

## **TOURISM WA — RESTRUCTURE**

### *Motion*

**HON LJILJANNA RAVLICH (East Metropolitan)** [10.11 am]: I move without notice —

That this house calls on the Minister for Tourism to explain how the restructure of Tourism WA, the closure of Tourism WA's seven regional offices by the end of 2010 and the 85 job losses can be good for the struggling WA tourism industry and the thousands of small businesses that are a part of it.

The motion calls for three things. Firstly, it calls on the Minister for Tourism to explain how the restructure of Tourism WA will benefit the tourism sector; secondly, it calls on the minister to explain how the closure of Tourism WA's seven regional offices will be good for regional tourism and all the small businesses that make up the tourist industry in this state; and, thirdly, it calls on the minister to explain how reducing the total number of full-time equivalents within a small agency by more than 50 per cent—in other words, 85 job losses out of 159—can be positive for the industry as a whole. We know it will not be positive for the 85 people who will lose their jobs.

It is concerning that this restructure comes at a time when the industry is doing it very tough. It is concerning that ever since Minister Constable became the Minister for Tourism, there has been a decline in the level of progress in tourism and, in particular, tourism development. For quite some time there have been growing concerns because of the inaction of the minister on a range of issues. Since the minister became the Minister for Tourism, we have seen the industry go backwards. There is a lot of uncertainty in the industry. It had a major knock from the global financial crisis and it is doing it extremely tough.

For the past 20-odd months the people who make up the tourism sector have been hopeful that the minister would produce something in this budget that gave some direction to the industry, something positive to assist the participants in the industry to move forward and finally get to a period where there may be some growth in tourism. Unfortunately, we have not seen that. Unfortunately, we have seen an axe taken to that organisation. The industry is now fearful that for the next two years tourism will limp along, there will be no progress in tourism and uncertainty will continue. After 20 months of turmoil for Tourism WA employees, the Barnett government has finally confirmed that staffing will be reduced by a massive 54 per cent. We do know that Tourism WA faces an uncertain future. We also know that all the positions, including the 85 that will be lost, will be filled and employees within that organisation who want to stay will have to reapply for their position but they will not be able to apply for a position that they were acting in. In other words, a level 3 officer who may have been acting in a level 5 or 6 position will be able to apply only for a level 3 position if that was the substantive position. Clearly, this will mean that a lot of people who choose to stay within the organisation will be disadvantaged.

Whilst this government has forced the cost of household bills sky-high, we are also seeing major job losses across the public sector. The government and the Minister for Tourism would have us believe that we can do more with less and tourism can reduce its staffing by 54 per cent and achieve the same outcome. The simple fact is that it does not work like that. No-one believes for a moment that that will be the case.

One of the areas that has been heavily hit is the industry development division within Tourism WA. That whole division will be abolished as part of Tourism WA's restructure. Sitting within that division are seven regional offices, which have been manned. They have been the face of Tourism WA in regional Western Australia. They have had a very important role to play in industry development, working with the tourism sector and the regional operators to ensure that product is brought to the market. To have got rid of the industry development division and said that whatever is done in tourism will now have a marketing focus just beggars belief. Other states and territories did a similar thing years ago. They have now turned around and said that marketing is not the way to go; they have to move back to focus on industry development. This is clearly a very negative move at a time when the industry is doing it tough. I want to give an indication of how tough this industry is doing it. If we look at accommodation occupancy and revenue returns for the months of February and March—I am taking this from "WA Tourism Industry Scorecard" from April 2010, so it is current—the occupancy rate for the central business district in Perth changed from 2008 to 2009 by minus 2.7 per cent. There was a change from January to February 2010 versus January to February 2009 of minus 3.4 per cent. It is negative all the way through until we get to March 2010 versus March 2009 where it is minus 0.9 per cent. Occupancy in the Perth metropolitan area, which is a broader area, is minus 1.8 per cent. We know that occupancy is down in the CBD. We know that the revenue, for example, for accommodation is also down in the Perth CBD. There has been a change of minus 4.7 per cent from March 2009 to March 2010. The industry is doing it tough.

As a result of this structure, there will be fewer opportunities to develop tourism in this state. If the regional offices in those areas are not providing services to tourism operators who want to develop product, it will be very

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hard to attract tourists to those areas. The seven regional offices are located in Albany, Broome, Bunbury, Carnarvon, Geraldton, Kalgoorlie and Karratha, and they will be closed by the end of 2010. Tourism WA will look to other agencies to transition some of the services. Unfortunately, Tourism WA has not consulted with the regional development commissions or the Department of Commerce, so this is pie-in-the-sky stuff; those organisations will not be appropriated to take up any of the functions that were previously performed by those regional Tourism WA offices.

I refer to some correspondence from Kate Lamont, the chair of Tourism WA, dated May 2010. She clearly states that if tourism businesses need support in regional areas, they can go through peak industry bodies such as the Tourism Council Western Australia—which is located in Perth. They can go to the Australian Tourism Export Council—also located in Perth. They can seek support and advice from the Australian Hotels Association WA, located in Perth; however, I do not think that Bradley Woods has been consulted about his organisation picking up the slack left by the Minister for Tourism’s policy decision. I am sure he will not be funded by the government to provide a service to support tourism operators who may want to develop tourism product. Ms Lamont also says that if tourism businesses need assistance, they can go to Restaurant and Catering Western Australia and seek expertise in the private sector. This is simply not good enough.

This is apparently about a new business model for Tourism WA. We know that we do not get our fair share of the interstate tourism market and, in fact, our share of the interstate market is only five per cent. We have to ask why it is the case that we get only five per cent. The Minister for Tourism believes that we get only five per cent for the reason that we do not do enough marketing. We know that outbound international travel is a major challenge, and we particularly know that over the past two years, the number of Western Australians travelling within Western Australia has declined rapidly.

We also know that the minister introduced a campaign called Holiday in WA, which cost millions of dollars and clearly did not work. Western Australians are travelling overseas in increasing numbers while the number of Western Australians travelling within Western Australia has declined; this comes after the minister’s investment in marketing the Holiday in WA campaign. Marketing is clearly not the key.

The minister believes that we need to significantly build our industry and achieve profitable growth, and to do that she wants to make Western Australia the destination of choice amongst our target consumers and convert them with a compelling marketing message. Of course, we know that Holiday in WA was a failure and we know that the Extraordinary Taxi Ride is an absolutely dumb idea; we have evidence to show that it is a waste of \$6 million of taxpayers’ money. That campaign being the disaster that it is, why would the minister want to continue with something that has clearly failed? The Extraordinary Taxi Ride was supposed to lure tourists, but the Premier himself has said that it is a wacky idea. The minister did not even bother to wave off the taxi; the taxi has gone, and we do not know where it is. No-one knows where the taxi is at the moment and quite frankly, no-one even cares. I was watching television about three weeks ago; the weather was coming on, and good old Channel 7 did a bit of a clip on the Extraordinary Taxi Ride.

**Hon Jim Chown** interjected.

**Hon LJILJANNA RAVLICH:** It is not the international symbol of travel; that is the aeroplane. The minister said that she picked a taxi because it is the international symbol of travel; it is not. The international symbol of travel is the aeroplane.

In an article in *The West Australian*, Geoffrey Thomas said that the \$5.6 million Extraordinary Taxi Ride campaign had failed in its main aim to raise awareness of Western Australia on the internet, and that a leading tourism consultant had labelled the campaign corny, not smart and containing nothing to make it stand out. A survey by *The West Australian* revealed that only a handful of posts had appeared on the YouTube coverage of the event, which had garnered just over 3 000 hits. Tourism WA, naturally, is upbeat about the campaign; it claims that the campaign has reached an audience of 40 million around the world, with hundreds of media articles worth about \$1.8 million in exposure. The campaign cost \$5.6 million, and Tourism WA is claiming a big win because it has \$1.8 million in exposure!

Everyone knows that this is a disaster.

**Hon Simon O’Brien:** You’re the only person expressing that opinion.

**Hon LJILJANNA RAVLICH:** Does the minister know where the taxi is? Does anybody in this house know where the taxi is? It may be parked somewhere; all we know is that this campaign is a disaster and that the taxi is lost out there!

The Minister for Tourism thinks there needs to be a compelling marketing message, yet after Holiday in WA and the Extraordinary Taxi Ride, that marketing message has yet to be achieved. One wonders where all this extra money for marketing is going to go.

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No tourism minister has ever taken an axe to the events in WA to the extent that this minister has. It is extraordinary for her to now claim that she is going to provide a world-class line-up of events, after having got rid of nine events in her first year as minister. All we are left with is the Hopman Cup, and there is now some controversy about that event because, as I understand it, it is now doubtful that Channel 7 will continue to televise it. The Minister for Tourism also claims we need big-ticket tourism infrastructure and that there is nearly a billion dollars worth of new infrastructure for tourism. They have taken 15 priorities that were set by Labor—I refer to general infrastructure projects, such as major highways and bridges—and have claimed that they will be vital and, therefore, make up —

**Hon Simon O'Brien:** Who is “they”?

**Hon LJILJANNA RAVLICH:** I refer to the Minister for Tourism.

**Hon Simon O'Brien:** When did she do that?

**Hon LJILJANNA RAVLICH:** I can give the minister an adjournment statement on that, and I probably will.

There will be absolute cuts in tourism. Staff numbers in Tourism Western Australia will be reduced from 159 to 74. The marketing division, which currently has 54 full-time equivalents, will be sliced down to 26 FTEs. Under the new business model, Eventscorp’s 14 FTEs will be reduced to 10 FTEs. The 47 FTEs in the infrastructure and investment branch of Tourism WA will be reduced to 14 FTEs. The Minister for Transport should be very concerned about that.

I do not understand how the Minister for Tourism expects the tourism sector, which is a vital contributor to our gross state product, to survive under these conditions. It is absolutely disgraceful.

**HON LYNN MacLAREN (South Metropolitan) [10.33 am]:** I rise to speak in support of the motion. I, too, would like to hear how the restructure of Tourism Western Australia will impact on our struggling tourism industry. The Greens (WA) are concerned about the jobs that will be lost. I would like to hear that the additional expenditure of \$31 million will be spent wisely. In particular, I am looking forward to hearing about the expanding ecotourism industry and the sustainability of our tourism industry. There are some exciting new developments in Australia and the Greens would like to see WA position itself to take full advantage of those developments. I note the federal government’s tourism strategy, “Climate Change Guide, Mitigation and Adaptation Measures for Australian Tourism Operators”, which was announced last year. I would like to see developments along those lines in the Western Australian tourism industry.

**Hon Simon O'Brien:** Did that get shelved with the ETS policy?

**Hon LYNN MacLAREN:** The minister would have to ask another party about that.

I do know that tourism in Western Australia is largely coastal. We have a lot of coastal attractions and we need to take into account rising sea levels and climate change impacts. The Greens believe that the money should be spent prudently and that we develop for the future, not only today. Sustainability should be the driving ethos for all tourism development and operations, not only the nature-based ones. Nature-based tourism should be carefully managed. The Greens are concerned that nature-based tourism may have an impact on conservation estates. We hope that that is carefully managed.

The state tourism budget does not have the major impact on tourism; rather, it is the industrialisation of the Kimberley, which has some of Western Australia’s prime tourism sites. The industrialisation of the Kimberley must be carefully managed so that it does not impact negatively on the tourism industry. I recently visited Margaret River and noted the very serious concerns about oil exploration off the coast and the potential impact of the oil industry on the thriving Margaret River tourism industry. One of the government’s goals is improving air access to Margaret River. I would hope this is not for a fly in, fly out oil exploration workforce, but for the many tourists who want to visit Margaret River and spend lots of money.

**HON DONNA FARAGHER (East Metropolitan — Minister for Environment) [10.36 am]:** The government will not be supporting this motion.

**Hon Ljiljanna Ravlich:** Surprise, surprise!

**Hon DONNA FARAGHER:** Surprising, but true!

The government clearly recognises the importance of tourism to Western Australia and the importance of promoting the unique places that we have on offer to local, interstate and overseas visitors. The simple fact, despite what Hon Ljiljanna Ravlich has said, is that WA has been missing out. That is why last year, with the full support of the government, the Tourism Western Australia board undertook a strategic analysis. It asked the tourism industry how the government should invest its funding. Despite the claims made by Hon Ljiljanna

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Ravlich this morning, industry consistently and resoundingly said that marketing was the key. There is no question that the government has a role in destination marketing. The industry has demanded this and the Tourism Western Australia board has responded. As a result, major changes were announced as part of the budget. The fact is that between 1998 and 2009, domestic tourism in Australia declined with outbound tourism growing by 98 per cent. Of course, WA has not been immune to that decline. The fact is that the interstate market presents a huge opportunity for this state and we are not getting our fair share of it. Indeed, we have only a five per cent share of that market. From an internal perspective, it is unrealistic to expect and convince Western Australians to stop holidaying overseas and to holiday only in WA. However, it is realistic to encourage locals to take more short breaks and to appreciate what we have on offer on our doorstep. It is irresponsible for the government to sit on its hands and not take steps to address the decline in domestic tourism. The focus of the tourism agency should be on promotion, not on overheads and the delivery of services that are not associated with the marketing of Western Australia. The focus for Tourism Western Australia should not be on areas that can be delivered more effectively—indeed, in some cases more appropriately—by other agencies and organisations. I refer, for example, to providing on-ground support services for local businesses. A number of industry associations, such as the Tourism Council Western Australia, the Australian Hotels Association, the Australian Tourism Export Council and the Visitor Centre Association of Western Australia, are equipped and motivated to provide support for individual tourism businesses. This no longer needs to be the key role of Tourism Western Australia. Despite claims by Hon Ljiljanna Ravlich, those industry associations are very supportive of the change in focus for Tourism Western Australia. It should be remembered that more than 17 government agencies and departments are involved in tourism. I refer, for example, to regional development commissions, the Department of State Development, LandCorp, the Department of Fisheries, VenuesWest and the Department of Culture and the Arts. The list goes on. My department has already identified opportunities for greater collaboration with Tourism Western Australia through the Naturebank initiative that the Minister for Tourism and I announced towards the end of last year. We clearly recognise that placing a greater emphasis on marketing is central to driving visitation to regional WA. Despite the views of Hon Ljiljanna Ravlich, this view was supported by feedback gained through the Tourism Western Australia board in consultation with the tourism industry and other stakeholders. To significantly build this industry and achieve profitable growth, we must make Western Australia the destination of choice among our target consumers and convert them with compelling marketing messages and offers, and provide a world-class line-up of events and tourism infrastructure that makes it easy for people to get here. We must give them great places to visit during their stay.

Less should be spent on salaries and overheads. When Hon Norman Moore was Minister for Tourism in the Court government, there was a greater focus on marketing and promotion. Under Labor, this changed, and the number of staff increased to around 169, yet domestic tourism still declined. The changes that the Minister for Tourism has announced reflect the aim of the government and the board to double the contribution of the tourism industry to the state's economy by 2020. To achieve that, the focus will be on three core areas: to market the state as a competitive tourist destination; to develop, attract and market major events; and to support significant tourism infrastructure developments.

Although these functions have always been part of the objectives of Tourism WA, the efforts of the organisation have broadened in recent years to include activities that do not contribute to significant tourism growth. This government has shown a preparedness to support the very bold decision of the Tourism WA board to free up an additional \$31 million over four years for destination marketing, rather than continue an unsustainable business model under which much of its budget is spent on salaries and overheads. As has been recognised by the government, we need an across-government approach to tourism. The 2010-11 state budget outlined approximately \$1 billion in initiatives over the next four years outside of Tourism WA that will have direct benefits for the tourism industry. In my own department, for example, this budget delivers improvements to visitor access and tourism facilities in key areas, including \$20 million in new funding for improvements to park infrastructure and road access through the royalties for regions program. Major works will be undertaken as part of the government's parks and tourist roads improvement program, including \$380 000 to improve safety at various sites at Karijini National Park and to upgrade facilities at Hamersley Gorge and Fortescue Falls; \$450 000 to redevelop the Hangover Bay recreational area in Nambung National Park; \$200 000 to redevelop the sites and facilities at Steep Point in the World Heritage-listed Shark Bay area; \$500 000 to improve visitor safety and redevelop facilities at Sugarloaf Rock in the Leeuwin-Naturaliste National Park; and \$500 000 for a range of improvements throughout regional parks in the metropolitan area. Members may ask why we are doing this. Western Australia has 98 national parks in this state—many people would not even know that.

**Hon Ljiljanna Ravlich:** Neither did you before you became the minister!

**Hon DONNA FARAGHER:** I can assure the member that I know national parks, and that number has increased since we have been in government because we now have Dirk Hartog Island.

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Although we recognise that these areas are important from a conservation perspective, they are also there for people to enjoy, whether they are locals, interstate visitors or overseas visitors. We need to show people what Western Australians are very proud of. Tourism WA's new business model will be very flexible and sustainable, and it will enable the agency to adapt quickly in this dynamic industry. It also complements other positive changes and new directions being taken by the minister and the board. Hon Ljiljanna Ravlich has made some typically negative comments about the new tourism brand, Experience Extraordinary.

**Hon Ljiljanna Ravlich:** "Typically on the mark" is what you really meant to say!

**Hon Simon O'Brien:** Typically out of touch!

**Hon DONNA FARAGHER:** There will be a series of innovative marketing campaigns, the first of which is the Extraordinary Taxi Ride. Given that Hon Ljiljanna Ravlich has clearly not taken any notice and is not interested in tourism activities in this state, I advise her that Doug—the great bloke who is the taxidriver—is in Purnululu National Park in the Kimberley with his latest visitors. Hon Ljiljanna Ravlich will not need to google that!

Far from being disastrous, as suggested by the member, the Extraordinary Taxi Ride campaign, which has travelled to the most unique places in our great state over the past seven weeks, has already reached an audience of 40 million people around the world. There have been more than 140 000 visits to the Tourism WA website, and 8 000 hours of consumer interaction.

**Hon Ljiljanna Ravlich:** Is Doug using a four-wheel drive in Purnululu?

**Hon DONNA FARAGHER:** The member will not want to hear this, but it is a fact that the results of this innovative approach are already high. A United Kingdom wholesale partner has reported a 68 per cent increase in bookings as a direct result of this campaign, and a domestic wholesale partner has reported a 100 per cent increase in bookings. It is not true to say that the new focus of Tourism WA in any way reflects a lack of commitment to regional WA or the quality of the work done by Tourism WA to date, but the government supports the board's view that it will be more efficient to work with other agencies with the expertise to deliver at the local level. Indeed, the board evaluated the delivery of services to the tourism industry in regional WA and concluded that it would be more effective for services to be delivered by government organisations with extensive and well-established regional structures, rather than Tourism WA trying to duplicate the networks that are already available in the regions. The tourism industry is a mature industry that has access to a range of private sector and industry-based associations that are equipped and motivated to provide support to local and individual tourism businesses. This does not need to be the role of government.

The new structure for Tourism WA is not an exercise in cost cutting or job shedding by the government, as suggested by the opposition.

**Hon Ljiljanna Ravlich:** Yes, it is—it's an exercise in futility.

**Hon DONNA FARAGHER:** It directly reflects feedback and direction provided by the tourism industry, and the aim is to refocus and redirect Tourism WA's resources to deliver the greatest benefits for tourism across this state. It is recognised that there will be a reduction in staff; however, Tourism WA will be transitioning projects and responsibilities, and in some instances staff, to other government agencies before the end of the year. Provision has also been made for other affected staff. Permanent employees will have a range of options, including placement in positions in the new structure, redeployment and access to voluntary severance. Roles not filled by permanent staff will be advertised, and contract staff will be able to apply for those positions.

Redirecting resources to marketing and partnering more with industry will have a much greater impact on driving tourist numbers to regional WA than continuing to provide on-the-ground business support services at a local level, particularly when that can be done through other organisations. The tourism industry and other stakeholders have played an important role in helping the Tourism WA board to shape the new structure and focus of the organisation, and I reiterate that the government will not be supporting this motion.

**HON MIA DAVIES (Agricultural) [10.48 am]:** The National Party welcomes the focus on tourism that this new strategy will provide. We, as a general principle, support the strategic use of the available funds to deliver better outcomes for tourism. Many tourism experiences are, as we know, in the regions. We will be watching with interest to ensure that regional views are reflected in the tourism commission's decision-making processes. There has been mention of utilising existing regional government networks such as the regional development councils, business enterprise centres and community resource centres. We have spoken a number of times on the capacity of these organisations that are being built as we go forward under the Liberal-National government. The decision to utilise existing government networks will have funding implications, and we hope that the new strategy enables the existing government agencies to deal with specific issues relating to tourism and the development of a vibrant industry throughout the state.

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I do not question the board's focus on shifting its expenditure towards marketing, and I think there is a good case for doing that. I do, however, think that we need to make sure that the board has access to quality information that reflects the diversity of the state and the regions of the state, and that these existing organisations are, in turn, equipped to support new and existing tourism ventures. This change may well deliver better outcomes for the state. Change is not necessarily a bad thing. To remain stagnant and expect a different outcome is not always a good thing. We will be working closely alongside the minister to ensure that regional Western Australia's voice is strongly represented in the new strategy.

**Hon Adele Farina:** How?

**Hon MIA DAVIES:** We are looking forward to seeing the detail of the strategy.

**Hon Ljiljanna Ravlich:** We have all seen the detail of the strategy; that is why we are having this debate.

**Hon MIA DAVIES:** I look forward to hearing the remainder of Hon Ljiljanna Ravlich's comments.

**HON ADELE FARINA (South West) [10.51 am]:** I support Hon Ljiljanna Ravlich's motion. This government is reducing the staff of Tourism WA by 96 full-time equivalents from 156 to 74. The government is closing seven Tourism WA regional offices and a number of overseas and interstate offices. The process has been shrouded in secrecy, and staff have been dealt with in a callous way. The government argues that this restructure is necessary in order to grow a profitable and sustainable tourism industry, yet the government and the Tourism WA board have failed to provide any evidence to support this proposition.

In March, I asked the Minister for Tourism to table the report of the review of Tourism WA after the board failed to inform industry of the details of that restructure in early 2010, as had been promised by the chair of Tourism WA. The minister declined this request. In response to a letter from me, the Premier assured me that the strategic analysis would be released when the government had considered all of the recommendations in the report. In a response to a question asked by me on Tuesday, the Premier replied that the strategic analysis was on the website. I have searched the website. Neither the review report nor the strategic analysis is on the website. The only things on the website are a couple of media statements and a PowerPoint presentation, which I understand was delivered to Tourism WA staff on 20 May. So much for open, transparent and accountable government!

I have never seen a review or a restructure conducted in the way that this restructure is being conducted. Staff have been excluded from the process and staff and industry have been kept in the dark until decisions have been made. This is not an open, transparent and accountable government, and it is not good governance. In every review and restructure that I was a part of under a Labor government, we published very clear terms of reference for the restructure and we undertook extensive consultation with all stakeholders and sought submissions. Often we held a number of public meetings and information-gathering sessions as well. We then released a draft report, or discussion paper, which was followed by another round of consultation with the stakeholders before a final report was prepared, which went to the relevant minister and to cabinet. The final report was then publicly released so that everyone could see what went to cabinet. In many cases, the final report was also tabled in Parliament. None of these open, transparent and accountable processes were followed by this government in this review. It is also standard practice in these sorts of reviews to provide a list of people who made submissions and to provide a table detailing the issues that were raised in the submissions. This government has refused to release that information. The public has a right to know the issues that were raised in the submissions and whether the government has appropriately assessed those submissions. This is especially important given the experience with this government, this minister and this board.

I draw members' attention to two documents, which is really one document. They are "Australia's South West: Tourism Development Priorities 2010-15". The draft document was prepared in consultation with industry and sets out the priorities that the tourism industry in the south west wants. The draft report was ticked off by industry. The other document is the final report that was released by the Tourism WA board.

**Hon Simon O'Brien:** They looked identical.

**Hon ADELE FARINA:** The draft document contains a list of submitters to this process, so I do not know why the government cannot release that information about the review process. This document —

**Hon Simon O'Brien:** Which one—the first one or the second one? We can't tell, if you just wave it around.

**Hon ADELE FARINA:** The draft document included a range of issues raised by industry that Tourism WA would take responsibility for, and work through, with industry. They were the planning and development issues that industry considered to be relevant and important in an area in which the industry needs continuing assistance. The final report has removed all the priorities that were identified by industry; they are simply not there. The final report also has reordered priorities. As I said, it has dropped a number of them and added a few others that industry did not raise. This government has no shame. The stakeholders who signed off on that report

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are not happy. Clearly, the Tourism WA board decided that it could not have an industry priority list that differed from the board's intentions regarding this restructure and so the board has unilaterally changed the industry-endorsed document that set out the industry's priorities and what industry wants, as opposed to what the board wants. In light of this evidence, the government must release the submissions received on the Tourism WA restructure and the review report. Neither industry nor the community has any confidence that either the Tourism WA board or the government will be open, transparent and accountable or that they will heed the views of industry.

The media releases by the chair of Tourism WA have identified that there needs to be a refocus on marketing the state and on developing, attracting and promoting major events and developing significant tourism infrastructure projects. She states that more money needs to be spent on marketing the state to grow visitor numbers, yet a Tourism WA PowerPoint presentation, which is on the web, states that over the past six years WA has outperformed the rest of Australia. Visitors' spending in WA has grown by 8.5 per cent while in the rest of Australia it has grown by only 0.5 per cent. Visitor numbers have also grown over the past year by 2.7 per cent. That is not to say that we cannot do better. Of course we can, and of course we want to grow those numbers. The PowerPoint presentation also states that industry needs to rely less on government funding, yet the minister is saying that slashing Tourism WA jobs will result in a saving of \$31 million over four years, which will be directed to industry marketing. When one looks behind the spin to the truth, one finds that the extra spend on marketing—\$31 million—is for four years only; it is not an ongoing amount of money that industry can rely on. The current marketing division of 54 staff is being reduced to fewer than half, with only 26 staff to remain.

The chair and the minister have talked up the new infrastructure and investment division that is to replace the industry development commission that currently exists in Tourism WA. Again, this is more spin without substance. There always have been infrastructure and investment positions in Tourism WA that have managed WA Landbank, investment attraction and the development of significant development tourism projects. The proposed new division is nothing more than rebadging and it also delivers a reduction of positions from 47 to only 15. It is not clear how a reduction of two-thirds of those positions will deliver what has been promised. The PowerPoint presentation refers to a list of 15 top development priorities, yet it lists only four. I would like to know what the other 11 are, and so would the industry.

The chair argues that delivering on these 15 big-ticket items—the tourism infrastructure priorities—will grow tourism numbers to the state. However, it is not clear what, if any, funding has been committed to these big-ticket items. I call on government to provide a list of the 15 priorities and to disclose what, if any, funding has been committed to deliver these big-ticket items, because industry certainly is not aware of that.

The third core that the chair of Tourism WA has identified is developing, attracting and marketing major events. I might need an extension of time. Mr President, is that possible under the new standing orders?

*Ruling by President*

**THE PRESIDENT (Hon Barry House):** I have been asked for a ruling on that. Unfortunately, no, an extension is not possible because the current standing orders allow for an extension of time of 15 minutes and that would be unrealistic considering each member is allowed only 10 minutes in this debate. It is something that the Standing Committee on Procedure and Privileges will take on board with its review of the standing orders. In this circumstance, I do not think that we can permit that because there are, to my knowledge, at least three other members who have indicated that they wish to speak on this motion.

*Motion Resumed*

**Hon ADELE FARINA:** Thank you, Mr President. It seems that I will have to use an adjournment debate on another day to finish this speech. We have been sold a lot of spin. What has been delivered is well short of the spin that has been provided. The whole transition process will not work because full-time equivalents are not being provided to these other government agencies to pick up the task of the functions of Tourism WA.

**HON KEN BASTON (Mining and Pastoral) [11.02 am]:** I will outline why this restructure occurred. I travel a fair bit of the state and for some time I have said that changes are definitely needed. Members opposite must realise that this process was industry driven. It was initiated by Tourism WA and the industry picked up on it. Tourism WA undertook a survey. The feedback from that survey was that regional offices were having only a marginal effect. What would members rather have—an investment in opportunities for growth to boost the bottom line for operators, or a continuation of the status quo of spending on overheads and salaries? I inform members that promotion is what is needed.

**Hon Adele Farina:** You can't see the produce until you get the product right.

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**Hon KEN BASTON:** The product is out there; we have to sell it. It is obvious that Hon Adele Farina has not travelled as much as I thought she had.

The restructure of Tourism WA will improve the tourism industry because it will target the three key areas that are its core business—marketing the state as a competitive tourist destination; developing, attracting and marketing major events; and supporting important tourism infrastructure and development projects. Yes, it will free up \$31 million to develop those initiatives.

I will give an example of the offices that it is proposed to do away with. I did not even know there was an office in Broome. I got my staff to do a poll on people who should know. I can assure members opposite that the office in Broome, with no disrespect to the person running it, is co-located with Australia's North West Tourism office. Also in Broome is the Broome Visitor Centre, and everybody knows about that. However, they certainly did not know that a regional office funded by the Western Australian government existed in the town. I guess that goes for the other six regional offices, but I did not have time to do a survey on them.

**Hon Adele Farina:** I can assure you that is not the case in Bunbury or the South West.

**Hon KEN BASTON:** Let us consider that point. There are groups around that are not funded by Tourism WA. For example, the Tourism Council Western Australia, which is an industry group, is funded by its 800 members. It monitors standards for accreditation systems, runs the Tourism WA awards and acts as a lobby group. In addition there are regional tourism organisations that promote local tourism. Why is there a need for a Tourism WA office in Broome when its office is situated next to Australia's North West Tourism office? Australia's North West Tourism is successful. It is locally funded by the operators and government. It consults with Tourism WA, but is not associated with it.

There are five regional tourism organisations, which are locally funded by operators and government. They provide feedback and consultation to Tourism WA but they are not associated with it. When I was in opposition I wrote to the then minister about these organisations, because I do not believe they should exist.

Western Australia's Coral Coast covers the area from Cervantes to North West Cape. I do not believe that the southern end of this state has any connection with the northern end. One could argue that these are not as they should be. However, they exist and they are good bodies. I refer to Western Australia's Golden Outback and Australia's North West Tourism, which I alluded to earlier, which covers the area from the Pilbara through to Kununurra. It is a very good organisation that is pushing very hard for some of the things that I believe Tourism WA should be doing. In addition there is Western Australia's South West, which covers the area that Hon Adele Farina represents. On top of that, in many towns there are visitors centres that are locally run, funded by membership and local government. The \$31 million would be far better invested in Tourism WA. It would assist in attracting organisations that would be able to deliver.

Hon Adele Farina says that we do not have the product. I believe that the product is sitting out there waiting to be tapped. The tourism industry has suffered a bit, and it could be said that it has been caused by the global financial crisis and the strength of the dollar, the value of which has dropped in the past few days. Only the other day I was talking to some tourism operators in Broome and I predicted that we would have a better season because the dollar is down to 82c from 93c a couple of weeks ago. That will have a huge effect, which will be felt very quickly. It might persuade people to stop travelling to Bali and, instead, to holiday in this state.

What is tourism? I have been on about this for a while. Real tourism is people we get from overseas who will travel around WA and bring in export dollars. We cater for the next level, and I went through the bodies that cater for them. If people go to Kalgoorlie or Esperance, they will find that Western Australia's Golden Outback covers the outback trails and promotes tourism in those areas. It does a fantastic job. It already exists.

This great government, through Tourism WA, has the ability to consider the possibility of linking international flights through Broome and Exmouth. We talk about World Heritage areas in this state. We have only two; not that I am a great expounder of World Heritage.

**Hon Ken Travers:** Are you saying we should have more?

**Hon KEN BASTON:** No, I did not say that we should have more. We have two that are not promoted. I am very surprised that Doug and his taxi have got into Purnululu National Park.

**Hon Ljiljanna Ravlich** interjected.

**Hon KEN BASTON:** It is probably the only thing the member got right. I am surprised he got in there. I went there the year before last. It took me two and a half hours to drive 53 kilometres and I passed everybody on the road, because the road was so terrible. We must ensure that some of that money goes to ensuring that there is the

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necessary infrastructure in major tourism destinations. We need to concentrate on what these destinations are doing.

I believe Tourism WA will market this state as a competitive tourist destination; developing, attracting and marketing major events; and supporting significant infrastructure and developing projects. If it does that, it will be fantastic. We will see a shift in the direction of tourism.

Some people I speak to do not know where Wolf Creek Crater is until they go to Halls Creek and a local hands them a pamphlet.

**Hon Ken Travers:** The movie killed the chance of a lot of people wanting to go there.

**Hon KEN BASTON:** The member might have watched the movie. But it is well worth going there.

We need more hotels rooms in Perth. This is one of the things that I believe Tourism WA wants to do in its new approach. It wants to have more eco-retreats in the Kimberley and on the Ningaloo coast—that magnificent area that I have just spoken about.

**Hon Ljiljanna Ravlich:** They cannot fill the offices they have got! They do not have people for those offices!

**Hon KEN BASTON:** Why do they not have people? It is because we have got these offices out there that are wasting money. We want to make the money hit the ground. That is what we want to do. We absolutely want to make the money hit the ground. I believe that we can certainly spend that \$31 million a lot better and get some positive results in tourism. Tourism is a magnificent industry and a great employer of people. We need to think about Indigenous tourism, too. If we can market that overseas, that will create many more jobs in this state. That would be fantastic. I totally cannot support the motion. I cannot believe that people cannot see through that and cannot see the opportunities that will exist for tourism in this state if we spend that money wisely.

**HON MATT BENSON-LIDHOLM (Agricultural) [11.10 am]:** Thank you very much, Mr Deputy President, for giving me the call to speak on this motion.

**Hon Simon O'Brien:** We could do with some light relief!

**Hon MATT BENSON-LIDHOLM:** Let me assure members opposite that, light relief or not, Hon Ljiljanna Ravlich has alerted us to a particularly important issue in regional, rural and remote Western Australia that I totally support. This issue is very relevant. The Minister for Tourism certainly needs to take a good, long, hard look at how this particular portfolio is operating, because if this policy were to continue, then obviously Tourism WA has no chance whatsoever of delivering the outcomes for tourism that all of us would expect a state like Western Australia to achieve.

There are certainly many iconic landmarks in Western Australia, as members have mentioned. Many events are held in Western Australia; although there has been a significantly lower number of events since the current minister took over the tourism portfolio—I think nine events have disappeared, and three, four or five are about to disappear. The shadow Minister for Tourism, Hon Ljiljanna Ravlich, has made a point about job losses and about how the tourism industry in Western Australia is struggling. Whether that is on account of the global financial crisis or not is immaterial. I do not disagree that an economic downturn will have a multiplier effect on people's ability and willingness to spend money on tourism. However, if we are to promote tourism in Western Australia properly, we need to do that at both the micro level and the macro level. At the macro level, that should be done through Tourism WA.

I question some of the comments made by the Minister for Environment earlier when she talked about promoting tourism from Perth. Yes, that is fine. But let us look at some figures. One particular figure stands out very significantly. The budget of Tourism WA is to be increased by a whopping \$12.4 million over three years. If we compare that with the benefits that accrue from tourism in this state—which I believe are in excess of \$7 billion—an increase of \$12.4 million over three years equates to an increase of only 0.1 per cent per annum. If we are to promote Western Australia and rely upon a multiplier effect to achieve that, and if we are to achieve positive outcomes for people at the local levels, as well as cater for national and international travellers, an increase of \$12.4 million over three years is a bit of a joke. Even in the Minister for Education's principal portfolio of education, expenditure has increased by one per cent per annum. An increase in tourism of 0.1 per cent is a pathetic effort by this particular minister.

A number of members have mentioned that this has nothing to do with cost cutting. Well, if this has nothing to do with cost cutting, heaven help us! The point was also made about the Extraordinary Taxi Ride. That certainly has not been in the news much of late. I am pleased to hear they have finally made it to Purnululu. But the only

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people who are going for a ride around here are the taxpayers of Western Australia—we are being taken for the biggest ride of the lot!

I will not take too much more of the time of members, because I know that other members wish to say a few words on this motion. As I have said, I do not disagree whatsoever with the need for Tourism WA to spend money at the macro level. We need to promote big events, albeit we do not have too many left in Western Australia. At the micro level, the regional centres of Albany, Margaret River, Bunbury and Geraldton provide an excellent model of how local tourism associations and groups are able to work very closely with Tourism WA offices. I have had a bit to do with those associations and groups in previous years. I was a bit surprised to hear that Hon Ken Baston does not know much about what is happening in Broome. He should ask the small business operators and the associations that they work with. They will soon tell him, because they get out into the local community and they know what is happening and what the needs are. The Augusta–Margaret River Tourism Association is an example. We only need to go to that particular set-up and ask some questions to see what is available and what can be done at that micro level. Through that association, people are able to find out all they need to know about the Margaret River region, whether they want to go there for surfing, for viticulture, for the environment, or for a number of different reasons. The principal reason for that success at the micro level is the excellent working relationship that exists between the Augusta–Margaret River Tourism Association, the tourism operators in the area and Tourism WA located in Bunbury.

I will make one or two final points. Tourism WA at the local level provides a great deal for local communities. It provides employment. Hon Adele Farina talked about the significant downturn that has occurred in employment. Tourism WA provides the capacity for local communities to establish links with local government and to work with local government to effect better outcomes for tourism at the local level. However, there needs to be, even at this micro level, a big-picture approach by government. I am afraid that is not happening. We have been told that at the end of this year, seven Tourism WA offices that represent the sort of interests that I am talking about will be closed down and their activities will be taken over by the Department of Regional Development and Lands.

**Hon Adele Farina:** Well, we do not know that yet, because there has not been any discussion about that.

**Hon MATT BENSON-LIDHOLM:** Hon Adele Farina is right. I have taken the ministerial media statement as gospel—maybe that is a silly thing for me to do; I perhaps should have more sense. The regional development commissions and the Small Business Development Corporation are also mentioned. To think for one minute that they could replicate or even improve upon the activities of Tourism WA is a bit of a joke. I am also intrigued by the statement that Tourism WA will continue its support for the regional tourism industry through those particular offices and will maintain and sharpen its focus. The only thing that is in focus here is the fact that this particular government will be spending, among other things, an extra \$339 million of taxpayers' money at Oakajee, when private enterprise was ready, willing and able to spend that money. That money now will not be available to be used in areas like tourism, where we need to spend more money to generate more.

**HON LIZ BEHJAT (North Metropolitan)** [11.19 am]: I rise to speak against this motion. I have had experience in the tourism industry. In one of my former jobs I was the pre-opening coordinator for the Burswood Casino back in 1985—a long time ago. I worked in the marketing department. We used to sit around talking about how we could get people through the door to occupy the hotel beds. It all comes down to marketing. That is what this is all about—the marketing of tourism. It is not about the size of the offices that are run throughout the state; they will not measure the success of any program. It is about how it is marketed. We need the dollars to do that.

People who come to WA in the twenty-first century are booking their holidays at home on the internet. That is how most people book their holidays. They do not need a Tourism WA office in some regional area to do it for them because they are doing it themselves at home. The Tourism Council Western Australia is headed by Graham Moss. I have had quite a few dealings with people at the Tourism Council. They are the people on the ground, the operators of the tourism industry. What did they have to say about the recent announcement on tourism after the budget? I refer to Graham Moss's media statement of 20 May. The Tourism Council WA, which is the leading voice in the tourism industry in Western Australia, is working towards driving a sustainable, world-class tourism industry. He said that it welcomed the restructure, which he said was something the tourism industry had been advocating for some time. What has this government done? It consulted widely with the tourism industry. It has listened to what the industry has said and it has acted on that.

**Hon Ljiljanna Ravlich:** No, they haven't.

**Hon LIZ BEHJAT:** These are not my words; they are the words of the Tourism Council.

Several members interjected.

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**The DEPUTY PRESIDENT (Hon Max Trenorden):** Members, a bit of order please. There are nine minutes left in this debate. Please allow the member to have her say.

**Hon LIZ BEHJAT:** Members opposite obviously do not like listening to the truth. That is the problem.

Hon Ljiljanna Ravlich spoke about the Holiday at Home campaign. Let us look at that campaign.

**Hon Sue Ellery:** A difference of opinion does not mean people are not telling the truth.

**Hon LIZ BEHJAT:** Who is talking here—me or the Leader of the Opposition?

**Hon Sue Ellery:** Yes, you. If you say that people on this side don't like the truth, that's really offensive. A difference of opinion is different to people not telling the truth.

**The DEPUTY PRESIDENT:** I know that other members wish to speak on this debate. We are running out of time. Can you allow the member to finish her speech?

**Hon LIZ BEHJAT:** For every dollar that was spent by people under the Holiday at Home campaign, \$13.60 was returned to the state. In anyone's terms, that is a very good return. Fifteen per cent of people who saw that campaign—they probably saw it at home on their computers, on television or on a billboard because that is the result of marketing—booked a holiday in WA. Those members who have experience in marketing and advertising know that a 15 per cent return is quite remarkable. That campaign will bring in an estimated incremental increase of \$12 million. Again, we do not need Tourism WA regional offices for these things. We already have Australia's Coral Coast, Australia's Golden Outback, Australia's North West, Australia's South West and Experience Perth campaigns. Those structures are already set up. These people are on the ground. They are involved in the industry. They are promoting the industry.

It has been said that some people may lose their jobs. We know that some people will have to be deployed into other areas of the public service. The government will do its best to ensure that those people are redeployed in different areas. Maybe they will be able to work in the tourism industry, which is a vital, vibrant, wonderful industry in Western Australia. I commend Kate Lamont and the people who head up the board of Tourism WA. She is one of the best tourism people in Western Australia, and has experience in the restaurant industry. She is renowned worldwide for her experience. She has nothing but good things to say about this. I am right behind Kate Lamont, Graham Moss and those people who work in the industry every day backing this up. All I can do is say that this motion is a nonsense and we should not be entertaining it.

**HON COL HOLT (South West) [11.24 am]:** As a person who represents the South West in a regional seat, some of which are National Party seats, I am concerned about the resources that go into regional WA. I want to make some comments about this motion. Naturally, I am very concerned about some of the closures of the Tourism WA offices in the regional areas. Two of them are in my patch—Bunbury and Albany.

**Hon Ljiljanna Ravlich:** Are you happy about them closing?

**Hon COL HOLT:** No, I am not. Obviously, we are concerned about what is going on. Hon Matt Benson-Lidholm made some very good points about the macro and micro level of this debate. Obviously, there has to be an investment in the macro level in marketing and promoting what WA has to offer. I certainly welcome that. As someone who has worked in communities all his working life, I realise that the special thing that needs to happen in communities at a local level is to glue these things together. I am not against a review. I think reviews are valuable because they look at doing things in a new way. Synergy is happening already. Maybe we need to build on some of the good things in tourism.

I want to talk about a couple of things that are happening in the South West. One is Ferguson Valley Marketing and Promotions Incorporated, which is a great local enterprise. Local people, local businesses and local tourist operators came together because they wanted to promote what the Ferguson Valley has to offer. Members should check that out. It is a fantastic way of looking at what local groups can do when they pull things together.

I know that the minister talked about local groups as a way of using those sorts of networks to further promote tourism in regional areas. That is a good idea. The development commissions have a level of capacity. The Department of Local Government and Regional Development has some capacity. There are even groups such as community resource centres, which we have talked about in this place before. They are getting investment—they are growing and they can potentially provide another shopfront for tourism in the regions. I am concerned that retracting some of those resources and expertise away from the regions will impact on what happens at a local level. I wait with bated breath, as does the opposition, for what will happen as a result of this review. How will resources contribute to regional networks?

**Hon Adele Farina:** There aren't any.

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**Hon COL HOLT:** Not at the moment. How will we get support through resources? How will they attract the right expertise into some of those groups to support things such as Ferguson Valley Marketing and Promotions? If the networks are going to include things such as the regional development commissions or even the community resource centres, which I think are a fantastic opportunity, how will the resources get to those groups? How will the expertise get into those groups to ensure that all those little bits of glue that bring things together at a community level happen? I look forward to hearing what the minister has to say and how that will ride out.

**HON LJILJANNA RAVLICH (East Metropolitan)** [11.28 am] — in reply: I thank everybody for their contribution. It has been a very good and open debate. There seems to be very keen interest in this chamber, as I am sure there is in the other chamber, about the importance of tourism and about the fantastic economic contribution that it can potentially make. However, it is not performing as it should be.

I am very intrigued about the response from the minister about how much investment has been made and how everything in tourism is doing so much better. We find that all the indicators are trending backwards. There is no doubt that we have to move things around in a more positive way. We have had 20 months of inaction, and a major restructure of this size will mean a further 20 months of inaction. There has been no progress in tourism over the past 20 months. Hon Col Holt has every right to be concerned about what will bind the tourism sector in regional areas. I was very concerned when I heard the minister say that there are no fewer than 17 agencies involved in tourism, so we should forget about an agency that concentrates and focuses on tourism because we can just spread it out over 17 agencies. It is a bit like spreading Vegemite! How far can we spread it? The minister then told us that the taxi, which is an absolute success in her mind, is up in Boologooro. I want to know whether it is a four-wheel-drive taxi! The cost of this thing just keeps growing. Tourism operators throughout the state have every reason to be concerned because they really cannot see a way of moving the industry forward under this government. The support that those regional Tourism WA offices provided to the local industry sector should not have been underestimated by the government, but unfortunately it has.

Motion lapsed, pursuant to temporary orders.