

TRANSCRIPT

ECONOMIC DEVELOPMENT AND INFRASTRUCTURE COMMITTEE

Inquiry into local economic development initiatives in Victoria

Mansfield — 13 February 2013

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Witness

Ms S. Crow, Owner and Director, The Deck on High/The Deck Quarters (sworn).

The DEPUTY CHAIR — We will move on to Ms Sue Crow from The Deck on High and The Deck Quarters. We welcome you, Sue, to this public hearing of the joint-party Economic Development and Infrastructure Committee's Inquiry into the local economic development initiatives in Victoria. The evidence that is given at this public hearing is protected by parliamentary privilege, but comments made outside the hearing are not afforded such privilege. We ask our witnesses to either swear an oath or take an affirmation, and I ask you to so do. We ask that you start by stating your name and business address, for the record, and then give us a brief presentation, and then we will ask some questions. Over to you, Sue.

Ms CROW — My name is Susan Crow. I operate two businesses in Mansfield — The Deck on High, 13–15 High Street; and another one called The Deck Quarters at 24 Highett Street, Mansfield. I will just fill you in on some background of myself. I am approaching 30 years in hospitality, including hotels and restaurants, and most notably including the transformation of the Mansfield Hotel from 1997 to 2009, achieving successive best country hotel awards by the AHA Victoria, and a national finalist appearance.

Previously I was a director of United Innkeepers Australia where I was actively involved in the re-launch of a brand, the current Thirsty Camel, which is now the largest independent liquor group in Australia. I am a member of the Mansfield Small Business Association and a member of the Australian Hotels Association for over 20 years. As I said, I presently own and operate two venues in Mansfield. Each venue has involved a passion for development aimed at creating iconic, destination-focused businesses.

I consider the role of local council imperative to the success of these ventures in terms of their positive contributions to three areas. Firstly, business support. While we actively drive our own business, the local council has made significant positive contributions in the form of, firstly, planning issues. I have had successive renovations and improvements requiring council involvement and approval. The process has remained straightforward, and I have felt very happy with the results.

Secondly, in terms of networking and promotional opportunities, The Deck on High and The Deck Quarters are involved with the Mansfield Shire Council's visiting journalists program initiative, both domestically and internationally. It is an opportunity to engage with other local business owners through seminars and meetings. Thirdly, in terms of educational opportunities and approaches, the Mansfield Shire Council sponsored successful applications to take part in the highly competitive State Government's 2011 MasterClass for Growth Program. This provided invaluable business training for me and knowledge-sharing and experience with industry leaders, including social media experts.

The council also offers and endeavours to link us into the relevant industry development workshops held at the council chambers. I consider these opportunities particularly essential for new or struggling business owners to ensure their long-term viability and, in turn, the commercial success of the town as a whole. In terms of funding opportunities, we were supported by the local council in our latest application through TIRDF, which is the Tourist Industrial Regional Development Fund, for a grant to assess the redevelopment of The Deck Quarters accommodation project with a budget of between \$500 000 and \$600 000. I have a trusted working relationship with the Mansfield Shire Council, as expressed by the CEO, Mr David Roff, in his written, unreserved support for the project and its potential to fill a niche for high-standard stay options in the area and improve the quality of the region's accommodation sector in line with tourism 2020 strategic priorities. I am supported in these endeavours to make capital and practical improvements that will increase the appeal of my venues and promote their growth.

In terms of destination awareness, as a business owner in a tourism-based area, an active local council is vital to the ongoing success of my ventures to drive the appeal of the locality and increase tourist visitation. Mansfield shire is an iconic location, with tourism counting for 60 per cent of the shire's GDP and attracting 1.2 million annual visitors, generating \$134 million in revenue.

The township contributes significantly to destination awareness. The region has a high natural amenity with five key pillars. Falling into the key pillars are: the snowfields and waterways; mountain biking/cycling; the high country rail trail; the food and wine industry's local and regional wineries; nature-based alpine adventure; cultural heritage and a sense of history. The local council has played a critical role in capitalising on these pillars and ensuring that the township and surrounds remain appealing and accessible to tourists alike.

Council initiatives have promoted the locality as an iconic destination through annual tourism promotion and events including festivals, food and wine celebration, cycling events and the internationally staged Targa high country. I have seen positive collaboration with local business owners to pool ideas and gather feedback relating to the nature and execution of events through council meetings and email communications.

Of note is the high country rail trail initiative, first mooted by the Shire 10 years ago. That will be an ongoing asset which is already impacting upon our ventures, with accommodation and restaurant bookings by the cycling sector increasing significantly. Positive ambassador-style feedback has been offered. An example is a visitor review which read, 'Fantastic stay. We will be back with friends to experience Mansfield again.' I can also see more potential to promote adventure tourism and link products offered through focused packages such as 'rest and ride' or 'stay and ski'.

The international Targa high country event, secured by local council, has created widespread and ongoing economic benefit to the community and demonstrates the area's potential for future large-scale events and investment opportunities with improved visitation and destination awareness.

A development of our iconic high country information reservation centre also plays a vital role in visitor awareness. The centre was of great assistance in the start-up phase of our boutique accommodation, and we remain on their website for online reservations. In terms of residential township appeal, the appeal of the Mansfield township surrounds to its residents is relevant to my business success by ensuring a strong local clientele base and improving the employee base.

Rich social capital and community connectedness is a feature of the township, supported by local council through, for example, previous streetscape beautification projects, the promotion of the education and training sector, MACE and schooling options, and the facilitation of an active arts, cultural and heritage program in collaboration with key community groups. We have had the recreation reserve redevelopment project and aquatic centre improvements, the family and children centre project, and the Solar North East project. Considering approximately 50 per cent of ratepayers are non-residential, we also need to maintain our appeal to project lifestyle living choices. We experience a very high rate of business visitation from this sector.

It is also important to continue to improve education and training facilities and options, particularly for youth, with a focus on practical learning. I find in my business experience a lack of practical focus and initiative with younger employees. The role of bartender, waiter or barista are not high profile and are considered a stop-gap measure on the way to other opportunities. However, these service roles are vital to the success of tourism-based ventures. I would like to see the industry's profile as a whole improved to create more appeal for potential employees to establish a career, not just a job. I also see great opportunities for offering mature-aged employee incentives, as they offer life experience and longer term employment stability, which is vital to control current high staff turnover costs.

In terms of business operating costs, the two largest costs to our businesses include wages and electricity. As noted, high costs of staff turnover due to inexperience and lack of passion for the hospitality role as a career are a problem, and we need education and training opportunities as noted previously. In terms of electricity costs, we need continued engagement by council in the Solar North East project and incentives for financial support for business to adopt energy-efficient options and accessories.

In terms of small business participation, there is some lack of involvement of small businesses in supporting large-scale events such as Targa, and we need them to 'incentivise' to engage. In terms of infrastructure and services, service stations are severely lacking during peak zones and after hours, especially at the moment. We have just lost one in the main street, which has been a bit of a problem come peak times because the traffic flow is enormously concerning.

In the area of telecommunications there is consistent negative feedback from locals and visitors regarding insufficient mobile reception, limited internet in outlying areas and very limited wi-fi access in the CBD. The potential is there to lobby for improved services and incentivise small business to upgrade, creating perhaps a wi-fi-friendly town.

In terms of waste and water management, this is a possible economic threat to many businesses. We should maybe consider alternatives such as high temperature incineration. Land and water managers are the best people to provide certainty for water quality. In terms of planning, the 1 to 40-hectare issue, along with planning

permits in potable water catchment areas have highly significant ramifications for residential development and the future viability of our shire. We have car parking issues with restrictions to business, planning schemes must reflect local conditions, and amendment delays need addressing.

In terms of demographics, it is vital to secure a youth population, as discussed previously, to further employment and in order to cope with demands of ageing populations in our aged-care facilities.

To conclude, a sustainable and vibrant local economy is paramount to the success of local businesses. I feel we have this. It does not just happen. People make it happen — business, community groups, local government, educators and our residents. We have outstanding potential with the calibre of the residents now living in this area. This intellectual property could be harnessed to create think tanks on local issues involving community services, arts and cultural programs, education and business development. In conjunction with an active local council, I see a positive outlook for the economic viability of Mansfield and surrounds. Consideration should also be given to the desired level of growth in the area, the balance between the country appeal of the township and surrounds and the sustainability of our tourism community. Economic growth is not the only goal. Quality of life and improving outcomes should be the aim.

The DEPUTY CHAIR — Thank you very much for that comprehensive, whistlestop tour of the major economic development issues from the point of view of someone who is clearly one of the Mansfield region's premier small business operators. I might start the questions. A constant theme of earlier submissions and your own has been the change in nature of this community, which is clearly not new. But that includes the amenity issues and the appreciation of arts, culture and food as an important offering in a visitation strategy. How important is that? I understand there is a jazz festival and various other bits and pieces associated with this community. Could you explore how you see the arts and the cultural industries contributing to that strategy, and what achievements and challenges there might be for it?

Ms CROW — We actually have lots. We have a spring arts festival, and we are one of the major sponsors of it. It is held in mid-October, and it encompasses Melbourne Cup weekend. Our venue hosts two or three artists for the whole period. People visit our restaurant and see the artwork. It creates an artistic vibe for our town. The jazz festival is in the Jamieson township.

The DEPUTY CHAIR — Who do you partner with for those events? Is it arts organisations? How do they come about?

Ms CROW — They are artists that get together. They are actually funded by the Shire. There is a contribution, but not a massive contribution. Off the top of my head, I do not know, but I work with them. It forms part of our main festival for the year. It starts two weeks earlier than the High Country Festival. There is the Spring Arts Walk, as we call it. We have a Tour de Flavour weekend; I do not know whether you would call that a festival. This year is going to be amazing.

The country offers what the city cannot offer, and that is the actual feel of agriculture. Today it is becoming quite important to people to have organic food, to actually see where the product comes from and to even look at the raw product — the animals or whatever — before it is processed. There is an abundance of issues. You can look at the production of the local trout we have. It is Lake Eildon trout, but we have the fellow coming over and he is going to show how you actually fly fish and catch the trout. We have a lot of animals coming; like pets, they can be petted, which is a bit like what they do at the Melbourne show, I suppose. We are trying to get people to get that country feel. That leads to other things.

I have this vision, and Mansfield is the sort of town that would probably embrace it. It is like a big community. We have community gardens at the botanical park, but I can see this as being somewhere where we could grow organic, beautiful vegetables or something in a big area. I am thinking about where we could do that, just so we can enhance our area. It is so important to people today to see where their actual food comes from and that their food is free of all the wrong things.

Mrs PEULICH — That was all certainly very valuable. I have just one little question. You made a comment in relation to waste and water management. Could you just tease that out a little bit more?

Ms CROW — If I think about what we have, we have massive cardboard wastage. Everything comes packaged — alcohol, soft drinks, whatever. We fill a rather large tandem trailer every week, and we have a cage

over it. It is becoming so expensive. You have to really look at ways that we can get rid of our packaging. That is an issue for us.

Mrs PEULICH — What do you do with that?

Ms CROW — We take it to the recycling. The bottles, the cans and all of that is recycled as well, but it is still at a cost. We have a fortnightly pick-up through the Shire as well, but we tend to have to go to the tip as well. It is just massive. Our kitchen waste has to be put through the local waste collection. It is just a massive issue. It has become so expensive. I used to have the Bonnie Doon Hotel; that was back in 1989. We had it for about nine years when there was always water. It was free; you did not have to pay anything. I do not think it is such a bad thing to have to pay because it makes people more aware, but it is an issue that is going to be ongoing, and it must get more expensive year after year. We have to work something out about how we are going to manage that.

Hopefully if we go ahead with our new project in the budget we have allowed for double-glazed windows, solar heating and solar hot water. We are trying to do the green thing. I think that appeals also when you are — —

The DEPUTY CHAIR — Marketing.

Ms CROW — Yeah, marketing. When I wrote this — —

Mrs PEULICH — Only with your tree changers, though.

Ms CROW — Yes. When I wrote this, I thought, ‘I sound like I am a paid political advertisement for the Shire.’ I can honestly tell you that is exactly how I have been treated and how I have been perceived. It has been really good. We are all too eager to not look in our backyard first. Perhaps we need to look and see where we can improve ourselves. I attended a masterclass funded by the State Government, and it was absolutely fantastic. I tell everyone how good it was for me and what I learnt. If you are in business and you do not use social media, you are falling behind. You are so far behind. You can promote yourself, you can have a Facebook account, you can do LinkedIn, you can do Twitter and you can do a website. You can put everything you need on these websites that were never there. It drives our business. Have I been talking too long?

The DEPUTY CHAIR — No, no. Keep going. You are on a roll.

Ms CROW — For anyone in accommodation, if they do not use Wotif, I am its biggest advocate. We bought the property, and for two months we were not on Wotif. I thought we could do it ourselves. I joined Wotif, took 100 photos, sorted them and put them on, and within 20 minutes we had our first booking. I am telling you: we are doing nearly six times the revenue the hotel was doing when we bought it, and off a small base. It has blown me out of the water. Every morning I get up and I have this email from Wotif — ‘Booking confirmation’. I just think, ‘Thank you very much. I cannot believe this!’ It just staggers me. You must have social media on any business agenda.

The DEPUTY CHAIR — We share your views on social media, perhaps from a different perspective.

Mrs PEULICH — Can I just ask a follow-up question?

The DEPUTY CHAIR — Please do.

Mrs PEULICH — Thank you for that. I agree with your philosophy about each and every one of us having to first of all look to see what we can do to make a difference to our own businesses or lives or whatever it might be rather than looking for someone else to fix them all the time. In addition to that, you obviously play a key role in local business. Are there other opportunities that businesses have formed? Are there organisations that you network or share PD opportunities with? Do you have a chamber of commerce that is vibrant?

Ms CROW — Yes, we have.

Mrs PEULICH — Is any support given by council to those chambers of commerce, or are they pretty self-sufficient?

Ms CROW — They are pretty self-sufficient. I am on the committee for High Country Harvest, and we are doing an event in May through the Melbourne Food and Wine — —

The DEPUTY CHAIR — Festival.

Ms CROW — Yes. The councillors are all behind that. Our event has been accepted. All those sorts of thing work. The MDBA — there has always been encouragement, and the Shire is involved in that as well.

The DEPUTY CHAIR — We look forward to welcoming you to the electoral district of Albert Park; that will be great. That is my electorate.

Ms CROW — Really?

The DEPUTY CHAIR — The festival, yes. By chance. That was fantastic, Sue, we really appreciate it. Within a fortnight or so you will receive a copy of the Hansard transcript. Whilst it is open to you to correct minor errors or errors of a typographical nature, the matters of substance need to remain the same. Once that is finalised, the transcript will become part of the public record and form part of our report. We thank you very much for your assistance today.

In closing, we again thank Mansfield Shire Council, the councillors and particularly the council staff for their assistance in putting today together. It has been very useful. We look forward to accommodating much of what we have learnt today in our final report. We thank our friends from Hansard as well.

Mrs PEULICH — Deputy Chair, could we also thank those businesses that made themselves available for coming along, listening and making presentations.

The DEPUTY CHAIR — Both the visits and the presentations.

Mrs PEULICH — Thank you, one and all, and especially the Mayor for hosting the event.

Committee adjourned.