

## **TOURISM POLICY — BARNETT GOVERNMENT**

### *Motion*

Resumed from 10 November on the following motion moved by Hon Ljiljanna Ravlich —

- (1) That this house condemns the Minister for Tourism for her failure to produce a tourism policy at a time of economic uncertainty and calls on the minister to outline what she will do to assist tourism businesses and Western Australian workers who are adversely impacted by the global financial crisis.
- (2) That this house calls on the minister to explain —
  - (a) her government's policies to deal with the impact of the global financial crisis on tourism operators in Western Australia and the thousands of workers who are being retrenched in the tourism and hospitality sector;
  - (b) what strategies she has put in place to protect small businesses and their workers;
  - (c) what practical assistance is available to tourism operators who go bust and the thousands of workers who lose their jobs; and
  - (d) why she has been asleep at the wheel whilst tourism operators in Western Australia go under.

**HON LJILJANNA RAVLICH (East Metropolitan)** [2.10 pm]: I welcome the opportunity to continue my remarks on the government tourism policy. The last time I spoke on this motion, I was going through Tourism Western Australia's quarterly tourism snapshot for the year ending June 2010, which was published in September 2010. Members who were listening to the debate—I am sure that if members were in this place, that is exactly what they would have been doing—would have been quite alarmed when they heard me put on the public record the intrastate and interstate tourism figures, because those figures indicate that tourism is in a very difficult spot and has many challenges ahead of it.

There is no doubt in my mind that a big part of the reason that the tourism sector is in such difficult circumstances is the global financial crisis. However, it is unfortunate that we have a minister who has chosen not to address this issue and would rather pretend that there is no problem. The minister has the attitude that if she does nothing, perhaps the problem will go away. That is simply not the case. I say that because we have not seen any proactive action by the minister.

We have already discovered that there was not a tourism policy. We know from the lack of action over the past two years that this minister has really done nothing to assist the tourism sector to deal with the consequences of the global financial crisis. At no time has the minister stepped up to the plate and put on the public record what she intends to do to assist the thousands of tourism businesses, which are also small businesses, deal with some of the challenges of the global financial crisis. That is particularly concerning. However, there may be some light at the end of the tunnel because the word on the street is that the Minister for Tourism will probably not be around in December this year. Either she is going to leave of her own accord or she might be asked to leave; I do not know which one it is likely to be. I think the tourism sector will breathe a huge sigh of relief if this rumour is proved to be correct. The tourism sector is at the stage of thinking that enough is enough and it really wants to see a minister who is caring, capable and prepared to take action to ensure that a positive difference is made in the sector. To date we have not seen any of that; in fact, we have seen the total opposite. Although the Premier has gone on and on about having given the tourism portfolio to a senior member of cabinet, the simple fact is that the minister can be as senior as she likes without being up to the job. The minister is simply not performing or doing the job, and in not meeting the requirements of the job she is very much letting the sector down.

I do not want to put on the public record every statistic that exists, because statistics change and some of the statistics in the tourism sector tend to be a bit rubbery anyway. When we look at tourism in the metropolitan area, we get one set of figures and gain a perspective on that. When we look at what is happening right across the state, we get another set of figures and we gain another, more global perspective. However, if we drill down to what is happening in the five tourism regions, we gain a very different perspective yet again. Australia's Coral Coast, for example, is doing it pretty tough by all indicators. The data and indicators for the Golden Outback, which covers the Goldfields–Esperance region, show that it is probably doing the worst of all five tourism regions. Once again, Australia's North West is also having a tough time of it; likewise, Australia's South West and Experience Perth are not doing particularly well.

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I want to quickly focus on Australia's Coral Coast. The coral coast region has seen a decline in all source markets. The largest source market for the coral coast is Western Australians. We know from the information that has already been tabled in this place that Western Australians are not staying in Western Australia to have holidays. We know from the statistical data that intrastate travel is on the decline and Western Australians are choosing to holiday abroad. The increase in overseas holidays is partially assisted by the fact that low-cost carriers are available to take Western Australians to international destinations at reduced rates in a very competitive aviation market. I think I mentioned last time I spoke on this motion that Western Australians can go to Bali now for \$130 one way. Those sorts of prices make it much more difficult for Australian tourism operators to compete domestically.

However, we must recognise that Western Australia is part of the international tourism market and we must put together a strategy to at least attempt to have some cut-through and deliver positive outcomes for local tourism operators. The lack of any coherent strategy from the government and this particular minister means that there is certainly no vision, and nothing for the tourism industry to hang its hat on or to be optimistic about. In my view, the negativity feeds on itself and will continue to do so until some proactive action is taken by this minister—indeed, it could well be a new minister after December.

Between the year ending June 2009 and the year ending June 2010, the total number of visitors to Australia's Coral Coast reduced by 16 per cent. The three-year aggregate change is 12.7 per cent. Over the last 12 months it has fallen below the three-year average. Given that it is coming off a fairly low base, it is even more cause for concern. Total visitors from interstate dropped by 16.7 per cent between the year ending June 2009 and the year ending June 2010. The number of night stays by interstate visitors reduced by 44.1 per cent. I would hate to be a small business person who supplies the tourism sector on Western Australia's coral coast. I would also hate to be a tourism operator in the coral coast because it is, by all intents and purposes, doing it particularly tough. We need to see some positive action by the minister.

I see Hon Simon O'Brien shaking his head wildly.

**Hon Simon O'Brien:** The member did not see that at all.

**Hon LJILJANNA RAVLICH:** Yes, I did. I saw Hon Simon O'Brien nod his head!

**Hon Simon O'Brien:** I might have been nodding off in response to your boring speech! I was thinking about it and want to know: have you been to the coral coast?

**Hon LJILJANNA RAVLICH:** Yes, I have.

**Hon Simon O'Brien:** Is that where you were in August 2008 on holiday when the election was called by Alan?

**Hon LJILJANNA RAVLICH:** I do not know where I was in 2008 but clearly the minister —

**Hon Simon O'Brien:** That is what I heard. You were, weren't you?

**Hon LJILJANNA RAVLICH:** I do not know what point the minister is making, but I would be more than happy to hear what he has to say in his contribution to this debate.

Those are the figures for Australia's Coral Coast campaign.

The figure for Australia's Golden Outback campaign, is, once again, very concerning, with a 23.6 per cent drop in the total number of visitors from June 2009 through to June 2010. That 23.6 per cent drop compares with a 15.2 per cent aggregate drop over a three-year period. The figure for interstate visitors for Australia's Golden Outback campaign is very alarming indeed because it has dropped from 114 000 in June 2009 to 64 000 to the year ending June 2010. The percentage change over that period is a reduction of 43.9 per cent. That is very concerning and almost double compared with the three-year aggregate reduction of 23.4 per cent. People in the tourism industry are doing it very tough indeed.

I will not go into the specific data on Australia's North West, Australia's South West and Experience Perth campaigns, other than to say that the figures are slightly better, but nothing to be proud of. In fact they indicate serious problems that require immediate and serious attention. As a matter of interest, occupancy rates, for example, in the five regional areas, together with the Perth central business district—which is one of those regional areas—must be concerning from a business perspective. For example, the figure for room occupancy in Australia's Golden Outback campaign is five to 14 rooms; that is, a 43.4 per cent occupancy rate. That means that some 60-odd per cent are not occupied. The owner of that sort of business must certainly have some concerns about that occupancy figure, and that is replicated pretty much right throughout this report. So, what do we see from the minister? We see absolutely nothing. We have had no acknowledgement that these are matters of great concern.

**Extract from *Hansard***

[COUNCIL - Wednesday, 17 November 2010]

p8911f-8928a

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We know that Western Australians are abandoning holidays in their home state at an alarming rate. The latest figures reveal a 17.6 per cent decline in interstate tourists in 2009–10, and of course that all flows through to small businesses. These figures are the worst in eight years and they are declining at a faster rate than the national average. I guess from some points of view that is not surprising because as people come to Australia sometimes they land on the eastern seaboard; and they have to fly for an extra four hours to get to Western Australia. But there is no doubt that our tourism data indicates that we are not doing as well as are some of the other states. Once again, that should sound alarm bells to any minister who has a remote interest in tourism, especially if that minister is the tourism minister; yet we do not see any response to any alarm bell that is ringing.

The figures show a 14.9 per cent decrease in the amount of money spent by intrastate travellers, and a 17.5 per cent decrease in the number of nights they are staying. Given that the mining industry in this state is such a great contributor to gross state product—no-one argues with that—we also have had historically a fairly strong tourism industry. One of the things we know about the mining industry is that although it is a great contributor to gross state product, it is not a huge employer of people. It is huge in its productive capacity and huge in generating revenue, particularly royalty revenue for commonwealth and state governments, but it is not huge in the employment opportunities that it provides to Western Australian workers. As a point of clarification, I will put up-front the fact that it is an industry that has a high labour content demand in the construction phase of a mining project; however, as soon as that construction phase is complete, the operational phase does not require large numbers of workers. By contrast, the tourism sector is very labour intensive, as it is a service industry. As a service industry, it employs many Western Australians. Even if the minister of the day was not particularly interested in intervening in the marketplace in an attempt to assist tourism operators that have been hit by the global financial crisis, and even if she has no regard for tourism in this state and does not see it as her job to do anything in response to help these business operators who have been hit by the global financial crisis, she should nevertheless recognise the importance of having Western Australians in work, as opposed to out of work. To that end, she should recognise the importance of the tourism sector in providing employment opportunities. Ultimately when people are not working, it impacts on consumption; it impacts on investment; it impacts on government spending, as less revenue flows into the Treasury coffers because less payroll tax is paid; there is less money generally in the local economic circular flow; and so on and so forth. From that perspective, therefore, a tourism minister has an obligation to do much more than this minister has done in assisting the tourism sector to get through the global financial crisis.

I have already put on the public record that the Minister for Tourism has adopted a similar position to that of the Minister for Training and Workforce Development. When we had a debate on the impact of the global financial crisis on apprenticeship and traineeship numbers and on training in Western Australia generally, the response from the Minister for Training and Workforce Development was to ask what he was supposed to do about a global financial crisis. This is the same sort of response that we get from the Minister for Tourism. She simply says, “Well, it’s not my problem. I can’t do anything.” My argument is that if that is the starting position, there really is nothing positive that will come from it. The Minister for Tourism needs to adopt an attitude in which she clearly states, “I may not be able to do everything but there are some things that I can do that will be of assistance to not only the tourism industry, but also all those suppliers of goods and services to the tourism industry; and, thirdly, of assistance to the employment of people within the tourism industry, never mind the flow-on effects that come from that to the government.” We have seen tourism business after tourism business go to the wall. Only a few weeks ago it was reported in *The West Australian* that another business had closed its doors. It blamed the strong Australian dollar and the shrinking number of overseas tourists for its demise. I refer to Easyrider Adventure Travel, a backpacker tourism operation. The article in *The West Australian* of 6 October 2010 by Angela Pownall states —

Easyrider, which has run buses for backpackers around WA for 15 years, said passenger numbers had halved over the past two years and there had been a sharp decline in British and Irish visitors this year.

Manager Chris Cronin said the Australian dollar, which reached its highest value since June 2008 last week, played a big part in Easyrider’s forced closure.

However, having said that, perhaps the closure of this business could not have been avoided; I do not know. There may be other businesses on which some government intervention or decisions may have had a negative impact, when that negative impact could well have been avoided. I think the government should look at that issue.

Out of all of this, the only thing that springs to mind that has been achieved by the government is a reform program that resulted in the carving up of Tourism Western Australia, which was providing at least some support to tourism operators across the state. That decision was a response by the Minister for Tourism and this government. There were massive staff cuts as a result of that policy decision. Some 85 jobs will be axed from that agency and the money will be redirected into marketing campaigns. That is a transfer of \$31 million into

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marketing. The government has already embarked on a number of unsuccessful marketing campaigns. The Holiday at Home campaign was designed to promote intrastate tourism and to ensure that Western Australian families holidayed in Western Australia, thereby delivering the benefits of tourism to local operators, local communities and so on. I have already put on the public record the statistical data on intrastate tourism. There is no indication whatsoever that the expenditure of money on the Holiday at Home campaign resulted in any positive outcomes through more people holidaying in Western Australia. Millions of dollars have also been expended on the Extraordinary Taxi Ride. Once again, there is no evidence from the statistical data provided by the government's own agency that that is having any positive impact on attracting interstate or international visitors to WA.

I have asked some questions, as has Hon Ken Travers, at hearings of the Standing Committee on Estimates and Financial Operations seeking information on the modelling of the outcomes of the Holiday at Home campaign. Although I am not in a position to go into those details today, given that I have only two and a half minutes left, it is very concerning how the department does the modelling for investment and the impact of that investment through outcomes. All I can say is that, given that 85 jobs will be lost and money will be converted into yet more marketing campaigns, and based on what has happened with previous marketing campaigns, that is certainly a recipe for disaster. It will do little, if anything, to address the challenges that have been brought about as a result of the global financial crisis.

This motion has stood the test of time. There is nothing in the motion that I would change. We have not seen a policy. The minister still has not done anything to assist tourism businesses in WA, and certainly nothing to assist those people who work in tourism businesses in WA, to deal with the downturn.

**Hon Simon O'Brien:** And all of this was apparent on 19 March 2009, was it?

**Hon LJILJANNA RAVLICH:** It certainly was. It was already there.

**Hon Simon O'Brien:** The writing was on the wall, was it?

**Hon LJILJANNA RAVLICH:** Does the Minister for Transport not think that the Minister for Tourism should explain the government's policy to deal with the impact of the global financial crisis on tourism operators in Western Australia?

**Hon Simon O'Brien:** The Minister for Transport has made many public pronouncements and is doing a heck of a lot of work to stimulate tourism in these difficult times.

**Hon LJILJANNA RAVLICH:** The minister has not done the same thing for the transport sector. The fact is that he, too, is wanting in terms of the operations of his own department. We have not heard his response about what he was going to do about the impact of the global financial crisis on the transport sector.

**Hon Simon O'Brien:** Is there a motion about that?

**Hon LJILJANNA RAVLICH:** No, but there could well be.

There is absolutely no doubt that the Minister for Tourism has been asleep at the wheel. While tourism operators are suffering, this minister is doing nothing. I hope that in December this year there may be some truth to the story that the minister will not be in the position that she currently holds. I assure the house that it would be like a breath of fresh air in the industry to have somebody else.

**HON HELEN BULLOCK (Mining and Pastoral) [2.38 pm]:** First of all, I thank Hon Ljiljanna Ravlich for moving all these motions. They have given me the opportunity to look into all these different ministerial portfolios, which were not on my list of priorities.

**Hon Simon O'Brien:** It's better to get her to do it than to get Tom Stephens to write your questions; remember that.

**Hon HELEN BULLOCK:** Let us talk about tourism.

There is no doubt that the tourism industry was one of the hardest-hit industries during the global financial crisis; everybody knows that. From memory, we started to experience the impact of the global financial crisis in late 2008. Lots of companies stopped recruiting, let their contractors go, scaled back employees' hours in a desperate attempt to retain workers, and encouraged employees to take leave with or without pay. I have heard plenty of stories about employees being asked to take holidays, only to be told on their return to work, that their positions are no longer available. The company that I worked for at that time was told that one of its contracts would not be renewed; that contract, alone, meant that more than 230 jobs were lost. In such circumstances, who would have had the heart to take a holiday within Western Australia even? For those who were safe and had not lost their jobs, I remember an advertising campaign that occurred around the 2008 Christmas period that informed people that they could book cheap flights online to places such as Thailand and Bali for a nominal amount of \$2.

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Internationally, the situation was even worse. In the United States, the United Kingdom and other European countries, many people lost their jobs, resulting in many also losing their homes. The last thing on anyone's mind was going on an overseas holiday to a place such as Western Australia.

Last week we talked about how well the Australian economy withstood the global financial crisis. The downside to that was that because the Australian dollar held up too well, it meant that Australian people went on overseas holidays, but it also scared overseas tourists away from coming to Western Australia. Our tourism industry was in terrible shape; it was trapped and did not know what to do. There is not much that ordinary citizens can do in a situation such as that; it is up to the government to do something to lift the tourism industry and stop any further decline.

I must say, I have lots of sympathy for the Minister for Tourism. I cannot imagine the shock, loss and hopelessness that that minister must have felt during the global financial crisis. She, too, did not know what to do, so she stood still until Hon Ljiljanna Ravlich moved this motion that woke the minister up. The minister then consulted somebody—God knows who—and after 14 months Hon Ljiljanna Ravlich moved her motion, and 19 months after the global financial crisis the minister finally launched a new strategy and business model to refocus Tourism WA. Little had happened in relation to WA tourism during the period of the global financial crisis until the launch of the new strategy.

Let us talk about the new strategy. My remarks today will focus only on the international tourism marketing strategy. In summary, the new strategy will redirect the funding to focus on marketing instead of spending heavily on salaries and administration overheads. The result will be that our overseas offices will be closed and employees who promote the WA tourism industry in WA foreign trade offices will be redundant by the end of June 2011. In her statement to Parliament the minister said —

... Tourism WA will contract local marketing agencies in the UK, Germany, Japan and China to take over services in those markets.

I have said that I will focus only on marketing WA tourism internationally, but before I go on to make my remarks on that aspect, I want to say the following. Personally, I think the marketing strategy is perhaps the way to go for the tourism industry. The tourism industry really is a commercial product such as an iPod or a Holden Berlina, which is my favourite car, or a Harry Potter movie. Commercial products have to be marketed well to stimulate people's buying behaviour, especially in the competitive international tourism market, otherwise, consumers will not purchase the WA tourism product.

A lot of factors affect the WA tourism industry that are out of our control, such as the exchange rate; an international economic downturn, such as a global financial crisis; wars; and natural disasters. For all those reasons, I believe that a marketing-focused approach is perhaps the way to go. However, the closure of overseas offices and making positions in the foreign trade offices redundant and contracting local marketing agencies is questionable.

My attention was drawn to this approach because of a brief conversation I had with a gentleman who worked in one of these foreign trade offices in charge of promoting WA tourism. After introducing myself, I started the conversation by asking how our tourism industry was going in that country. He quickly briefed me on the changes made to the WA tourism policy and informed me that his position would be gone and that his job would be taken over by local marketing agencies in that country. Before we concluded our conversation, he said, "They won't do it; they'll just take the money. I know them." I know a bit about the country that that gentleman was working in and the way people do things there. My gut feeling at that moment was that he should really have told the minister what he knew.

That conversation reminded me of an incident that happened a long time ago, which, for some reason, I cannot put out of my mind. To cut a long story short, one day I was running late to catch a flight and I was in a taxi with my mother-in-law. I was supposed to drop her off at her place on the way to the airport, but because of the traffic congestion and roadblocks, I could not drop her off there. I dropped her off at a petrol station and made sure that my taxidriver called another taxi to pick her up from there. Before I got out of the taxi at the airport, I asked the driver whether he could somehow contact the taxi call centre to see whether the taxi he ordered went to that petrol station and picked up the old lady. I was told by my taxidriver that the only way to check was for him to go back to that petrol station to see whether my mother-in-law was still there; he said he would do it if I paid double the taxi fare.

While handing him the money, I actually looked into his eyes. I did not know what I was looking for—reassurance, I suppose. I handed over the double taxi fare and off he went. I still wonder to this day whether the taxidriver went back to that petrol station and did what he promised to do. Yes, I know I should have some faith in our fellow human beings; I should be confident that foreign local marketing agencies will carry out their

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contracts professionally. I should believe that such a move by the government must be backed by convincing research, statistics and analysis, and that it has also consulted experts in each of those countries on culture, traditions, customs and the ways of doing things in those countries. After all, we are contracting organisations that are tens of thousands of miles away; how much do we know about those agencies? What indicators are we going to put in place to measure the efficiency and effectiveness of those marketing agencies? How much do we know about those countries' cultures, traditions, customs and ways of doing things? How can we make sure that those marketing agencies carry out their contracts professionally? All these questions need to be answered before any strategic changes can be made.

With all these questions in my mind, I decided to find some information to satisfy myself that the government's move to close Tourism WA's foreign offices was a good one. What I found did not put me at ease; it actually concerned me a great deal. In the search for answers, I came across Hon Ljiljanna Ravlich's question on notice 2577 on the closure of Tourism WA's international offices. I must say that the questions were very good, but the answers were incompetent. Her first two questions were —

- (1) What independent analysis and research has been conducted, to ensure that this model is delivering benefits to the state?
- (2) If no analysis and research has been undertaken, does the government intend to conduct independent analysis to demonstrate if there have been any benefits, from the subcontracting model?

The Minister for Tourism answered, in part —

- (1)–(2) Tourism Western Australia has not engaged an independent consultant, however, the representative models already operating in New Zealand, South Korea, United States of America, Singapore and Malaysia are performing well.

Hon Ljiljanna Ravlich then asked —

- (3) Has any comparative analysis been done to compare the different models?
- (4) If no to (3), does the government intend to conduct comparative analysis of the two models to demonstrate what benefits have been realised?

The minister replied —

- (3) Yes.
- (4) Not applicable.

Hon Ljiljanna Ravlich's next question was —

- (5) What are said to be the benefits of the new business model that has been implemented?

The answer was —

- (5) Please refer to answer (1)–(2).

Questions (7) and (8) were —

- (7) Have key performance indicators been established to measure outcomes across all the changes?
- (8) If no to (7) —
  - (a) will KPIs be established; and
  - (b) when?

The minister replied —

- (7)–(8) (b) Key performance indicators will be established as part of the subcontracting process.

I wonder what members think about those answers. Pathetic, yes?

**Hon Ken Travers:** Yes.

**Hon HELEN BULLOCK:** Yes; I thank Hon Ken Travers. If she were working for a private organisation, the minister would be sacked on the grounds of incompetence. For the benefit of members who do not understand, I will summarise the information I gathered by reading between the lines. So far, no analysis or research has been undertaken to demonstrate any benefits deriving from the subcontracting model. There are no statistics to show how well the representative model works; we know only that the government thinks the model is performing well. Although the model was implemented only in Singapore and Malaysia in late 2009, and despite our dollar

going through the roof and the number of our tourists going through the floor, the new strategy announced in May 2010 apparently works like magic and is performing well. My last point is that there are no checks and balances and no KPIs in place to ensure the accountability of those overseas marketing agencies.

The state government's decision to close Tourism WA's overseas offices has been condemned by WA Liberal Senator David Johnston. In a speech he gave in the Senate on Wednesday, 7 February 2007 on a matter of public interest on tourism, he criticised the then WA state Labor government's tourism policy. He stated —

...the worst example of misguided policy to hit WA tourism was Tourism WA's logic-defying decision to close marketing offices around the world. Not only did they close interstate offices; they decided to extend the policy across the globe. The decision to close trade offices in Japan, Singapore and Malaysia was made against the express wishes of the industry and is a glaring example of how the state government lacks experience and expertise in critical decision making, and of their unwillingness to listen to industry. Closing the marketing offices that sell WA to the world was a disaster and the WA tourism industry lost the professional staff in those countries and their expertise, experience and business relationships forever. Once again it was an unmitigated disaster for the industry...

Well done! That is well said! It seems to me that the current state government has adopted the policy that the previous Labor government tried before realising it did not work. It has adopted our former tourism policy.

**Hon Ken Travers:** They've gone further, though.

**Hon HELEN BULLOCK:** Does the member mean worse?

**Hon Ken Travers:** Yes.

**Hon HELEN BULLOCK:** After all these months of waiting and waiting, the minister finally came up with the Labor Party's old tourism policy, and she has assured us that it will perform well! Unfortunately the parliamentary secretary representing the Minister for Tourism is not here.

**Hon Ljiljanna Ravlich:** Who is it? Who are we talking about?

**Hon HELEN BULLOCK:** I am really concerned about the Minister for Tourism. I am wondering whether the Minister for Tourism knows what she is doing; is she all right? Has she lost her marbles? How can anyone not support this motion, after I have put all these facts to them?

**HON LIZ BEHJAT (North Metropolitan)** [3.00 pm]: Here we go again! As soon as I get up, we hear this lot over here. It is Wednesday afternoon; it is three o'clock; and here we are back with Hon Ljiljanna Ravlich. Have members seen the movie *Groundhog Day*?

**Hon Ljiljanna Ravlich:** Yes, I love it.

**Hon LIZ BEHJAT:** We are living it. Here is how it goes: Hon Ljiljanna Ravlich finishes her remarks, somebody else from that side gets up and makes their remarks and says how wonderful Hon Ljiljanna Ravlich is, and then I jump up and thank her as well. Who is coming up next? Does anyone know? It will be Hon Ed Dermer saying how great Hon Ljiljanna Ravlich is and how many fans he has signed up to the fan club. That is how it goes. That is what happens on Wednesday afternoons in this place.

*Point of Order*

**Hon LJILJANNA RAVLICH:** I want to know what is wrong with that. Is that a point of order?

**The DEPUTY PRESIDENT (Hon Matt Benson-Lidholm):** I did not quite hear the member's point of order. Do you wish to make that point again?

**Hon LJILJANNA RAVLICH:** I think once is enough.

*Debate Resumed*

**Hon LIZ BEHJAT:** Here I am again, on my feet, with yet another opportunity, courtesy of Hon Ljiljanna Ravlich, to talk about the achievements of the Liberal-National government. I thank Hon Ljiljanna Ravlich from the bottom of my heart. I think that I said in one of my speeches on a Wednesday afternoon—I am getting them confused because there have been so many Wednesday afternoon speeches—that she is the gift that keeps on giving. That is quite appropriate as we hurtle towards the festive season. Hon Ljiljanna Ravlich is WA Parliament's own version of Father Christmas—the gift that keeps on giving so that we can stand up and speak. I am not sure if this was one of Hon Ljiljanna Ravlich's motions on mental health; it could have been a speech on somebody else's motion. No! Nobody else moves motions, so it must have been Hon Ljiljanna Ravlich's motion

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on mental health, in which I talked about the necessity to build strong foundations and that without strong foundations we have nowhere to place the walls and roof so the structure stays in place and gets stronger.

I have also talked in the past about how the Barnett-led Liberal-National government prides itself on the way that it does things in a whole-of-government approach. Right across the board, we see that tourism is not just limited to one portfolio and things happen across the board. I will obviously speak about the achievements this government has made, but I did want to pick up on a couple of little points. I am sure that members of the house are very familiar with the saying that was popularised by Mark Twain in speaking about Benjamin Disraeli, where he talked about there being three kinds of lies: “Lies, damned lies and statistics.” I am not going to talk about “lies” and “damned lies”, but I will talk about statistics. We all know how much we can use statistics to our own benefit. If we go to that font of all knowledge, Wikipedia, it gives the definition of lies, damned lies and statistics as being a phrase describing the persuasive power of numbers, particularly the use of statistics, to bolster weak arguments. That is what it means: “to bolster weak arguments”.

Let me look at some statistics. Hon Ljiljanna Ravlich said there was nothing good about the Holiday at Home campaign. I have some statistics here on the Holiday at Home campaign.

**Hon Ljiljanna Ravlich:** Does this mean you have a weak argument?

**Hon LIZ BEHJAT:** No, because I am perhaps bolstering the member’s weak argument here. What is the bottom line? It is always the dollars that are earned. The return on investment is 13 to one. For every dollar of investment, we are getting \$13 back from the Holiday at Home campaign. And similarly with the Extraordinary Taxi Ride. That campaign is well underway and we have all seen the fantastic advertising campaigns built around that. Already we are seeing a return on investment of 13 to one. I do not know what is wrong with either of those campaigns, if the bottom line is that we are getting a return on our money. Again, on statistics, I can quote from the “WA Tourism Industry Scorecard” of September 2010 that looks at the latest data available for July, August and September. It reads —

**Consumer confidence** is at the highest level since February 2005.

That is pretty good —

**Travel confidence** Domestic travel intention remained at the same level as September last year.

There was no downturn there; it remained the same. We all know that we have been going through a global financial crisis, so to remain at the same level in that period is quite good. To continue —

**Perth Airport** shows an overall increase in arrivals in September.

The occupancy rates are also up in the same time and show improvement in July, and year-to-date comparisons for 2010 are also up. As members can see, we can all grab some statistics from wherever we like and use those in this place to either bolster a weak argument or strengthen strong arguments, like the ones that I always bring to the house.

I can talk about tourism. In tourism, people will not want to invest money in Western Australia if there is not a good reason to do that and if there is not a good future for tourism. Only yesterday, I read the announcement about the development of the hotel on Rottnest Island at Mount Herschel by the Pinctada Group. My colleague Hon Ken Baston would probably back me up when I say that the Pinctada Group is a very good group of people with some fantastic resorts in the region that he represents. Pinctada will be building a hotel on Rottnest with 120 rooms for up to 300 guests. That is a company that is not going to invest lightly in something like that, so Pinctada must have confidence in what is happening in Western Australian tourism to be able to do that. Also, just recently we heard the announcement about the \$580 million revamp of the old Treasury building area of Perth, including a six-star hotel to be built by Aman Resorts. Those members who have been lucky enough to stay at any Aman resorts in other places around the world will know that this is a fantastic hotel group. I do not think Aman would be likely to put any money into construction in this town if there were not a future in tourism and the tourism dollar, because they will have sat down and looked at their bottom line and worked out the best place to go. Members need only drive around Western Australia to see what is happening. My colleague from the East Metropolitan Region, Hon Alyssa Hayden, will back me up. If I am not wrong, in the past two years that the Barnett government has been in office things have really taken off in the Swan Valley. Over the past two years, 25 new businesses have opened, from cafes and new wineries to tour operators, just in that little area of the Swan Valley. Who has not been out to the Margaret River Chocolate Company in the Swan Valley or to some of the boutique breweries and fantastic restaurants that are building up in that area? New businesses have been opening up in the Swan Valley in the past two years.

I will go back to what I started to say about good foundations and putting proper strategies in place. There is no doubt that at the 2008 election, when we came into government, there were real problems in Tourism WA. The

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reality was that it had too many staff and not enough funding for its core service area of marketing. Tourism is a dynamic area and one always has to look at different ways of doing things and at marketing strategies. The new brand strategy for WA was one of the first things that was developed to clearly re-position the state and for its key destinations to stand out in this really competitive environment.

In 2009 after quite extensive consultation with stakeholders throughout the industry, it was decided that there needed to be major structural reform of the agency to ensure that into the future it could face the challenges. No-one is denying there are not challenges presented to everybody around the world as a result of the global financial crisis. We have to do things in a different way. We are looking towards other areas to market what we are doing. The one thing I think we have to do in Western Australia, which we are doing very well, is to set ourselves apart from the other states of Australia and show just how different we are so that we can develop and go ahead with a lot of the niche marketing that we are undertaking in other areas.

We look at things from a whole-of-government approach; we do not just say that this portfolio can look only at tourism and this one can look only at transport and this one can look only at the environment. We look at a range of issues.

Hon Ljiljanna Ravlich mentioned how bad things were going on the coral coast, yet information given to us by the Department of Environment and Conservation shows that there has been a 13.5 per cent increase in visits to Mid West parks and reserves over the past two years in that area alone. Extending from Lancelin to the Carnarvon area, DEC's Mid West region includes tourism destinations such as the Pinnacles and Shark Bay. If I am not wrong—I did not do geography at school—those tourist attractions are on the coral coast. There are things happening in that region, contrary to what Hon Ljiljanna Ravlich said. A total of \$1.4 million was spent on new programs relating to the Mid West national parks.

In October 2009 we saw a joint ministerial media statement from the Minister for Tourism and the Minister for Environment about the new Naturebank program that was being developed. Naturebank paves the way for world-class accommodation facilities and activities in the heart of national parks. These are the sorts of things that people want when they come to Western Australia. They want to visit our unique natural environment and see the Pinnacles, for instance. I recently went to the Pinnacles for the first time. The only reason I went to the Pinnacles was that Indian Ocean Drive had been completed and we were able to get there in a very short space of time to look at that fantastic tourism attraction. That is another thing that sets that area apart from other areas.

When we came to office, we talked about the fact that tourism had too many staff and not enough funding for its core service areas of marketing. Since May it has downsized from 159 FTEs to 114, on the way to a target of 74. That reform will free up \$31 million for marketing over the next four years, which is the main aim for tourism.

**Hon Ljiljanna Ravlich:** You're obviously not talking to tourism operators.

**Hon LIZ BEHJAT:** We speak to tourism operators all the time. We have round table meetings and stakeholder meetings. They are quite happy with what is going on in the restructure because the less interference there is from the government in these sorts of things, which allows businesses to carry out their business, the better. Hon Ken Baston and our colleague Liza Harvey from the other place were responsible for the report of the Red Tape Reduction Group. We are now working through some of its recommendations. That will see a lot of changes made in the area of small business that will make it better for tourism operators.

With those few words, we can clearly demonstrate that, as with all things that this government is doing, we are working in a very measured, thought out and collaborative way that will see Western Australia go from strength to strength in the tourism area. Once again, I thank Hon Ljiljanna Ravlich for allowing me to talk about the fantastic achievements of this government in the area of tourism.

**HON LYNN MacLAREN (South Metropolitan)** [3.13 pm]: I rise to speak to the motion. I am somewhat in favour of the tenor of the motion, taking into account what Hon Ljiljanna Ravlich has said about the global economic crisis obviously affecting the tourism industry. It is a challenge for any government to respond to the global financial crisis. I think this motion should be grasped as an opportunity for the Minister for Tourism to let us know how innovative and forward thinking she might be. I found that it has been a bit difficult to get that kind of detail from the tourism minister. In the past few months we have considered a few bills in which statistics about tourism were a bit lacking. I am very concerned about particular regions in Western Australia that are not being supported in their tourism efforts. I intend to go into more detail about that.

As to the direction we would like tourism to be going, we would like to have better information about sites which are suitable for tourism and which protect and enhance the environment where tourism exists rather than threaten or create conflicts in the community, as we have seen in Margaret River, for instance. On the face of it, a very expensive and well-publicised tourism facility that all of us are a bit concerned about is the resort on

Rottnest Island, which was recently announced. I wanted to review some of the things that we know about the Rottnest tourism ideas that are being proposed and look at whether they will measure up to sustainability benchmarks. That is one way that we can face a difficult tourism market and be innovative and capture some of the few tourism dollars that are going around the globe. The developer at Rottnest states that the resort's buildings will include greywater recycling, solar water heating and passive cooling and lighting, but so far the proposal does not provide adequate detail on how the developers will manage the ongoing power and water requirements as well as minimise the impacts associated with a huge number of people who will be visiting Rottnest, in particular, that one site. As we know, Rottnest Island is a unique environment. It is a designated A-class reserve. The standards imposed on developers need to take that into account. The fundamental question that we are all asking is: is a 120-room resort simply too big for this area?

Rottnest Island is an integral part of Western Australia's identity and it is subject to a high level of public interest. For that reason, I have been calling for transparent and open processes in the selection of the developer. We were not successful in getting information released before the decision was made about which developer would be chosen but it is still of tremendous interest to the public how that decision was made and whether it was made on the right grounds. Energy-saving technologies and design principles save money for hotel owners in the medium to long term and they protect our environment. They reduce water use and the need for energy-guzzling air conditioning. It will be interesting to see what building materials will be used at Rottnest because we have a good opportunity to use renewable and recycled materials as well as non-toxic paints during the construction phases. Why can we not use this as a showpiece of Western Australian ingenuity? The rooms could be furnished with locally and sustainably made furniture and furnishings. Rottnest has a great opportunity to become an internationally recognised eco destination that provides world-class services and amenities in a stunning setting, offering local, interstate and overseas tourists the rare opportunity to enjoy a holiday in a pristine setting. It has virtually no vehicle or industry pollution and the proposed development could be designed to have very little impact on the local environment. I suggest that it is a great opportunity for WA to be a world leader in this area and bounce back from the global economic crisis.

We already have other high profile and successful eco developments in WA. Members may be familiar with Faraway Bay, which is near the Northern Territory border. It is about 400 kilometres from Kununurra. It is a three-time winner in the unique accommodation category. *Luxury Travel Magazine* has bestowed awards on it several times. It is often referred to as a stunning resort. I have not had the pleasure of going there. My colleagues tell me that it is a fabulous place. It is a bush camp in the remote east Kimberley region. Its marketing states —

... in this natural environ, there's nothing to distract you from absorbing the extraordinary sights, sounds and magic of this isolated slice of the Kimberley ...

The bush camp is set on a rocky hilltop overlooking the Timor Sea. The remote bush camp is made up of eight spacious cabins, each with 180-degree views of the cliff-lined bay. Six of the cabins feature ensuites and private outdoor solar-heated showers, and all are equipped with fans, lighting and mosquito nets. I think members can see that this is luxury accommodation on a small scale and in keeping with the environment.

**Hon Robin Chapple:** And a three-year waiting list.

**Hon LYNN MacLAREN:** And it has a huge waiting list, my colleague tells me. It has gourmet meals, it offers fine Australian wines and beers, and packages include transfer from Kununurra. This is innovative, sustainable and, dare I suggest, profitable ecotourism. That is the way we should be going. WA has a unique treasure that it presents to the world in this bush camp, and I believe the world is ready to take it up. However, we need to market it well. The Bush Camp Faraway Bay stands at the forefront of ecotourism, and it is proof that we do not need to decimate the local environment and add thousands of tonnes of carbon into the atmosphere to provide stylish and sophisticated accommodation.

I believe that if well planned and properly sited, the tourism industry can provide significant economic value, high-quality experiences and contribute to the amenity of local communities and their host environments. Simply orientating a building the right way can cut energy costs dramatically. Passive energy design does not cost a cent and it saves very much in energy costs. At a time of carbon constraints, we should be well aware of that. The government has a role in making sure that these principles are adhered to. Design decisions that affect all of us by way of energy and water use are left to developers, and the vast majority of them are not as forward thinking as others seem to be. Like residential design, the government is too scared to confront the "McMansion mafia" and demand a bit of architectural intelligence in our desert state.

There are unlimited opportunities in Western Australia for more high-end developments such as Faraway Bay, as well as more budget eco-accommodation options. Therefore, if well planned and properly sited, the tourism

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industry can provide significant economic value, high-quality experiences and can contribute to the amenity of local communities and their host environments.

This brings us to the case of Margaret River, where the lucrative tourism industry is in limbo as the community waits to see whether the government will choose to allow an underground coalmine to be built in this world-famous wine region. This government not only is taking little or no care to protect this tourism hot spot from inappropriate industry, but also seems to be rubbing salt into the wounds of the South West tourism industry by appearing to focus its energies on attracting tourists to Perth. To do this, the government is spending \$2 billion on major urban renewal projects in Perth, which, as we know them, are the Perth waterfront, Perth city link and Riverside projects.

The tourism minister recently announced a list of tourism events that are happening in Perth, such as the Hopman Cup, the national short-course swimming event and the V8 Supercars Championship Series, plus ongoing and past events such as *A Day in Pompeii*, which I very much enjoyed, and *The Graduate* production. These events are going to increase tourism numbers in WA, but probably mostly in the city. I do not want to criticise the hard work that is being done to improve the facilities in Perth, because I am all for that. However, I wanted to point —

**Hon Norman Moore:** Which of those events could you put in the bush?

**Hon LYNN MacLAREN:** I beg your pardon?

**Hon Norman Moore:** Which of those events could you have in the country?

**Hon LYNN MacLAREN:** I am suggesting that the country has its own special tourism to offer. My particular bent here —

**Hon Norman Moore:** But you're being critical of the fact that those events are being held in Perth, and I'm saying to you, "Well, where in the country could we have them?"

**Hon LYNN MacLAREN:** What I am talking about here is the \$2 billion that is being spent to attract people to the city, which is not a bad thing. However, I am saying that we need an equal injection into the country, and the point I am making is that Margaret River needs to be supported in its efforts to maintain its unique and pristine attraction to tourists. We cannot allow things like the coalmine, which is a coal seam gas project that threatens the water to which our vintners are desperate to maintain good access, to threaten that. I am saying that we need to value that as much as, if not more than, the \$2 billion that we have to invest to put on events in the city. I do not want this government to risk places such as Margaret River and Rottnest Island for the uniqueness that they offer. That is part of the reason that I live in Western Australia, and I think members of this place value greatly those wonderful things that this state has to offer. So let us not put them at risk. I am suggesting that there are inappropriate developments in these areas, and they can detract from those unique qualities and jeopardise the hundreds of businesses that rely on them for survival, particularly in Margaret River, which I believe has been very innovative in capturing that tourism market.

**Hon Robyn McSweeney:** The people in Collie would say that they have a beautiful part of the world too, yet they have coalmining. I am just pointing out to you that the people of Collie would say that they have pristine areas near the dams and other places, but they also have the coal.

**Hon LYNN MacLAREN:** I thank the minister. I would say, however, that Margaret River is already a home to booming tourism, and fishing, agricultural and recreational industries. The region's economy, as noted by the Premier in the other place, is worth \$750 million, and a lot of that would be driven by tourism. The planned coalmine would have a devastating effect on these businesses. The tourism minister should know that. Tourists do not want to see trucks, smell smog and hear heavy industry while they are sipping their sauvignon blanc on a vineyard balcony, because we can be sure that if one coalmine starts up, it will set a precedent, and others will follow.

**Hon Robyn McSweeney:** The Greens are supporting the chardonnay set now, are they?

**Hon LYNN MacLAREN:** No, the sauvignon blanc set.

Margaret River, as we and the world know, will be gone forever should we allow this industry to get a toe in.

I want to make some points about the tennis tournaments and museum displays and how they cannot compete with the experience of sipping some of the finest wines in the world while overlooking vineyards, the beautiful Australian bush—which, hopefully, we will not totally clear if this government has its way—and the sparkling Indian Ocean beyond. This is the sort of experience that visitors to WA are looking for. I say we deliver it to them. Coalmining and offshore oil rigs are not compatible with tourism, and they are not compatible with developing and supporting small businesses that rely on tourist dollars. A spill the size of the Montara oil spill

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would probably impact the coast from cape to cape. A spill the size of the Gulf of Mexico oil spill could affect our coast up to Perth. These are risks that we do not need to take. There is a place for mining and there is a place for tourism, and the two do not mix.

**Hon Norman Moore:** Where is that, if you wouldn't mind telling me? Where would you do it? Where would you allow mining to take place?

**Hon LYNN MacLAREN:** Plenty of mines exist in this state that we do not complain about. I know that the Leader of the House does not realise that, but that is the truth. This government should be supporting small businesses in our tourism areas by allowing them to have a future without the threat of pollution, unsightly land and seascapes, and heavy industry that spoil the experience of people who visit these areas.

When pressed on the possibility of introducing legislation to protect the region from mining, the government's response has been wishy-washy—I think that is a bit weak—unlike Mr Barnett's strong defence of United States-owned LD Operations, the company that wants to mine in Margaret River. He says, "We're not about to take away the right of a company to enter a proposal and let it go through an assessment process." Actually, he can do that. He can choose to make an area a tourism area and protect it for that reason. And what about the rights of those people who already live there? I suggest that their rights are worth more than the rights of a mining company. A mining company should not be treated as more important than the people of the Margaret River region.

In conclusion, I point out that tourists come to WA for the clear air, the beaches, the pristine environment and the views that are not blighted by heavy industry—a growing rarity in Australia and the rest of the world. Let us support our tourism industry and encourage dynamic ecotourism development. WA is in a good position to do that. This tourism minister should grasp that opportunity. These businesses would offer better long-term economic benefits to our state than a single mine, since they are ultimately more sustainable.

**HON NORMAN MOORE (Mining and Pastoral — Leader of the House)** [3.29 pm]: I am provoked to respond to a couple of comments of the last speaker. I will not take a lot of time other than to say that the member is quite comfortable for any government, presumably, to pass legislation to take away people's rights. That is what she just said: the government should legislate to take away the rights of anybody to do anything other than tourism or associated horticulture activities in the Margaret River area. I have said to some people that they need to be a bit careful about what they ask for, because when legislation determines what the land use of a whole region will be, it does in fact have potential adverse consequences on those landowners into the future. The member might ask some people who are opposed to coalmining and who want this legislation passed what their attitude would be to them being allowed to, say, subdivide their property down the track when the legislation says that it is there for broadacre use. Most of them would say, "I didn't really mean that. We just wanted legislation to stop coalminers."

Once companies, and indeed people, are granted mining leases, be they exploration licences or mining leases, they have a property right. The High Court of Australia has actually confirmed that a mining lease is a property right in the same way as freehold land. Therefore, when a company has been provided with a property right—I might add in this case by ministers before me—I am not about to unilaterally take away that property right.

If a temperance league came to me and said, "We actually don't like vineyards because they create alcohol and we'd like you to take away their rights to make wine", of course I would say, "Don't be so stupid", because people have a right to do that. At the present time companies with a mining lease in Margaret River, in Tom Price or in Warburton have a right to put forward a proposition in respect of that particular lease and that proposition would be, presumably, to mine it. So far the government has not received a proposition for mining in Margaret River. No submission has been made to the Environmental Protection Authority, no submission has been made to the Department of Environment and Conservation and no submission has been made to the Department of Mines and Petroleum to mine coal in Margaret River. But we are aware that there is a company which holds those mining leases and which has that as a potential activity. Until such time as the government receives an application, either for environmental approval or for mining approval, the government is not in a position to make any judgement, even though the member might like it to do that. There is no provision under the Mining Act for the Minister for Mines and Petroleum to take away a mining lease. Indeed, it would be a significant problem for any government if it were to unilaterally, by legislation or whatever, take away people's rights because of a political problem.

I would be interested to know what the member meant when she said that there are places where mining can happen. I would love to know which part of Western Australia she means, as I cannot think of anywhere in which she would agree to any mining taking place.

The Mining Act in Western Australia has been very successful legislation. It was brought in in 1978, was very controversial at the time and has been considered by most jurisdictions around the world as one of the best pieces of legislation for mining that exists. It has been amended ever since 1978. The previous Labor government made some amendments to it, but was quite happy to operate under its general principles. Because it is such good legislation, it provides companies who invest multimillions of dollars with the certainty that they need to convince their boards and their shareholders that this is a good place to invest their money in the mining industry. As a result, therefore, of good legislation and governments who have been prepared to accept the fundamentals of the legislation, we have a burgeoning mining industry. Ironically, many of the vineyards of the South West that the member wants to protect have been built on the proceeds of the mining industry—probably most of them, if the truth be known.

The mining industry, therefore, is not just about putting money in the pockets of shareholders of companies; it has in fact led to companies investing a lot of the profits they are making into other enterprises. I think what has happened in Margaret River is fantastic and what has happened in the hospitality industry is fantastic, as some of the profits of mining are reinvested in other industries in Western Australia. We have therefore created in Margaret River a magnificent tourism industry, magnificent wineries and magnificent food outlets—a really very attractive part of Western Australia. But it is not pristine. The member said it is pristine. Mr President, you know Margaret River better than most. It used to be cow country. It was where people raised cows long before anybody thought about growing grapes. There is nothing pristine about most of Margaret River. There are some parts, of course, that are national parks, but that is not the majority. So what we have now is an area that in my view is quite magnificent for tourism and quite magnificent for the things that it provides. We also have a company that has a mining lease, and it may put forward a proposal to mine coal. Until such time as that particular submission has been received, the government is not in a position to make a judgement. And if I did make a judgement and sought to cancel that mining lease, that would have a significant effect on the credibility of the Mining Act; that very act of Parliament that has been responsible for many companies investing multibillions of dollars in Western Australia because they have confidence in the processes of that act. The integrity of the Mining Act, therefore, is vital for the future of Western Australia.

But what is also provided for in the Mining Act is that people are not allowed to dig a hole in the ground, albeit they might have a lease, until they get all the necessary approvals—and there are multitudes of them. Companies are permitted under the act and under the various Western Australian acts of Parliament to make submissions and work their way through the processes, and we see what comes out at the other end. If this company decides it wants to mine in Margaret River, it will put forward a proposition to the EPA. The EPA will then make a decision about the level of assessment that is required—as members know, there is a range of levels of assessment—and then the company will have to go through that process. The process will be not just for the mine itself, but also for the transport of coal and for the port operations at Bunbury that the company talks about; it is the whole project. I would think it will be, therefore, an extraordinarily rigorous process to get approvals to do all those things. But the company is entitled to have a go. That is the nature of the Mining Act, and that is how it should be.

If the company does get through all the approval processes and at the end of the sausage machine it gets all the approvals it needs, the government could then still say at a cabinet level, “We don’t think this is appropriate for Western Australia”, and then make the decision to not allow it to happen, if that is what the government determines is appropriate. But until such time as that point is reached, we have nothing to judge yet, except for the conceptual plans that the company has put forward at the present time. And I am not about to make judgements of the sort that the member wants me to make on conceptual plans; I can make them only on real things.

I have to say that there are many people who have serious concerns about trying to combine the mining, horticulture and viticulture industries. Clearly I understand that, although I might add that there is a place called the Hunter Valley where people make perfectly good wine and which has perfectly good coalmines. I do not know whether they coexist well. However, Hunter Valley wine tastes just as good as any other wine that I have come across. I do not know that it is contaminated by coal dust, but that might be a particular characteristic of Hunter Valley wines. I think at one stage most of the red wines of the Hunter Valley were described as “sweaty saddle” wines.

**Hon Ljiljanna Ravlich:** What was that—sweet and sour?

**Hon NORMAN MOORE:** No, sweaty saddle. Obviously, the member is not an expert on wine. Anybody who drinks sauvignon blanc is not an expert either! That is an appalling thing to admit to! Can members imagine telling anybody that they drink sauvignon blanc?

**The PRESIDENT:** Order! I could not possibly entertain any criticism of Margaret River wine!

**Hon NORMAN MOORE:** The good winemakers of Margaret River make chardonnay, Mr President, as you know. Only New Zealanders make sauvignon blanc!

On a more important issue, I want to explain to the member that we are allowing this company to do what the Mining Act provides. This government will not make an arbitrary decision to take away a company's rights simply because there are some political issues. Once a government starts doing that, who is next in the queue? Will it be those people around the place who say that they do not want any mining here or there? The honourable member's colleagues do not want mining anywhere that I know of. Once a government breaks the fundamental rules of sovereign risk, who knows what the ultimate outcome will be, because that will become the precedent. After a while, the next government will say that there is a bit of an issue around Kalgoorlie or the Pilbara and nobody wants a mine there so it had better stop it. Then companies that invest money will ask what is the point of coming to Western Australia because governments arbitrarily take away their rights. We will work our way through this process and we will come up with an outcome that I hope meets everybody's requirements.

In respect of Rottneest Island, the member suggested that having a hotel on the island was potentially inappropriate. I listened very carefully to the member's speech. Although there was implied criticism about that and what is happening in Perth, there was not outright criticism. For example, she implied that by spending \$2 billion in Perth, we were ignoring the regions. Then she implied that by having half a dozen major events in Perth, we were ignoring the regions. I asked her by way of interjection which of the events that are being held in Perth could be held in the country and where they would be held. We are struggling to get an adequate track in Perth for the V8 Supercars Australia event; I do not know anybody who would build one somewhere else for one event a year. The member talked about the Hopman Cup. The only venue for the Hopman Cup is the Burswood Dome. Hopefully, the Perth Arena, if it is ever finished, will be the venue for the Hopman Cup. But I do not think anybody will build a Hopman Cup venue in Moorine Rock, for example.

**Hon Robyn McSweeney:** Where?

**Hon NORMAN MOORE:** Moorine Rock is a little town near Southern Cross.

The events that the member talked about can be held only in the metropolitan area. As an aside, Mr President, you may be aware that Western Australia has just been given the go-ahead to hold LNG18—that is, the 18<sup>th</sup> International Conference and Exhibition on Liquefied Natural Gas—in Perth in 2016. It is a major international conference that will have a dramatically beneficial effect on tourism in Western Australia because it will once again bring to Perth oil and gas people from all around the world. It was held in Perth in 1998, I think. It will be a huge event for Western Australia.

These events bring people to Perth. It is then the job of the regional tourism organisations to get people to go to the regions as well. Hon Liz Behjat made the point that Tourism Western Australia is now organising its budget so that it is not just a big bureaucratic mess doing all sorts of bureaucratic tasks that can be done by other people. Its money is now being directed to its main job—that is, attracting people to Western Australia. Interestingly in the history of the tourism commission, when the Liberal Party came to government in 1993, the McCarry report looked at all the government agencies and basically said that 90 per cent of the tourism commission's money was being spent on administration and 10 per cent was being spent on promoting the state, and it ought to be the reverse.

When we left office in 2001, and I had been tourism minister for five years, we had reversed it. We had a vastly improved capacity to promote Western Australia internationally and nationally. Over the past eight years, it has gone back to that vastly expanded bureaucratic organisation called the tourism commission with its own planning department and the whole works. The percentage of its budget being spent on promoting Western Australia was declining. I congratulate the current minister for making the decision that it must go back in the direction that McCarry recommended—that is, to improve the number of dollars that are spent on marketing Western Australia. The government's job is to get people to come to Western Australia, be that from other states or overseas. Virtually all these people have to come to Perth because, apart from Broome, it is about the only place where a plane from overseas can land. Most interstate flights land in Perth. When these people come to Perth, it is the job of the regions to get them to visit the undoubted attractions in the regions, which are very significant indeed. The implied criticism that somehow or other having these events in Perth is not good for the regions does not stack up. Firstly, they have to be held in Perth because there is nowhere else to hold them. Secondly, the regions need to take advantage of those major events to get people to go to the regions.

The member also made some comment about sinking the railway line and doing up the foreshore, as though that were somehow a waste of \$2 billion. It is very important from a tourism perspective for the capital city of a destination to be very attractive, because that is what people see when they first arrive. When Richard Court was Premier and decided to do something about Great Eastern Highway—albeit it started only at Rivervale—the whole entrance into Perth from the airport was tarted up; gardens were planted, infrastructure was painted and so

on. It was improved quite dramatically, but the road from Great Eastern Highway to the CBD is a disgrace and needs to be fixed, because that is the first impression that people get of Perth when they come in by aeroplane.

Putting that to one side, we need more hotels in Perth. As Hon Liz Behjat mentioned a moment ago, the old Treasury building will be made into a brand-new hotel. That will be fantastic, but we need some more hotels. To be fair to the hoteliers, they have their ups and downs, and they have not had such a brilliant history in Western Australia. They are not falling over themselves to build new hotels in Western Australia, and I am not quite sure what the reason for that is. Doing up the Perth foreshore, creating some vibrancy in the area of the Swan River, linking the city to the river and creating a whole new environment will make Perth a far more attractive city for people to visit. They will talk about the place when they go home; they will say what a magnificent city it is. Right now we have this wonderful piece of grass that separates the city from the river. That can be made far more attractive to tourists than it is now. The sinking of the railway line will create a magnificent potential development area for the City of Perth to link Northbridge and the city. Hopefully, some of the vibrancy in Northbridge—not all of it—will flow over the railway line into the rest of the city so that there is no longer no-one in the CBD on Saturday nights. That will be another major investment by the state and federal governments to provide vibrancy in the City of Perth. Again, that will make it far more attractive to tourists.

I think we are on the right track. The tourism commission is restructuring itself so that the money will be spent on getting people to come here. Dare I say it, the Elle Macpherson campaign was a great success.

**Hon Ljiljanna Ravlich:** You loved that—I remember that! You loved it; it was the only time you had smiled in this place in the last 32 years!

**Hon NORMAN MOORE:** But I could not help myself—has the member seen her?

**Hon Ljiljanna Ravlich:** I remember those debates—you loved them! I couldn't work out what it was that made you smile so much!

**Hon NORMAN MOORE:** I know; it was just incredible! I was overwhelmed to be in the company of such an incredible professional lady! I have to say that she was extraordinarily professional in the way she went about appearing in those advertisements, and they were very, very successful indeed. If anybody had a similar idea to do something else, I would be supportive of that.

**Hon Ljiljanna Ravlich:** It had nothing to do with “The Body”!

**Hon Peter Collier:** It probably had everything to do with it!

**Hon NORMAN MOORE:** As Hon Peter Collier said, it probably had everything to do with it!

The truth is that that particular individual is an attractive person, and when people watch attractive people on television advertisements, they actually watch. That is why it is done! Why do members reckon Elle Macpherson advertises all sorts of things? It is because people are looking, perhaps, at “The Body”, and then looking at the advertisement. Interestingly—if I may just as an aside, Mr President—we were promoting the magnificence of Ningaloo Reef, for example, and having somebody swimming around with whale sharks, as she was in a sense, was considered to be very attractive to people watching the advertisement.

As a state, we have to get out into the marketplace of the world to get people to come to Western Australia, and that is what Tourism WA is doing. The problem, in a sense, is that Tourism Australia spends money on promoting Australia, but where does it promote? It promotes Sydney, Ayers Rock and the Great Barrier Reef. Which of those are in Western Australia, Mr President? None of them. The main beneficiaries of Tourism Australia's activities—certainly when I was around in the business—were the eastern states and Uluru, so we have to do our own thing in Western Australia if we want to make sure that we get a share of the action.

Contrary to all the assertions made by Hon Ljiljanna Ravlich in her motion, things are, in fact, going very well for the tourism industry in Western Australia and we are headed in the right direction. We have made some hard decisions and we have made some significant capital expenditure decisions that will make Perth a far more attractive destination. We continue to be in the market to secure conventions and exhibitions—I have just told members about LNG18, which will happen in a couple of years. We are working very hard to make sure these things happen.

But that is not to in any way diminish the problems that the Australian dollar's value has created for domestic tourism. It is very cheap to go overseas these days. I would love to be going overseas myself with a pocketful of money because we can now go to London and the exchange rate is 60p to the Australian dollar, or whatever it is—it used to be 30p or 40p to the dollar. It is a good time to be overseas. Airfares are cheap, making it easier to get on an aeroplane and go somewhere else. It is a tough time in the international context for getting people to

come to Western Australia. Obviously, with the value of foreign currency being closer to ours, international visitors do not have the same sort of spending power as they used to when they came to Australia. In that context it is tough times; however, I am pleased that Hon Ljiljanna Ravlich did not blame the state government for the global financial crisis or for the current value of the Australian dollar.

**Hon Robin Chapple:** That's her next motion!

**Hon NORMAN MOORE:** Maybe she will move that motion sometime down the track!

Everybody knows that the state government is not to blame, and we have had to work our way through the global financial crisis in many ways; indeed, it is generally accepted that Australia—particularly Western Australia—has come out of the global financial crisis in better shape than most other parts of the world. That was largely to do with the resources sector, which brings me back to my very first comment about not destroying the credibility of our mining legislation for the sake of political expediency in one area of the state.

With those few comments, I think the motion deserves to be given the same resounding rejection as all of the other motions of a similar nature moved by the member.

**HON ROBIN CHAPPLE (Mining and Pastoral)** [3.54 pm]: I am glad I managed to make the Leader of the Government in this place have a little chortle there—that was really good!

The motion before us is interesting inasmuch as I think it has a couple of things wrong with it, which I will deal with in a minute. I do not know whether the Minister for Tourism is attempting to do the right or wrong thing. One of the fundamental problems we have with our tourism industry at the moment is the notion of a two-speed economy. We obviously have a lot of people who earn a great deal of money in the minerals sector in this state, and we also have a lot of people who do not work in that sector. From a state-based perspective, the type of people who can access our tourism is disparate. People who work in the mining industry sector have a reasonable amount of disposable income; people who do not do not have that same level of disposable income.

As I progress with my remarks, I will touch on the notion of the hospitality industry and the issues with the way the government has dealt with the Conservation and Land Management Act 1984. I understand there are proposed amendments to the CALM legislation that will, hopefully, enable Indigenous people to have greater input into the tourism sector; we will need to evaluate that legislation when it comes before us to ensure that it does. In many cases Indigenous people have been the losers in many aspects of the tourism industry; hopefully, the amendments to the CALM act will enable them to become more involved.

I wish to deal with the point made by the Leader of the House about people's rights and the rights of the mining industry. I tend to agree with the minister that all parties have rights. The Mining Act provides, by its very nature, certain rights to the mining industry to be able to progress a mine once it has gotten to a certain stage. It is implicit in the act that that is the way people should be able to progress. In contrast, I refer to the Aboriginal Heritage Act, which does exactly the opposite for Indigenous people. The Aboriginal Heritage Act gives appeal rights to proponents in the industry and denies any justice or appeal rights to Indigenous people. David Ritter, an eminent lawyer, wrote a very scathing paper on the nature of the Indigenous Heritage Act with respect to the rights of Indigenous people to appeal any form of development, be it a tourism development, a mining development or anything that might impact on their heritage or rights. The paper was called "Trashing Heritage"; it is a legal paper, and I suggest that if members get the chance, they should read it. It can be found in a number of locations on the internet, and it really gives a very, very good overview of the denial of rights to Indigenous people in these matters. So, yes, people's rights are important.

Also, in the Kimberley somebody who was granted a lease until about 2022—something like that—has had it confiscated for failing to carry out mining activity, even though the Department of Conservation and Land Management and the Aboriginal Heritage Act have prohibited mining activity on that site.

There seem to be rights implied in the Margaret River area, while different rights are implied in respect of the government's interests in the Kimberley, which is at odds with miners' rights in the Kimberley apropos what is going on in Margaret River.

**Hon Norman Moore:** Don't you think that a mining tenement should be used for mining purposes?

**Hon ROBIN CHAPPLE:** Yes, but when there are caveats placed over that —

**Hon Norman Moore:** Well, it should never have been granted in the first place.

**Hon ROBIN CHAPPLE:** Well, it was, and just prior to it being confiscated, Hon Norman Moore's government relicensed it to 2022. The application went through; all the form 5s were filled in correctly and all the documents

were filled in correctly. The member's government provided an extension of the licence, and in the same letter as the extension of the licence was notice of confiscation of the lease.

I really want to get back to the motion before the house and take members on a bit of a taxi drive of my own through the electorate. If we leave Perth and head towards Geraldton, we find that accommodation is relatively plentiful in Geraldton; it is good accommodation and relatively well priced. I think it is an average of about \$145 a night for a hotel room and there is access to caravan parks. As we progress up the coast and get to Onslow, prices in hotels start to go up and access to hospitality and caravan parks and the like becomes more difficult. By the time we reach the Fortescue River roadhouse, which was a very famous stopping-off place for caravanners in the past, we find that we can no longer stay there overnight. Accommodation has tripled at the Fortescue River roadhouse; maybe it has even increased tenfold. The key issue is that all that accommodation has now been handed over to the mining industry, and if one can get a room in a donga, one will pay around \$250 a night, although it is highly unlikely that one will get a room. Caravanners and other people heading north towards the Kimberley can no longer stay overnight at the Fortescue River. When one gets to Karratha, one will be lucky to get a bed in a hotel, and it would cost around \$340 a night. One can no longer stay at the caravan park; it has been converted to chalets for fly in, fly out workers. Indeed, even further up the coast, at Roebourne, one can get accommodation at the caravan parks, but it is patchy, because accommodation in the Roebourne area is already being consumed as a result of the housing shortage in Karratha, and the caravan parks are getting pretty full.

There used to be three caravan parks in Port Hedland, including a really lovely one at Pretty Pool; they have now all been given over to the mining industry and it is virtually impossible to stay in a caravan park in Port Hedland. Hotels are a little more accessible there than in Karratha, and maybe not quite as expensive—around \$240 to \$250 a night—but it is fairly difficult for grey nomads to stay there. When we get to Broome, things are a bit better; it has not been consumed to the same degree. Prices are relatively high for hotel rooms, but not exorbitant, and caravan parks and camping accommodation are still readily available. One of the things that concerns the communities up there is whether, if the Browse Basin project at James Price Point goes ahead, they will face the same accommodation problems being faced in the Pilbara.

On that matter, I would like to read a media release of 21 March 2007 from the Kimberley Marine Tourism Association. It states —

The president of the K.M.T.A Mr. Kevin Blatchford has warned that their industry will be terminally impaired if the resource boom is not kept under tight control.

“We have concerns on many fronts. LNG plants on the coastal wilderness, strip mining and bauxite smelters on the Mitchell Plateau and the proposed open cut iron ore mine at Irvine Island in the Buccaneer Archipelago.

Since then there has also been the massive coalmines proposed by Rey Resources Ltd. It continues —

“There is barely a square metre of the coastal Kimberley that isn't under an exploration tenement. We are digging up major new threats every week.”

The Government has been very quiet on these issues as has Tourism Western Australia. It all seems like a ship without a rudder.

They spent up big, advertising the values of the WA tourism industry. I'd like to remind them that our industry is worth \$300 million a year. We truly are the real thing!”

That was from 2007, so the problems that we are currently experiencing are fairly deep seated and historical.

I digress; I moved too far up the coast too early. Going back to Ningaloo, all members will remember the Save Ningaloo campaign; there was great opposition to the Mauds Landing proposal, and eventually in 2003 the state government of the day identified that we really needed sustainable development at Coral Bay. Following this was a massively popular decision to put in place a development strategy that would include a 30-year plan for developing the area.

It would seem that much of the plan that was put in place is now in tatters. As with most things, if there is an extra dollar to be made, commonsense seems to be overlooked. Sadly, it would appear that this is the case with the proposed workers' accommodation at Coral Bay. The current proposals blatantly disregard both the original proposal and, indeed, the concept of sustainability. BAC Village Pty Ltd, through Hames Sharley Pty Ltd, is proposing to acquire additional land—in fact, more than 200 per cent more—for freehold residential development within an area strictly controlled by the strategy. The strategy was going to operate in that area only for the development of workers' accommodation. It was going to be zoned for that area, and it was going to be limited to that. BAC is applying for a freehold residential development in an area that was originally strictly controlled by the strategy. Failing to appropriately utilise substantial government investment and the

**Extract from *Hansard***

[COUNCIL - Wednesday, 17 November 2010]

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Hon Ljiljanna Ravlich; Hon Helen Bullock; Hon Liz Behjat; Deputy President; Hon Lynn MacLaren; Hon Norman Moore; Hon Robin Chapple

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development rights for a separate 400-bed eco lodge within the town boundary to raise capital, consultants for BAC are now attempting to raise moneys over and above that needed for the workers' accommodation project by embarking on a one-off sale of public assets to the highest bidders. Yet again, very few will own and exploit what should be owned and protected by all.

Debate adjourned, pursuant to temporary orders.