

SMALL BUSINESS — TOURISM

Grievance

MR J.N. CAREY (Perth — Parliamentary Secretary) [9.39 am]: I wish to raise a grievance about the renewal of our city, small business and tourism. I have to say that my favourite minister other than the Minister for Planning — **Ms R. Saffioti** interjected.

Mr J.N. CAREY: It is not a grievance to her. I love planning issues—members might have picked that up by now. My other favourite minister is the Minister for Tourism; Racing and Gaming; Small Business. I say that because those three portfolios are actually critical to the City of Perth, and I will explain why.

Mr J.E. McGrath: Do you have a racetrack in Perth?

Mr J.N. CAREY: It is not just about racing. The key issue is that we are experiencing incredible times in the city, but not in a good way. A recent story in *The Sunday Times* demonstrated that vacancy rates for businesses across the city were double the figures we saw during the global financial crisis. This is a terrible time, partly because new whiz-bang shopping centres are being developed across the metropolitan area and people are choosing to leave the city. A Bankwest report by Curtin University showed some extraordinary figures: the number of small businesses per 1 000 of population declined by 24.6 per cent from 2011 to 2016. This is what is happening in the City of Perth. In addition, I have had numerous meetings with small businesses and hotels that are concerned about what is happening in the city and the kind of experience that people are having. Small business is dying in the city. There are vacant shops, dead streets and a lack of activity. I ask this question of members: what kind of tourism experience does someone have when they leave the Hyatt Regency or Duxton Hotel? It is pretty terrible. There is no coffee, unless it is from a convenience store. The area is dead—and this is a serious concern. People from the hotels in the west end have come to me, frustrated about the lack of a vigorous approach by the City of Perth on this matter. They want to see a clear plan and strategy for our city; they want to know how we can revitalise it. There are a number of issues here: small business is suffering, there is a lack of a clear and coherent plan for tourism for our city, and there is also red tape.

I will give an example because this is one issue that I am passionate about. I show members a picture, which is poorly printed on my 1995 colour printer. We see this around the world in places like Paris and London where streets are activated. What does small business see in Western Australia and Perth? Can members guess? They look at this and they see enormous red tape. This was the situation during my time at the City of Vincent. Businesses would have to pay to get approval for a pot plant. They would have to pay to get approval for a bench. The council would come out and inspect it and charge them for it. On top of that, the council would charge them a regular fee each year. Some councils will charge for each chair. We have a total scheme that is creating a disincentive to activate our city. I am proud that as the Mayor of Vincent the council abolished alfresco fees and brought in an online self-assessment system. I note that the City of Perth approach is in the opposite direction. It is classic City of Perth that a motion to abolish alfresco fees for small business has been put forward twice and twice the council has rejected it. I note that it is a Liberal majority council—everything but cutting red tape for small business.

Mr J.E. McGrath: Don't blame us, please.

Mr J.N. CAREY: Members should be very clear: we have a Liberal majority-run council, with all Liberal members voting against cutting red tape for small businesses that are doing it tough at a most difficult time. The Labor council of Vincent slashes it. What do we need to do to bring this together? Hotels in the city are demanding, first of all, a clear tourism strategy for the state—a clear brand for Western Australia and Perth. But they also want to see a clear tourism strategy for the city itself. One way of doing this—I find it extraordinary that it is 2017 and this is not being done in the city—is to have clear tourism precincts for the city so they have their own identity. This is occurring all around the world: Melbourne, London, New York and San Francisco have clear precincts that are dedicated and branded, with marketing and active precinct management. This is what we need in Perth. In Perth at the moment there is Northbridge, which is probably identified, and that is about it.

Mr J.E. McGrath: King Street.

Mr J.N. CAREY: Yes, I will take King Street, but the hotels in the west end are saying that they need a clear and identifiable precinct that they can push and say, “Come to the west end.” For East Perth, call it the “east village”. I do not have all the ideas on this. Let the businesses, the residents and the property owners decide. Some people are stepping forward and saying that they will not wait for this. I applaud the work of Adrian Fini, who has come forward and said that the hoteliers are deeply concerned so they will create the historic heart. They have said that that is what they will do. They have got the property owners together and they will put in \$3 million to drive a clear brand—a clear destination in the city. Again, I note the classic City of Perth response. I always say that it is like the episode of *Little Britain* when the computer says no. Adrian Fini goes along to the City of Perth and it says,

“You can’t do that. We can’t have mobile planters. You can’t do all this beautification because it might be a public liability risk.” It is extraordinary. I look forward to the minister’s response on how we can create that urban tourism experience.

MR P. PAPALIA (Warnbro — Minister for Tourism) [9.46 am]: I thank the member for Perth for his grievance and commend him for his vigorous engagement and advocacy on behalf of not just the small businesses in his electorate, but also the bigger players. He is absolutely right. If we look at what the last election was fought on, if we consider the central components and if we strip away some of the more divisive issues like Perth Freight Link or Western Power, it was all about jobs. Key to our response to that part of the discussion was tourism. The Labor Party elevated tourism to front and centre of the political debate in April last year when we released our plan for jobs and tourism as a critical pillar to our response for creating jobs. Perth city is an essential part of attracting people to Western Australia. It is the first place visitors from interstate or overseas will encounter, and we need to do everything we can to make ourselves competitive, make the city attractive and assist the businesses located in the City of Perth to be successful, because if they are successful, they employ people and we all benefit.

The truth is that right now—the government and I are very sensitive to this—small businesses and particularly hotels, people operating in the hospitality sector, are really doing it tough. They are confronting some very difficult times. Hoteliers in Perth right now, or anywhere in Western Australia for that matter, are worried. I encounter the management of these places regularly and the first thing I say to them is that the government knows that and its response will be focused on addressing it.

I commend the member for Perth for his suggestion on the precincts for Perth. Clearly, it works in other parts of the world. It enhances the amenity and ability for tourists to find their way around and to identify parts of the city that they might wish to visit through a branding exercise, and it is not something that costs a lot of money for the state government. I welcome the suggestion and I look forward to working with the member and with businesses in the Perth city to try to achieve that outcome because I think that would be a benefit and improvement to what we are offering at the moment.

The state government has committed to an extension of destination and marketing events funding. If we consider what state governments can do to bring people to Western Australia, there are two key elements. The first element is destination marketing—looking at our target markets and spending money on partnerships or promotions engagement with wholesalers to get people to come here from interstate and overseas. The second element is funding events that draw in people.

We have committed to an increase in funding of \$85 million a year for those two activities. Not only that; we have committed to a certainty of that funding so that Tourism WA will know that it has \$85 million a year for those two activities into the foreseeable future. We have said \$425 million will be dedicated to those two activities over the next five years. That means that those people operating on our behalf to make partnerships, do deals and engage with wholesalers in our target markets can get better value for the taxpayers’ dollar and get more people to the City of Perth and the rest of the state.

Another thing we need to do to assist the city and the entire state is get the message out that we are no longer the boomtown that is expensive and difficult to visit. I went to the Australian Tourism Exchange in Sydney earlier this year, which is a big event at which all the states are represented and wholesalers from around the world attend, and I can guarantee members that the perception is still out there. We have a legacy perception that Perth and Western Australia are expensive and people cannot get a hotel room. We know that that is far from the truth now. We have a magnificent array of really high quality hotels that are long established and have been upgraded. New ones coming on to the market are also of the highest quality. Unfortunately for the hoteliers, but it is the truth, there is a downward pressure on prices because of the extensive supply we are encountering now. We need to get that message out there. We need to say that WA is no longer an expensive and difficult place to come to. It is a quality and affordable place for people to visit. There are plenty of offerings and now is the time to visit Western Australia and the City of Perth. If people on the east coast have not been here, we encourage them to come here. We are going to open an office on the east coast and re-establish a presence for that purpose and to convey the message to people that this is the time to come here. We will be exploiting the opportunity with the new Qantas flight to London to market a stopover in Perth as part of the deal. We do not want to be paying for advertising to fly to London; we will be advertising a stopover in Perth and Western Australia so that our businesses benefit. I can guarantee members that the state government is absolutely committed to addressing the stress that our hoteliers and small businesses are suffering, particularly in the city. We know that they are doing it tough.

This is not a state government matter, but I agree with the member for Perth that silly little things such as putting impediments and hurdles in front of small businesses or larger businesses that want to activate the front of their businesses is just silly; it is ridiculous. The City of Perth should be focused on this too. Everyone in the state needs to be addressing this challenge. We need to get more people here and make ourselves more attractive. I look forward to the member for Perth’s Perth city summit, which he has proposed for later in August. I will be there

and so will people from Tourism WA and small business. We will do whatever we can to assist with the challenge of helping small and larger businesses in the member for Perth's electorate, because the entire state will benefit from that.