes, but it can be done much better and for a broader benefit not only to my business but also to everybody in Broken Hill and surrounds. We have package people who actually go into the corner country out to Menindee, to White Cliffs, to Bourke so the packages come into Broken Hill and they go that far abroad to deliver economic benefit to those communities. I think what you are saying is absolutely right.

**Ms ROBERTS:** I would like to take that a step further in the sense of what Wincen said earlier about Virgin flying into Ballina. Imagine if Virgin actually ran the train, and think of the disparity between the way it is operating now and the way a good operator would operate it from the point of view of every step along the journey, so not only the marketing and messaging around it, but imagine if it was truly a magnificent outback experience. To be truthful, the product is unreliable, deteriorated—

**The Hon. STEVE WHAN:** "The Ghan" saw that.

**Ms ROBERTS:** Exactly. Why are we not actually making something of it as an alternative mechanism?

**The Hon. STEVE WHAN:** There is nothing stopping a private operator coming in and putting up something, is there?

**Ms ROBERTS:** Imagine what would happen if they did, or should we be seeking that out? I really do not know the answers to those questions, but what I do know is that is almost set up to fail because it is living a hybrid existence.

**Mr CUY:** I can say that I know that the CountryLink/City Rail/New South Wales trains have undertaken a recent investigation into marketing of the trains, not just at Broken Hill but to the whole region. I am pretty confident that there has been an undertaking to see are they getting the best bang for their buck as well, and are they doing it correctly?

**The Hon. STEVE WHAN:** Is the current status of Air Link reasonable? Is there more that can be done in that area such as Government policies that can help?

**Mr CUY:** Supply and demand is obviously key to that. I would say that apart from the size of the aircraft and the speed that it can fly against very heavy winds, as we experienced today, is an issue, but we have got decent frequency. As a community, we have three flights into and out of Broken Hill to Sydney a day, three flights in and out of Adelaide a day, and one out of Melbourne. Not too many regional cities in Australia can say that. The smaller aircraft, yes, they do have some issues on timing. I am saying, yes, it is reasonable to take and get a larger wide-bodied aircraft there. What you would be doing is taking frequency and changing to capacity. I do not believe that having Broken Hill restricted serves any purpose, and I think that regional airlines—

**Ms ROBERTS:** Our route to Sydney—

**Mr CUY:** Yes, is restricted. I probably need also to declare that I am the dispatch agent for Rex in Broken Hill. I do wear a few hats. What I am saying is that the facts are you would be sacrificing frequency for capacity. The only way you are probably going to do that—our airport master plan identified that we need about \$19 million to go to a larger aircraft. We would have to strengthen our apron for security. The runway is long enough. It might not be wide enough, but about \$19 million. We have an airport master plan. A major capital



infrastructure improvement in the community would probably need to work arm in arm in that. We are talking maybe a golf course resort working arm in arm with—

**The Hon. STEVE WHAN:** More product development.

**Mr CUY:** Yes.

**Ms ROBERTS:** It is a major catalyst. The airline is currently not really functioning in the leisure market as—

**The Hon. STEVE WHAN:** Yes, it is more business.

**Ms ROBERTS:** It is more of a business market.

**The Hon. STEVE WHAN:** I have noticed.

**Ms ROBERTS:** I think it will require a development catalyst. Again, that is the holistic conversation around tourism that we should be having together in respect of what we are doing in respect of investment attraction. Then the third layer of that is that there have been previous plans done that are more a bird's eye view about what New South Wales—or even nationally—wants to do with airports and gateways. There have been previous proposals about significant gateway activity into Broken Hill as a hub for the outback, but they are plans that you could dig out from decades ago.

**The Hon. STEVE WHAN:** I want to ask now about the new tourism structures in New South Wales and Inland, the new RTOs, your experience with how you fit into that and whether you feel that your region is being adequately represented.

**Ms ROBERTS:** I am on the board of Inland and I believe that there is a huge opportunity through that structure to consolidate the region into—I guess where there is not so much money getting poured into administration for all those different zones and areas. We have been involved in collaborative marketing campaigns. We are utilising Inland and State Government dollars. We are actually finalists in the upcoming tourism awards for Discover the Lost World campaign for Broken Hill. We have achieved good collaborative relationships with that. There is still this sort of heaving opportunity about how we really and truly engage the industry to step forward that I am certainly having conversations with Inland about. The gap always appears a little too great, even with Inland or Outback, or whatever. How are we moving the industry to a point of leadership, and also getting the right people around the table, like CountryLink, or the heads of BP fuels, and so on. That is the direction that Inland is taking. I do not have any complaints about what Inland is doing. I think we are on the right path, so long as we all continue to work together on that approach.

**Mr CUY:** I find that coming from—which was our background—a Regional Tourism Organisation into that larger area, from an administrative point of view I totally support what they are trying to undertake is the right approach. I was always concerned that we would lose Outback as a great identity, which we have built up over many years, but we have not. I am thinking at this point in time it seems to be working.

**The Hon. LYNDIA VOLTZ:** Some towns do tourism better than other towns, and some towns can be quite visionary in what they are doing. When you have these overarching organisations, if you are already a town that has a great product—and Parkes is a good example of a town that seizes opportunities—how does Inland work for the towns that do not have a vision and cannot seize the opportunities as opposed to those that can?

**Mr CUY:** I have written here not everybody can be classed as equals. We need to understand the mindset of the tourists as well. You cannot make a destination without physically having to go in there and undertake capital infrastructure improvements. If you have a natural feature, quite obviously that will become a natural stop on the way. Most of regional New South Wales is travelled and visited by the ageing baby boomer, the grey nomad, if you want to call them that—the track around New South Wales or Australia. For instance, let us take a conversation I had many, many years ago with the Nyngan mayor. We were standing on the bank of the Bogan River. His view of Nyngan was that it was a four-night stay.

I will not use the exact words, but I said, "Nyngan is a stop to somewhere else." He looked at me and said, "What do you mean?" I said, "At this point in time, Nyngan is on the way to somewhere else. What you

need to be doing is saying that we have the best caravan pull-in area in inland Australia, where the people with caravans can just go in, park, walk across the road, have the greatest coffee, the greatest scone out there. That is product development." It comes from a minute part of it to building up to it becoming a two-hour or three-hour stay, then building their attractions to becoming a four-night stay in 20 years' time.

**The Hon. LYNDIA VOLTZ:** Although it does have a very good takeaway at the Shell petrol station on the way out. I always stop there.

**Mr CUY:** They do, and they did take notice of what I said, because they have a good caravan pull-in park. The question I asked the mayor of Balranald last week when he said he was spending \$1.5 million on a brand new information centre was, "What is your parking like?" If you do not have the facilities to put a recreational vehicle in there, or somebody towing a caravan, you might as well not have the information centre there whatsoever. It is a waste of time. I do not believe that every area should be treated equally because they are not treated equally by the consumer.

**Ms ROBERTS:** Strategically I think it takes braveness and it is quite heroic to dampen the clutter and make the clutter really clear on where they all fit within the tourism landscape at this point in time. We probably have an opportunity there from a State perspective. I know the destination management planning processes that Inland has been through has started that whole hub and spoke conversation—you may not agree with where you are but if you want to be a hub this is the sort of stuff you need to do to become one. That involves putting professional expertise on board and not necessarily expecting that someone is going to come in and manage this opportunity for you.

**Mr CUY:** Build it and they will come, belonged in the movie.

**The Hon. LYNDIA VOLTZ:** Do you send them out to the Silverton Hotel then?

**Ms ROBERTS:** Absolutely.

**The Hon. PAUL GREEN:** Belongs in the movie.

**Mr CUY:** The *Field of Dreams*.

**Ms ROBERTS:** We have a whole different situation with all that unincorporated area around us. It just changes the management landscape quite significantly. All of those people need somewhere to go, somewhere to communicate and it really is not Broken Hill City Council's responsibility to promote this whole nebulous outback destination. We are a stakeholder along with anyone else in that approach. But if Broken Hill attracts visitors, Silverton will get them. If we set the layers of tourism up appropriately Menindee will get them, they will come through Wilcannia. Everybody wins. It is just a matter of how that is articulated in the plans and the way we communicate with the industry.

**The Hon. JAN BARHAM:** One of the important issues is how big the visitor tourism economy is to all the players. I have only been there once but I was really impressed with your commitment and support for the Arts. Can you tell us more about where you see the Arts?

**Ms ROBERTS:** I want to jump in on this one. I think it is an important part of the dialogue around the holistic approach to tourism that we have these different government departments and organisations responsible for different areas and the Arts is one of them. Also in Broken Hill we have a huge film opportunity and a great success and reputation through film that quite clearly translates into tourism—our art quite clearly translates into tourism. We also have a huge opportunity around the fact that we have this perfect light so we have got this reputation of art, film and so on around us. From all that point of view it is a really big thing for us. I think there is an opportunity to get stronger collaboration between the arts and screen and tourism because they are all treated as separate departments. For us it is as much about nurturing the local creativity as it is around and translating that into a tourism experience. But we have also been having discussions around how we engage Indigenous in that process.

What happens with internet connectivity, NBN or whatever the broadband network is going to be that we are able then to not only sell our art, movies and digital media to people who come to the cellar door as such but also to the rest of the world? We have been talking about centres of creative excellence around this Broken Hill Studios that we have invested in with the State Government. It really started as a kernel of an idea of a

studio to support the *Mad Max* movie and then it rained and rained. We were like "Stop the rain" but it kept raining and they moved the film offshore. They came up with their part; they still rented the facility for a couple of years. It is still getting used because a TV production was in there for a couple of weeks—it ended up last week. This sort of whole creative hub around digital arts, connectivity and how we can manifest the Arts into the next era I think provides very exciting opportunities.

**The Hon. JAN BARHAM:** Going out to those sculptures is such an amazing experience. There was real vision and foresight to do that. That was big, bold thinking.

**Mr CUY:** I think that has been a trait of Broken Hill for 130 years. We are isolated geographically, and we have been isolated geographically forever, but modern communications, technologies and transport does not mean we are now isolated as such. We are still geographically in the middle of nowhere but we actually have that ability to be able to reach out to the rest of the world. I think we need to embrace that and understand how we can capitalise from a tourism perspective on that. The Arts just naturally evolved where all these visitors were coming through and we have talented people. Can I say that being a former miner I know my forefathers would be rolling over in their graves knowing that there are more art galleries in Broken Hill than there are pubs! It is a great part of the world and we actually have that history and the Brushmen of the Bush really embraced that commercialism I suppose to bring it to Broken Hill. We have a lot of professional artists, we have a lot of backyard artists but it is an era we believe we can build on into the future as well.

**The Hon. JAN BARHAM:** What is your current commitment to Aboriginal tourism? Do you see that as another linkage to what is a really strong, diverse tourism industry out there?

**Ms ROBERTS:** Absolutely.

**The Hon. JAN BARHAM:** Is the Aboriginal Tourism Action Plan 2013-2016 going to help you?

**Ms ROBERTS:** We were only meeting about that this morning with some leaders from government and within the community and saying: "I think we have now hit the point where we have enough strategic documents to lean on to get to that makes sense because it exists in a strategy." What we really need is specific projects where things get done. We also want to speak—we need Federal and State governments money coming through to stimulate projects that are actually going to have commercial benefit and benefit for these communities. For example, the Broken Hill Studios project talks about setting up—we already have the land, we have the buildings, we have the strategic plans and we have got people willing to do things. There is too much noise and too many different channels out there such that we are not working on big projects that are going to make a huge difference. I think those strategies are all great—I know in the far west we have got heaps of them as well—and they will work as long as we end up actually getting things done.

**Mr CUY:** The research that was undertaken some probably 10 years ago really went to the crux of that. People coming to west New South Wales probably did not have the expectation of Indigenous tourism—their mindset was that if you want Indigenous tourism you go to the Territory, and that has been great by the Territory to claim that part of the landscape. But when they came out they were amazed that there is Indigenous tourism out there—we have got Mutawintji National Park and Mungo National Park—and we now foster Indigenous art. We have an Indigenous dancing group, a bunch of young kids affectionately called the Ant Stompers because of their style of dance, and they are seriously an attraction wherever they go. So we are building on that strategy to take us forward. As Andrea said, we had a meeting today—this is a business card from the airport—having Federal Government involvement but with private enterprise and making sure it is driven through collaboration and understanding what the community needs, not having policies parachuted in. That is the biggest problem we see throughout most of the areas. If we take Wilcannia, for instance, there are 117 different agencies in Wilcannia.

**The Hon. JAN BARHAM:** No.

**Mr CUY:** Seriously. I got that from one of the members of the Local Government Review Panel—117 different agencies through State and non-government agencies in Wilcannia. Something like, if you took not the money they spent in Wilcannia on the people but the money spent to deliver those services you could give every family \$100,000 and the Government would be better off. They are the types of things we need to understand. We need to say: What does the community want to grow? How are we going to do that? And how are we going to take that forward? Not having these policies parachuted in saying, "This will be good for you. Trust us, we know". That is not what we want. We want policies that are developed from the ground up, for the community

and owned by the community. Because once they own the project or the area going forward, they will embrace it. They will not embrace things that are parachuted in.

**Ms ROBERTS:** Also that idea of art and digital media really speaks to the youth. We get a lot of education. Education is really important to tourism and also important, obviously, to engagement. We had an opportunity recently where we set up a print lab with digital media out at the studios and the high school kids really grabbed on to it. They were saying, "I did not realise there was this opportunity. How do we keep this here?" It is not just about how many visitor numbers we are going to get through but how do we create meaningful futures and dialogues for these communities, particularly communities where the young people are feeling that there is no hope for them.

**The Hon. JAN BARHAM:** This is a yes or no—do you have the Outback Music Foundation working there?

**Mr CUY:** I would say no.

**Ms ROBERTS:** I am unsure, I have not heard of it.

**The Hon. PAUL GREEN:** Andrea, you mentioned that there is a lot of noise in the air and everyone has all these different things. Why is there not one solid vision coming from some sort of leadership group and even through with the systematic outcomes, if you know this all exists?

**Ms ROBERTS:** We have developed a tourism strategy for Broken Hill and we have also undertaken a brand strategy for Broken Hill. That was in collaboration with the community, so that is how we know things about fearlessness and resilience and all those sorts of brand values that we have. We are very sure of our future. I guess there are lots of layers in tourism and it has to collaborate up and the collaboration model has to be very clear.

**The Hon. PAUL GREEN:** Are you saying there is no ownership?

**Ms ROBERTS:** Yes, I guess so.

**The Hon. PAUL GREEN:** Because that is what we are finding right across the board, from a lower level, the ownership or the culture needs to change and that people are too inwardly looking at their own picture.

**Mr CUY:** That is exactly right. That is exactly where I would say we would be coming from.

**The Hon. PAUL GREEN:** So that is what you are experiencing?

**Ms ROBERTS:** Yes.

**Mr CUY:** It is generally ma and pa operations that get into tourism, completely looking at what they need in their own business. And probably a lot of them go into it not fully understanding it is seven days a week, 24 hours a day and 365 days of the year and they say: I did not get into it to do this; I cannot go away for the weekend any more. So they become disillusioned in their own business but because they have probably invested half their superannuation into that business, they cannot get out of it. So the education process is needed to counteract the idea of: Let's get into tourism, it seems good because I want to go away on holidays. It is fun and we all enjoy it but all of a sudden you are on the back end of it saying: This is bloody hard work.

**Ms ROBERTS:** It really is about the health and wellbeing of communities. So we cannot treat tourism as an idea in isolation to what is going on with law, education and health and, I guess, just overall prosperity of economies in local areas. That is what I would really love to see come out of the sort of models that we look at for the future.

**Mr CUY:** I think that also derives from the fact that probably in some areas there is not a lot of strong leadership as well. No disrespect to any politician, because people reckon I am one but I am not, I am in local government, I am not in politics.

**The Hon. STEVE WHAN:** Is that another conflict of interest?

**Mr CUY:** The facts are that it is hard to say no. You need strong leadership to get out there and say: You know what? That is a really dumb idea. That is not the way we should be going down that pathway. This is the idea, this is going to be the future. Thirty or 35-odd years ago, when the City Council decided to get into tourism, I am sure the majority of the miners out there said: "Tourism? What do we need that for?" Good strong leadership. And I am going to say, that came from Blackie all those years ago—it came from Peter Black all those years ago—good strong leadership. Go back to the sculptures—good strong leadership, people with vision. I was in tourism at that time and I said, "I am not sure what this is all going to be about". I now want to say, it is one of the greatest things we did, simply because it keeps the people there an extra day and an extra night.

**The Hon. JAN BARHAM:** And it is beautiful.

**Mr CUY:** Keeping that in mind, that from an economy point of view back into the City, I would say it would be the biggest single thing that has driven extra visitation and extra nights and dollars spent into our community. It is 20 years old last May. Over that 20-year period it has put wealth untold into the area.

**The Hon. PAUL GREEN:** Hopefully you will see this reflected in our reporting, that we have already noted that it is not really about trying to give everyone five bucks and saying, "Do your best with it", but it is about being a bit more strategic and giving it to those who can really build on it and make that 100 bucks. Then, out of that, the other people would have got their five bucks.

**Mr CUY:** They will benefit.

**The Hon. PAUL GREEN:** It is a different strategy, so hopefully you will see that is reflected because it has been brought up before. I will quickly ask you about visitor economy infrastructure, because you would have a lower rate base out there. How do you pay for your infrastructure from the visitor economy and do you want to make some comments on that?

**Mr CUY:** We do not. When we were a wealthy community we did. Let us take the Visitor Information Centre, for instance, the sculptures, the geological centre, the art gallery—the oldest regional art gallery in New South Wales. It is a \$600,000 exercise for the community to maintain throughout the year. So, we are now at that point, it is good to have a vision and it is good to say, "Let us do this, because we have the money to do it" but where is the long-term strategy? We are suffering from that now. There seems to be no plan about where we go in the future with all those facilities. Through two or three of those exercises we talked about, private enterprise would probably have closed them down 10 years ago. The sculptures, not so much, but the geological centre, it was a great facility—

**The Hon. PAUL GREEN:** The train?

**Mr CUY:** Not the train, no, the train is fine. But what I am saying is that, from the capital infrastructure point of view, where you get the money to do it, we are saying at this point in time it actually has to be entrepreneurs or business driven. Maybe there is some seed funding that needs to happen from the State and Federal Government for very large projects but I really believe that needs to be also worked in with some sort of private partnership, because governments tend to say, "That is a great idea, let us move in" and then say, "Oh, okay, it is not such a great idea now". I will give you an example. Last council, we borrowed money, we got money from the State Government to do the film studio. Eight months later, when "Mad Max" was not coming, I had three of my councillors say, "It is a white elephant, why did we do that?" I said, "Well, it was a unanimous decision, you know". So it is easy to back out of things but where is the vision? I have three years to go in my term and that white elephant will be a big parade one, carrying a lot of people into the future before I finish. I can guarantee it.

**The Hon. PAUL GREEN:** You could make a film called "The White Elephant".

**Mr SCOT MacDONALD:** A couple of questions. We have talked in the Committee about national parks. How are they working for you? Could they work better? Is there scope for more private activity, tours or visits in parks? I did hear some complaints about national parks and how they are licensed. Mungo National Park was one that I came across.

**Mr CUY:** I think Mungo would be one of the greatest examples of the community working with all the indigenous parties. I thought that Mungo was quite good. I had a problem with leading people willy-nilly to

drive motorbikes into wherever they wanted previously on Mungo, I really did. I had one of the greatest experiences in my life at Mungo. It was dawn and I was out there by myself on the Walls of China, watching the sunrise. From the moment I stepped on the Walls of China to the moment I walked off, I had goosebumps. It was just that kind of experience. Not too many people can do that. I believe National Parks plays a huge part in the development of visitation in and around the area. It keeps them in the areas longer. I think gradually the parks and out our way are becoming more commercially focused.

**The Hon. NIALL BLAIR:** Can we do anything at a State level to improve that or make it easier?

**Mr CUY:** I think that what the systems actually have now for commercial operators works fairly well. Commercial operators can go in and say, "We have been in". You know, self-regulate, how many times and how many people we have taken in there. That was a great step as well. Having some sort of primitive camping area inside some of the areas, I think, could be commercial advantageous as well. Getting a buck out of the consumer because the consumer really now days wants that authentic experience. Going into Sturt National Park, Kinchiga, and up through Gundabooka and Mungo—I probably would not like to see camping on Mungo but I think that many years ago there was an idea of having a bit of a glamping just to the side, working in with the pastoralists in the area saying, "Okay, you have a National Park right next to you. How can you capitalise off this?" or "How can we help you capitalise off this as well?" I think that is a very good idea as well.

**Ms ROBERTS:** I think continue the dialogue between tourism and parks because it has started to move in New South Wales in the right direction.

**The Hon. NIALL BLAIR:** Keep going down that track?

**Ms ROBERTS:** Keep going, yes.

**The Hon. NIALL BLAIR:** The only cloud I saw on the horizon was New South Wales planning forecast for population for Broken Hill was a loss of 6,000 or 7,000, or something like that. How do you respond to that? Has tourism got a role in reversing or addressing that trend?

**Mr CUY:** Can I say I think that statistics are crap? We will get nowhere near that over that period of time.

**The Hon. NIALL BLAIR:** I was surprised.

**Mr CUY:** I think it has been revised. When the planning came out it went down to 13,000 people. Let us forget tourism for a minute, I do not think they have taken into consideration any of the mining activities that are potentially developing out there. We have an iron ore mine 60 kilometres away that could have 1,500 men for 50 years. Did they take that into consideration when they were doing this planning? Probably not. Did they take into consideration that this Government has actually put in exploration licences for uranium around that area as well? We have just had an email, New South Wales Government and the South Australian Government to actually make that easier and freer between the two States.

Getting back to tourism, it will play a part in that. I think that tourism needs to play a significant part because tourism always needs hands on. You cannot get a machine to make bed. At this point you cannot get a machine to walk out your evening dinner or your breakfast. Even for a decent cup of coffee, you still need a human being to make that for you. All those things that tourism have, whilst they are not a high paying industry, it actually has a lot of arms and legs. It has that unskilled, to a degree, emphasis behind it so that you do not have to be a rocket scientist to be able to earn a living. I think that that is very, very important in regional Australia.

**Ms ROBERTS:** For Broken Hill specifically from a tourism point of view the big ideas are going to involve really strong collaboration. For example, Broken Hill has ticked seven out of eight, or it could be eight out of nine, boxes for national heritage listing. As the first city that will be national heritage listed from one street out the north, to the south, to the east and to the west. The only box it has not ticked is indigenous within the city. Imagine a city that is a living, breathing, heritage capsule that is embedded in the national psyche of Australia that people need to go to as part of not only their education but their experience of what Australia is truly about. Realistically in local government we just simply cannot do all. There has been heaps of preservation work done by our council, for example, veranda refurbishment and making sure that old things do not get knocked down. It is very good at that but the true vision is far greater than that.

That line of lode that runs through the city, what is going to happen with all of that infrastructure, those poppet heads that filter to the skyline? There are old tram lines underneath the main street. What about the train between Broken Hill and Silverton, the picnic train? All of these ideas start to make this a magnificent tourism destination. Or is it always going to be you know another tourism destination? This national heritage listing is pending but even if we get it, unless we get that full, collaboration around that big idea, we are probably going to miss a huge opportunity for New South Wales.

**Mr CUY:** That is absolutely right from a point of view of national heritage listing. It is a significant thing that we have been pushing now for five or six years. It is in the Federal arena at this point of time. We will be making some very, very big noises about that. It brings a new demographic to the community as well. It brings a new reason to come to the city as well. I am sure that you appreciate the heritage factor that was there?

**CHAIR:** I was very impressed.

**Mr CUY:** And I am sure everyone else who has been there has well.

**The Hon. NIALL BLAIR:** Watch out Bryon Bay.

**Mr CUY:** It is probably a different demographic.

**The Hon. NIALL BLAIR:** All of my questions have been answered. We have spoken to a lot of people so far and you guys are making a lot of sense and putting a lot of other people to shame in what you are doing so congratulations. Your evidence this afternoon has been very influential in what we are looking at. I appreciate that.

**Mr CUY:** Something that we do exceptionally well that is not well known is about the visitor economy, not necessarily tourism but it falls in that the category. It also falls into a category of bringing a demographic back into our community that we are losing, that is, educational tourism. We have through the UDRH, Sydney University and UDRH, over 2,000 student weeks per annum coming to Broken Hill.

**CHAIR:** That is just one.

**Mr CUY:** That is just one in the health area. That is placements in health. They come out there for doctor placements, midwifery, occupational therapy, pharmacy, speech therapy for a placement. Now 2,000 people per annum plus come out to Broken Hill. We are losing a lot of that age group going away to university but these kids are coming into our communities, filling that void to a degree, that are playing the sports. They are socially interacting, dare I say, in pubs. It is extremely important to us. We have a MOU with two fringe universities where we are trying to collaborate that.

We are actually trying to now put a strategy forward as to how we can make this a model to bring even more into the community. That is so we could be saying that we have five or six thousand student weeks per annum. The only problem we are finding is the right type of accommodation. Andrea through the film studio had 22 students come out, 11 architectural students and 11 business students that work in groups collaboratively together to build up business ideas about the film precinct. They stayed for two weeks and that is the type of initiative and incentive that we are trying to follow through on and actually look at how we can do it better because it benefits the community.

**CHAIR:** Yes, and also Destination NSW.

**Ms ROBERTS:** I think a lot of that is getting ironed out, and we have had great success in respect of being able to be really clear on what our identity is, and getting the appropriate marketing messages into the right places. I really do not have any complaints there. I think there is a lot more opportunity around building capacity through events. I know that integration of Destination NSW with events in New South Wales should build a stronger opportunity there. I think government agencies often tend to be process-driven and so when they are approving art works and things like that, it can become a little bit tedious and you really wonder what their objective is because they are not really driving the brand strategies for all the destinations. I do not want to get down to too low a level from your point of view in respect of answering that question. I think there is also a huge opportunity around digital, that no-one is really strategically looking at it on a statewide basis, so we have

the Australian Tourism Data Warehouse [ATDW]. We have recently moved to the V3 booking system, which is what the industry is saying you need to go to, and it has been a monumental disaster for Broken Hill.

**The Hon. LYNDA VOLTZ:** This is the one they have recommended you have to use?

**Ms ROBERTS:** Yes, without really recommending it, but they are the only guys who can tag in on to this sort of Tourism Exchange Australia [TXA] data.

**The Hon. LYNDA VOLTZ:** Other people have raised that.

**Ms ROBERTS:** We have done it, but our bookings are currently running at 10 to 20 per cent of what they were on the old booking system.

**CHAIR:** What was the old system?

**Ms ROBERTS:** It was a Bookeasy system. It was not drawing from the data warehouse. It was involving a lot of hands-on work with the visitor information centre. The opportunity to get the industry to take stronger control of its digital environment and distribute its product more broadly is definitely there with the ATDW. Again, there is something about that gap between holding the hand and getting it right and moving to this system that has caused an 80 per cent divide in the bookings achieved. There is probably a heap of factors around that. Interestingly enough, when I speak to State Government representatives and so on, it is like there is nobody responsible for investigating that digital anomaly. I know that all of the regions are trying to find a way in that landscape. It is the biggest thing that I would like to see investigated thoroughly and for us to have decent feedback into and to get clear direction as a total industry.

**Mr CUY:** I am going to say this is the biggest grief that the community, the tourism industry and fellow councillors are probably looking at, because it is so easy to say, "Our bookings are down. Let us blame council. Our visitor numbers are down, let us blame council." But is it council's responsibility? No, it is not council's responsibility. Council is a part in all of this. The man in the mirror needs also to be partly responsible. I do not believe that the tourism industry is mature enough to look in the industry and say, "What am I doing for myself? What am I doing collaboratively for myself working with these partners?" It comes back to making sure that the industry is mature. After 35 years, we are a mature industry. We have a great product. We have a great name out there, but we are still holding the hand of a lot of our operators.

**Ms ROBERTS:** This is the transition of a really old world for tourism to a new world for tourism. We have all been hearing about it for a long time: there will not be any brochures in the future. When we are all wearing spacesuits there will be no brochures. We still produce brochures, but we are in the future now. Tablet technology has finally arrived. We have been talking about the future for 15 years or so. Here is the future. We still have heavily laden infrastructure in visitor information centres. We still have people visiting information centres, probably without the sort of technology that you would be thinking about in this day and age.

The tourism environment is one of the most heaviest users of online booking and research. You know that from your own experiences when you travel. So a lot of money that local government puts into tourism goes to people working at a counter at a visitor information centre, or the basic infrastructure of a visitor information centre. How are we going to transform into the new world? Individually, you are not going to get that level of leadership out of all the local government areas. There needs to be a statewide review, directive, direction on what we need to do next. It is actually right now.

Realistically, if you added up all the money across all of the local government areas that went into tourism, you would find that—I say it is like putting all your money into the reception desk at your hotel and then not really promoting your hotel. That is how the tourism budget in most local government areas would operate. There is a lot of money being spent out there, a heap. They are not going to be able to change overnight, because local government owns the infrastructure, they have got the staff. You know, this is the way things have always been done. The industry is used to buying advertising in brochures. It is not used to where it spends its money, how it spends its money. There is a whole transition. If New South Wales grabbed a hold of it, I think it would be a really big bold move.

**CHAIR:** Thank you very much for today. You have said a lot of good things and congratulations on the work that you are doing. There was concern that you would not be able to make it today, so I am glad that you were able to.



**Mr CUY:** You could not conduct this conversation over a phone.

**CHAIR:** No, you lose a lot of impact.

**Mr CUY:** Absolutely.

**CHAIR:** It has been very beneficial that you were able to make it.

**Mr CUY:** We are pleased. Again, I would like to finish by saying that I congratulate this inquiry. I think it is long overdue. If we can get some major impacts happening out of it, such as working collaboratively as a whole for the benefit of New South Wales, but quite obviously from our part of the world, for the betterment and the future of the greatest city in Australia.

**CHAIR:** If there is anything else you can think of that you have not said today, feel free to send that to the Committee. Again, thank you.

**(The witnesses withdrew)**

**(The Committee adjourned at 4.46 p.m.)**

---