

CORRECTED VERSION

ECONOMIC DEVELOPMENT, INFRASTRUCTURE AND OUTER SUBURBAN/INTERFACE SERVICES COMMITTEE

Inquiry into Marine Rescue Services in Victoria

Apollo Bay — 16 April 2014

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Great Ocean Road Coast Committee

Mr Richard Davies, Chief Executive Officer

The ACTING CHAIR (Mrs Millar) — Thank you very much for attending today’s public hearing of the Economic Development, Infrastructure and Outer Suburban/Interface Services Committee. We thank you very much for making your time available today. This is an all-party parliamentary committee and today is hearing evidence in the inquiry into marine rescue services in Victoria. All evidence taken at this hearing is protected by parliamentary privilege. However, any comments that you make outside the hearing are not afforded such privilege.

I ask you to introduce yourself, stating your full name and address and whether today you are attending in a personal capacity or representing an organisation and if you are representing an organisation your position within that organisation.

Mr DAVIES — I am Richard Noel Davies of [REDACTED] I am representing the Great Ocean Road Coast Committee as chief executive officer.

The ACTING CHAIR — Thank you. The evidence given today is being recorded and in due course will become part of the public evidence. I invite you to make a verbal submission on behalf of your organisation, and after that we will ask you some questions as part of the hearing.

Mr DAVIES — Just to commence, thanks for the opportunity to attend on behalf of the committee. By way of background, the Great Ocean Road Coast Committee is a Crown land manager operating under regulations under the *Crown Land (Reserves) Act 1978*. In terms of size and scale there are around 1200 committees of management in Victoria. If you take away the four or five major committees, such as those for the Melbourne Zoo and the botanic gardens, we are next in line in terms of size by turnover, employee numbers and revenue or margin. In effect we manage around 550 hectares. It is not a large piece of land, but it stretches from Point Impossible, north of Torquay, to the Cumberland River, south of Lorne, with some gaps in between for national parks that are controlled by Parks Victoria. We very much manage predominantly the urban component of foreshore Crown land for the state. Our board members, to whom I report, are appointed by the Minister for Environment and Climate Change, the Honourable Ryan Smith, and they are part of the way through the first year of their three-year term.

Our organisation is not involved per se in marine rescue, but we are involved in terms of supporting one of the major marine rescue services in Victoria at Fishermans Beach in Torquay. Specifically regarding that body, in 2012 the committee opened a new marine rescue two-storey building that cost around half a million dollars. It was part of a \$3 million project for that precinct, and we handled the full design and delivery of that project in conjunction and consultation with the marine rescue team at Torquay. That two-storey building has secure full storage facilities underneath, and the top storey is a state-of-the-art communications room from where they run emergency rescues and/or training programs. The building is, by and large, empty for most of the year. It is, I guess, a hot site, if you like, for a rescue, apart from when they carry out training.

In terms of our relationship with that group, they pay a community-based rent for the land — and it is land value, not building value, under the act that we operate under. In round figures their rental is about \$500, which they struggle to pay each year. So we have a deal with them that our committee rents, if you like, their facilities for meetings and all sorts of events, so we help offset that \$500 with \$200 or \$300 of our own funds going back into the service, just to help out with their funding. We use that building frequently for committee board meetings and other industry meetings. That is probably a summary, I guess, of our relationship.

In terms of our organisation, we employ 30 people, and we have a turnover of around \$8 million. We make a net margin of around \$2.5 million, with no recurrent funding support from anybody apart from state government grants from time to time for capital works, but operationally all our funds are made through our commercial businesses at caravan parks and leases and licences. So the point I guess I am making there is that all the funding of the half a million dollars we put into the kitty to build the marine rescues came from Torquay and Lorne foreshore caravan parks’ campers and tourists, and lease and licence revenue.

The last point I will make before questions is that the club has 20 members, and recently they purchased a new rescue boat for, I think, around about \$130 000. It is being launched officially next Tuesday by Andrew Katos, the member for South Barwon. Some funding issues occurred, and there was a fairly significant shortfall, so our board agreed to provide a \$10 000 once-off payment to them to basically help out that shortfall, the logic being we have many, many volunteer groups — particularly environmental volunteer groups — along the coast that

we support in kind. In the board's view this is probably fairly much a bona fide volunteer service, so we were able to find those funds and help pay for the boat. It was only maybe 10 per cent of the cost, but it helped get them over the line.

The ACTING CHAIR — Thank you, Richard. I should also note that you have provided a written submission to this inquiry, and we have considered your written submission as part of this process as well, so thank you for that. As you have outlined in your evidence that you have just given to us, the relationship between yourselves and the Torquay Marine Rescue Service is of significant interest to us as part of this inquiry. You have outlined that while you have no input of any kind in that organisation's day-to-day operations, you have a strong and effective relationship with that organisation and you have provided them with some support in terms of the rental assistance or assistance to meet their rent payments each year and the one-off payment of the \$10 000 towards the new vessel. In relation to the Torquay Marine Rescue Service, could you outline for us in some further detail how effective you feel they are in providing services in not only Torquay but surrounding districts, in terms of meeting the community's marine rescue requirements?

Mr DAVIES — I thought about this when I was coming down. In the last two years there have really only been one or two major incidents, which were run out of that building, and they were run reasonably effectively from our view, looking into the process from outside. They certainly have a dedicated team, but there are some organisational issues that still need resolution. For example, their boat fuel storage is on our land, for various hazardous material reasons, so they do not keep a full fuel supply. We store it in our facilities where we have the safe storage. So they have got some minor issues there in terms of logistics.

The facility they have got is probably everything they need in terms of secure boat storage; the building was designed to be, in effect, vandal proof and robbery proof, which it is. There is many hundreds of thousands of dollars worth of gear there that is fully secured. In terms of effectiveness, I am aware of their training programs. Some of their key staff or volunteers work for me, so I have got a fairly intimate knowledge of the way they train, their preparedness and so forth. I cannot comment any more than that in terms of practicalities. I guess one thing I omitted to mention is that they actually do have legal tenure with us, so they have what is called a Clause 17D lease for 21 years, expiring in 2030, I think, or later. So they have got clear tenure of their building footprint and some form of legal security over the property, and that is a lease executed by ourselves on behalf of the minister with the service.

The ACTING CHAIR — Thank you, and I think you have outlined that lease also in your submission. In terms of the Torquay Marine Rescue Service, as their landlord, and with the relationship you have with them, do you see any other challenges for that organisation into the future?

Mr DAVIES — I think they are like other volunteer groups around the coast. We have 14 other groups, excluding the marine rescue. There is an ageing issue — although actually I will contradict myself there; they have probably got a younger group of volunteers by the nature of what they do, compared to the other groups we have, whose average age is clearly over 60. But it does surprise me that they only have a volunteer group of 20 people. They do roster themselves 365 days of the year and they have an availability call-out process. I come from the energy industry, where in an emergency call-out process you need many more people than simply 20 unpaid volunteers. It is interesting to see that, given they have such a terrific building, great rescue boats and excellent facilities and equipment and that that region is designated to be a regional boating centre in the coming years under the Western Victoria Boating Coastal Action Plan, there is not as much interest as maybe in CFA groups, as an example.

I know they have just changed commodores. The former commodore, who was literally scraping dollars together and always on the phone to me, has recently resigned and there is a new, younger and energetic commodore, Adam Stevens, who is really committed to the process and the service. I am not familiar with exactly what support he has, but it was good to see there was a changeover. But, again, 20 people for a rescue service between Queenscliff and Apollo Bay is not a large number. I think that is my main issue in terms of knowledge of the service.

The ACTING CHAIR — Do you have any views on why they may have struggled to attract volunteers?

Mr DAVIES — If you look at their next-door neighbour, the Torquay Angling Club, which is part of the same \$3 million building project and literally 10 metres away, they have 600 active members. I do not know

whether there is not enough activity. It may need more emphasis on the skills and training and getting the boat out into the water and all those sorts of things. I would think that the more activity and action the more likely they are to have interested people, but at the end of the day it is an altruistic thing they are doing. There are not many of them. They certainly have some great equipment and now a base, but it does beg the question as to why there are only 20. I rang a key staff member this morning just to confirm that. I felt that surely there would be more, but no, that is the right number.

Mr EIDEH — Richard, the committee has received evidence from the Torquay Marine Rescue Service indicating that there is no marine safe haven from Point Lonsdale to Apollo Bay where vessels in distress could seek shelter in poor conditions. As a manager of coastal land within this area has your committee considered implementing safe havens?

Mr DAVIES — There are two parts to the answer. Under the western region boating CAP there is a designated safe haven study to be undertaken. Point 2 is that there is a regional development of the Torquay Fishermans Beach, which has been designated a regional boating facility for a lot of good reasons. Our board's view is that the safe haven study needs to be completed before we commit our own funds to the regional plan for Torquay, because if Torquay is designated a safe haven, then the design of the regional plan will be very different. It could involve breakwaters, for example, whereas if the safe haven study reveals it is somewhere outside our land management area — close to Apollo Bay or, hypothetically, the Cumberland River, just to pick a place outside — then the design and investment for us in Torquay could be very different.

We agree with marine rescue that the safe haven study is incredibly important because, as you said, there is nothing between Torquay and Apollo Bay or really, in effect, Queenscliff and Apollo Bay. Some people say that the regional development plan should proceed in Torquay irrespectively, but we think there could be wasted planning investment if the answer for the safe haven is somewhere else. In our view, the safe haven study falls clearly within Transport Safety Victoria, which I think is within the Department of Transport, Planning and Local Infrastructure. Our board offered to run that study two years ago, but there is an issue over who is going to take responsibility.

As a board, in trying to hasten the issue, we have written to Andrew Katos and offered \$50 000 to get that study under way — the safe haven study, I am talking about. We think it is a \$200 000 consultancy. We took \$50 000 from the regional plan for Torquay — which we cannot do until the safe haven study is complete, in our view — and, rather than just keep that in the bank, we have offered it up for maybe 25 per cent of that study. We agree with the service, and the sooner that study is completed — we are interested in it, but — it enables us to then move on towards the Torquay Fishermans Beach work, which is not only planning; ultimately we need to then rebuild that precinct.

The ACTING CHAIR — Has your organisation also been liaising with the Surf Coast Shire Council in relation to this project?

Mr DAVIES — We have not. I have had unofficial brief chats, you would say, with the CEO, but they were merely around 'Who's going to do it?'. The theory behind the state government taking control of that study is logic says that if it has crossed boundaries of local government — i.e., it takes in Surf Coast shire and Otway coast — then can either of those bodies run the study into local government issues there, maybe, in governance terms? The department of transport is probably better. I believe that is Surf Coast shire's view. Two years ago we offered to do the study. We have got capacity to do it; we have got excellent consulting management skills to do it. We do not have the money, although we have offered \$50 000 already for it. We did that just to offer to the Western Coastal Board, which had no resources and opportunities, and say, 'Look, we will work with you, and we will run it for you'. They decided to take that back.

In terms of local government I do not think there is necessarily a good reason to not do the study simply because it crosses local government boundaries. As to our own land, the Great Ocean Road Coast Committee is fully aligned with Surf Coast. That works really well. We could work across multiple boundaries, but certainly life is easier. In terms of the safe haven, I do not think it is a local government study; it is something ourselves or Otway Coast Committee could do, being coastal land managers, because that is what it involves — it is about infrastructure and land planning on the foreshore, on which we have expertise but local government does not. That is a long answer, I guess, to a short question.

Mr EIDEH — Could you provide the committee with some background on the construction of the Fishermans Beach precinct? Was this a result of a study into local community needs?

Mr DAVIES — I inherited that project when I commenced as CEO in the middle of 2010 and basically went through the project final design and delivery, but there were probably four years of planning before that. Reading the files, my understanding is that that project was initiated through — there were a number of issues, but there was a boat ramp or a beach access ramp that was deteriorating and technically had a concrete life of maybe five years left. There was funding available, so we rebuilt that boat ramp in 2010 and 2011.

The actual Fishermans Beach precinct, in terms of the buildings and the \$3 million component, was a combination of upgrading community facilities for the angling club. It was really my board at that time, in 2006 and 2007, looking at a degraded piece of coastline: ‘There’s a small boat launching ramp; there’s a small angling club building. What can we do with this?’. It was really, in my view, initiated out of the committee or my board wanting to do a large development with private investment and make some money — a commercial opportunity to build a restaurant in a great location and at the same time rebuild community facilities such as the Torquay Angling Club, which was a 50-year-old asbestos building. I think it was two main factors. One was a commercial opportunity for the board to make some money out of a new lease with a new restaurant and at the same time, with the design, incorporate better community facilities.

The ACTING CHAIR — Richard, are there any other issues which you see as impacting upon marine rescue services within your committee’s jurisdiction?

Mr DAVIES — For our board I do not think there are, really. We will continue to support the Torquay facility purely because we built the new facility for them. They are excellent tenants. We have a great relationship with them, and we understand that from time to time they have funding pressures. We see them as just another volunteer group we support on the coast, but apart from that we certainly have a good lease in place. There are no land tenure issues. They look after the asset for us, which ultimately we own at the end of 21 years. I would love to get their 400 gallons of fuel out of our building, but there is no clear solution that will cost less than \$100 000 in their building. The Department of Environment and Primary Industries are unlikely to give us approval to move that fuel facility there, but that is really our only outstanding issue.

The ACTING CHAIR — Thank you, Richard, for your time today and for driving down to meet with us this afternoon. You will receive a copy of the transcript of today’s hearing in about a fortnight, and you will have the opportunity to make corrections to any typographical errors that may be in that transcript but not to change any matters of substance we have covered today. We thank you very much for coming.

Mr DAVIES — Thank you.

Committee adjourned.