

Wednesday 25 June 2008 - Estimates Committee B (Wriedt) - Part 2

CHAIR - Welcome back, Minister, and I would like to now commence this last session. I do trust that we will be able to negotiate just a small extension of time this afternoon because we probably will not finish by 5.00 p.m. but we will certainly make a good attempt at it. Mr Wing, you wanted to ask some questions about Screen Tasmania.

Mr WING - I have seen great potential here and I hope we can achieve the maximum of that because of our beautiful scenery and the compact and varied nature of it and the interest that people involved in film-making have displayed already. I would like to ask about the structure of the unit. Who is heading it, how many members of staff and what qualifications, if any are particularly relevant to this, do any of them have?

Ms WRIEDT - Karena Slaninka is the director and she has been there for just over 18 months or perhaps nearly two years now. Karena came from New South Wales and is herself an awarding-winning film-maker and she has had a lot of years of experience in high-level project management involving the New South Wales Film and Television Office where she previously worked. So she certainly has a well-established reputation in the area and has a lot of networks and contacts that she has been able to utilise. Indeed, I think in the time that Karena has been in the position we have been seeing a real ramp-up of the activities of Screen Tasmania and the contacts and networks they have been able to develop and the way they have been proactive, rather than perhaps the model of operation in the past where it was mainly a matter of waiting for people to come to them. I think there is a lot more proactive activity taking place, such as getting involved with G'Day USA and taking advantage of the opportunities that that program presents. As for the remainder of the unit -

McILFATRICK - There are four FTEs. One of the other member's previous role was in events management, including the Sydney Olympics, but they are all very experienced and essentially client managers who work for the industry. They are advised by the Screen Tasmania board who are from the industry or associated with the arts in some way. That board is delegated by the Tasmanian Development Board to make decisions on grants of up to \$150 000 which are then ratified by the Tasmanian Development Board. Margaret Reynolds is the current chair of Screen Tasmania and we have a number of people from the industry on that board.

Ms WRIEDT - I can table a list of the board membership if you like.

Mr WING - Yes, thank you, I would be interested in that. Is the main emphasis on helping people within Tasmania to make films rather than to encourage people from outside Tasmania to come here and make films?

Ms WRIEDT - It is a combination of both because we want to develop the screen industry in Tasmania and that can occur in both ways, both by developing the talent that we have here for people who have produced scripts and want to go into pre-production or further script development and there is also a lot to be gained in development of the industry here by being able to put money into productions to be filmed here. As part of the different grant programs that Screen Tasmania has, they have certain requirements in terms of what percentage of work needs to be done here so that we can maximise employment in Tasmania, but importantly, so that people working on those productions, particularly pre- and post-filming, can get the experience they need to develop their skills even further. It is a cyclical thing. You could not do one and not the other.

Mr WING - That sounds very good as far as it goes and I am most supportive and quite enthusiastic about that. But taking up Mr Finch's point, if extra money could be made available for this unit, I wonder if it maybe possible to have somebody appointed who has the contacts in the film industry overseas who may be able to go to directors and persuade them to make some films, or part of some films, here.

Ms WRIEDT - We already do that through Ausfilm. Their brief is to represent the entire Australian film industry and we have a relationship with them. As I said, we had one of their LA-based people in the State for about a week recently and I met with her and she was quite enthusiastic. She was taken on a bit of a familiarisation trip around the State so that she was aware of the different sorts of locations that would be available so that she could picture it in her mind when she is pitching it to people. She is the sort of person that we need who is based over in the States to be our representative. I do not think it is a large enough industry at the moment for us to have more than one person representing Tasmania over there. I think because we are a different location than the other States it is appropriate to use somebody who covers other parts of Australia as well because we are a very unique area. If she has somebody come to her to say that they want sandy desert, she is not going to point them to Tasmania. I think that is a relationship that is working very well.

Then we couple that with the events that the director will go to, such as the G'Day USA film breakfast that I attended last year. There were two purposes to that. There was a panel of producers and directors who made a presentation to everybody at the breakfast on the sorts of things that they would look for in locations. It was information for us but it was also networking to say, 'Here are all the States available, go and talk to them about potential', and we had a number of inquiries from that. As I said, sometimes those inquiries did not match what we were able to offer - for example, a place on the west coast in the middle of winter that was not going to have rain that would stop production for a very small window of opportunity that a particular project had. There was no point in trying to sell him something we could not deliver. I think it is a relationship that works well at the moment. It may be that in future years, if it grows more, we are able to have a dedicated person, but not given the size of the industry at the moment.

Mr WING - In view of the sister-State relationship we have with Fujian and the interest that people there already had in making a film here, notwithstanding the no-start that we had, I wonder if it may be possible for the managing director of the television company to be approached to have it explained that there is a new administration now, a new minister and a new director, and that there is real interest if they are still interested, and express regret about the last no-contact? There may be some fertile ground there.

Ms WRIEDT - Sure. We are happy to follow that up.

Ms RITCHIE - Minister, we heard before the break about *Pixel Pinky* and some other projects that I suppose in one sense have come to a conclusion from the department's perspective. Do you have any detail on what you have coming through on the drawing board, as it were, at the moment? I suppose it would be the projects we are looking to hear about in the future. Do you have any detail of what might be coming through?

Ms WRIEDT - The latest projects to receive to receive some funding includes a 26-part television series called *Zeke the Freak*, which I am told is aimed at teenage boys. We are providing \$32 500 in project development investment to Blue Rocket to develop that. We have *Life is Elsewhere*, a documentary which is to be done by Buona Notte Productions. We are

UNCORRECTED PROOF ISSUE

providing \$27 402 towards that. It is a documentary about a story of identical twins, Amy and Claire, who live here in Tasmania and their journey of self-discovery. I understand that documentary has been sold and it is going to be screened on ABC Television and JTV. What is JTV?

Ms RITCHIE - Triple J TV.

Ms WRIEDT - I know I said 40 was the new 30 but I had to ask what JTV was! Production investment for that as well. We also have - excuse my language in this one - *Complete Bastards* - please do not rule me unparliamentary - that is to Steve Thomas and Roger Graf - \$15 000. I will tell you about that.

Mr WING - Sorry, who has produced that?

Ms WRIEDT - That is Steve Thomas and Roger Graf. It is based on the book *In Tasmania* by Nicholas Shakespeare.

Mr WING - They could perhaps think of a more appropriate title.

Mr McILFATRICK - It is not being produced by Screen Tasmania; it is being supported, so it is a private company.

Mr WING - I have read the book by Nicholas Shakespeare. There is nothing in there to justify the title - that sounds just about as hopeless as our tourism slogan in the UK. It had great media impact in turning people off.

Ms WRIEDT - *Texas Chainsaw Massacre* was still a very high rating film despite the very unsavoury title. Obviously we do not have any input into the title of these films. The last one is *Someone's Daughter* which is a \$10 000 project development investment to Roar Film Productions. That is a story of a filmmaker's brother who was for a while a suspect in a murder. Then another slightly more gruesome one, *The Last Confessions of Alexander Pearce* which is a gruesome yet true story of Tasmania's most infamous convict. That will be broadcast on ABC Television. That was filmed here only a couple of months ago, I think.

CHAIR - No relation to the clerk of the Legislative Council?

Mr WING - Not to be viewed during mealtimes.

Ms WRIEDT - No. And that was the \$1.3 million budget for that. Screen Tasmania contributed \$100 000 and it was filmed at Derwent Bridge and up on Mt Wellington. That will be shown on ABC. In the past year we have also have success with the screening of *The Abbey*, the three-part series about women who went and lived in an abbey in Queensland for 33 days. That was written, directed and produced by a Tasmanian. There have been some successes in the past 12 months and some coming up that are going to be fairly visible in a public sense with various screenings.

Mr FINCH - Minister, I heard you mention a couple of television networks and stations there. What, if any, partnerships does the Government have with perhaps our local television stations? Do we do anything with WIN and with Southern Cross? Or is it mainly networks like the ABC and Nine?

Ms WRIEDT - Through Screen Tasmania, not that I am aware of. Through Tourism Tasmania we went into partnership with Southern Cross Television for the production and screening of the *Discover Tasmania* series which has been very successful. That was put together to encourage Tasmanians to holiday at home so it aired first here and it got such high ratings that it went national. They slightly re-edited it to take out the call to action to Tasmanians to discover their own State and it outrated a large number of programs; one night, it received more viewers than one of the football broadcasts. It rated even higher than *Dr Who* and it is now being repeated on Saturday at 5.30 p.m. in Tasmania because it has been very successful. That has been a good relationship and one that we hope to continue. We have a good relationship with *The Collectors*; the Goodwood studio was what kept *The Collectors* being filmed here in Tasmania rather than being taken offshore.

Mr FINCH - So it is filmed there, is it? It is developed there?

Ms WRIEDT - Yes. If you go out there, the set is there. I wandered around the set there recently.

McILFATRICK - The first series was filmed in the Bond Store and then it was under threat and ABC came to us and said, if we were an anchor tenant could you build us a new studio. Four months later we had the studio and that provides an opportunity for many other people to use a nationally competitive sound stage.

Mr FINCH - Anything else in the future or anything being developed with television?

CHAIR - That is the second question, not the last.

Mr FINCH - Yes.

CHAIR - I think we have been over that fairly substantially, unless there is something major.

Mr FINCH - Mr McIlfratrick looked as if he was keen to answer that.

Ms WRIEDT - He has been keen to answer all of the questions all day.

1.5 Antarctic industry development -

Ms RITCHIE - Minister, can you talk to the committee about the State Antarctic policy and any emerging opportunities there for Tasmania in relation to the Antarctic and specifically the Antarctic air link as well; how is that dovetailing into those opportunities?

Ms WRIEDT - Back in July 2004 we had our three-year Antarctic, sub-Antarctic and Southern Ocean policy release and that tried to focus on areas in which Tasmania could have an impact and provide some strategic guidelines to prioritise what would be the State's Antarctic effort. Some of the things that came out of that included the permanent location of the Conservation of Albatrosses and Petrels Secretariat here in Hobart. We successfully bid to host the second term of the Council of the Managers of National Antarctic Programs Secretariat. That trial of Antarctic Studies Degree at UTAS was established. There were two new Antarctic tourist festivals to begin operating out of Hobart. So it was quite successful.

We are now in the process of nearly completing the third policy in conjunction with the stakeholders and that will guide the development over the next three years.

We have appointed of Sir Guy Green as the honorary Antarctic ambassador for the State. We were able to lobby successfully for the retention of the National Oceans Office in Tasmania. As was mentioned in the lower House Estimates on Monday, there was a concerted effort by Western Australia to become the gateway to Antarctica and because this State has been able to demonstrate that we have a very strategic approach and that there is a great deal of interest, infrastructure and expertise, we were able to fend off that bid and have the air link operating out of Tasmania.

Ms RITCHIE - Do we have any indication of the value of the Antarctic sector to the Tasmanian economy? Do we have some detail on that?

Ms WRIEDT - Yes; about \$132 million per year and around \$77 million of that is money spent on goods and services sourced in Tasmania. That could be servicing of vessels, stocking and supplying them, fuel and other associated equipment. So it is fairly substantial.

Ms RITCHIE - My only other question relates to the much-publicised Antarctic Midwinter Festival. Does that play a role to enable us to fend off some of the challenges to the status Tasmania in relation to Antarctic affairs and how else do you see its role?

Ms WRIEDT - It certainly has contributed to raising the profile of Tasmania in terms of an international Antarctic gateway. It is quite timely because we are in the middle of the festival right now actually because it runs from 20-29 June.

Ms RITCHIE - It is actually an International Polar Year as well.

Ms WRIEDT - It is. Last year the festival had 44 000 visitors at its various events and so far this year the attendance has been very good. There was a new event this year in conjunction with Red Cross - the Fire and Ice Dinner last Friday night. The Huskies Picnic has moved location this year. For anyone who wants to go on Saturday it will be in St Davids Park instead of the Botanical Gardens. In the Botanical Gardens, whilst a really good venue, some of the steep inclines were making it difficult for the huskies to get up. St Davids Park is a little flatter and probably a little more like what the huskies would be used to. We provided \$55 000 towards the operations of the festival. From when it first began many, many years ago it has really grown in profile and attendance and support from the business community.

1.7 Industry research and strategy -

Mr DEAN - What are some of the projects that have been supported with this strategy, projects that are generating increased investment in Tasmania and not previously covered, Minister?

Mr McILFATRICK - This is about how we are positioned for the long term, so under that would the research we do into even things like workforce development. One of the big investments we made, probably in the innovation area but for strategy and research, was to invest in the Australian Innovation Research Centre in Hobart. We established under this banner a three-year program with \$500 000 a year to Jonathan West and his team at the university. Professor West has come to us from Harvard so we wanted to leverage that opportunity. In the

last year he has been out doing an industry research project, touching about 4 000 businesses to really understand how they innovate, not just for the Tasmanian context but for the Australian context as well. We will be able to use that for formulation of innovation strategy in the future. So that has been a big investment. The other things we have done include research in the past year into why people do not participate in the work force, to help us with our strategy to get them into the work force and a range of things like that.

Mr DEAN - There seems to be considerable crossing over into innovation support in some of the other areas and you are spending almost \$2 million, Minister, in this area. How many people work in this area? What is the staffing rate?

Mr McILFATRICK - It is essentially the unit that supports me in organisation development and strategy and also in our research area. It is a little bit fluid but I guess between eight and 15 people would be in that area at any one time depending on projects that we have on.

Mr DEAN - What have they done in the year just gone?

Mr McILFATRICK - The major project has been that \$500 000 innovation. We have done research into participation. We have been working with the Demographic Change Council, who understand the impact of aging employees. One of the understandings that have come out of that is that we do have a real opportunity for people in the 55-64 age group to help them to be retained in the work force. We do not just worry about the 65-plusers and we have a real opportunity there. That is active research. We have done a global search during the year for new things that might be happening globally. We have worked on climate change issues. These are about looking to the future and then developing strategies from that.

[2.30 p.m.]

Ms WRIEDT - This area is also responsible for supporting the operation of the industry councils. They are obviously one of our key links on a regular basis to the voice of industry. This unit supports those operations.

1.8 Small business development -

Mr WING - Between financial years 2010-11 and 2011-12 there is a significant reduction in funding. I am just wondering if it is possible to explain the cause of that. I have read footnote 4 but I would just like that explained.

Ms WRIEDT - That relates to the Enterprise Growth Program which began in 2007-08 with a budget of \$552 500. There was a commitment to continue to increase enterprise growth over four years with incremental funding so that it was \$4 million over four years. In 2008-09 our commitment increases from \$552 500 to \$650 000; then in 2009-10 it goes to \$975 000 and in 2010-11 to \$1.3 million. It was put up as a fixed-term program. Like all of these things it is not to say that beyond that, as it comes to the end of that period, there may not be another budget bid in relation to the program, depending on its success, but at the moment it was put in for four years. That indicates the end of that in the following year.

Mr WING - So small business provides most of the employment in Tasmania, does it not? It is a very important area of operation. How many officers and staff are involved directly in this?

Mr McILFATRICK - It is a difficult question because most of our activity is directed at all the business sectors, so our export and trade facilitation is aimed just as much at small and medium enterprises as it is at large. In fact we are probably biased towards the smaller companies because they need a little bit more help and they do not have a marketing manager and they do not have the resources that larger companies have. Certainly our innovation program, our labour and employment, all of those are aimed at small business.

This unit of small business development is really aimed at more the strategy and program development. Some of those people are out there engaging with business. It is specifically where the program funds are held. For instance, the Enterprise Growth Program might be delivered through our Burnie office using our client managers on the ground, sourcing some of the funds out of that program which sits in small business. It is not necessarily whether the money gets spent just in that area - it crosses all sectors. I would say about 70 to 80 per cent of our activity is aimed at small business right across the department.

Mr WING - Is it mainly proactive or reactive when they seek help? Do we go out and seek small business to come to or be established in Tasmania?

Ms WRIEDT - It is a combination of both through the work we do at various trade expos and business migration expos and so on. There has been a concerted effort in the last few years in relation to business migration to take advantage of changes at the Federal level to visa requirements and so on and we have been successful in attracting quite a few new business migrants to the State. In 2007-08 I think there was about \$20 million worth of new investment that came to the State through business migration. It is also about reacting to businesses as they come to us, primarily through that business point channel, so that we can then point them in the right direction for assistance.

Mrs JAMIESON - Minister, I have had an issue brought to my attention and I am just wondering if you can help me here. With the price of fuel going up the Government is looking at ways of maybe assisting small businesses in particular that are using fuel. What is happening with other commodities, though - for example, steel which has also increased I understand by 88 per cent in the last 12 months? You cannot get a freight equalisation cost reduction because it is mixed steel. Even though you might ask for Australian steel it might have imported steel in it so there is no certification so you cannot get the freight equalisation. There are also problems with insurance companies when the fine print on insurance coverage is not issued until after the premium is paid, and on it goes.

Is the Government likely to be able to assist me in this particular one? It says here you are providing statewide support for the expansion of existing small businesses. When they are hit with all these extras that they have absolutely no control over at all, what can the Government do to assist these businesses, and given that we may well end up with a lot of people looking for work in local areas because of fuel and housing and all the rest of it?

Mr McILFATRICK - I guess we cannot help them with the fuel costs going up - that is a cost to business - but we really focus on helping their businesses grow. Enterprise Growth is a program like that. We have helped numerous businesses in the last year - and that can be help in just planning for growth; it can be help with export markets and it can be help with lifting their capacity in some way in terms of learning a new skill. We aim to put in a target business between \$25 000 and \$50 000 into helping them overcome the barriers to growth.

UNCORRECTED PROOF ISSUE

Mrs JAMIESON - But if the barrier is outside their control like steel, for example, and that is their business -

Mr McILFATRICK - The fact that their steel is going up means that you know that there are opportunities around the world for them to grow as well in seeking new markets. While commodity prices are going up it also has an upside for us in that it gives greater opportunity. Costs are going up but revenues are probably going up as well.

Ms WRIEDT - A good example of success in a steel fabrication business is Haywards Steel in Launceston, which I visited recently. They employ now more than 200 people and I did not realise that they were quite a significant exporter to the mainland of very large items. They manufactured all the curvy roof trusses for the redevelopment of Spencer Street station in Melbourne. At the moment they are working on big support girders for the off-ramps on the Westgate Bridge and they have contracts to build the towers for windfarms.

They have put on a lot of additional workers and they do a lot of Victorian work. I make the point that these objects are big and heavy and difficult and that there are logistical problems in transporting these things but they have managed to overcome this. However there is some expense in transporting them to the mainland. Surely, I thought, the cost of doing that would be prohibitive and there would be Victorian companies who are able to undercut them in the tendering processes but it comes down to the quality of work that they are able to do in Launceston and the skill of the workers because they are so skilled that they can work even on these things that are 150 metres to 200 metres long.

They can work to precision within millimetres so when these items are actually placed into whatever their location is, for example the components for roadworks where they have to close a road for six hours in the middle of the night to not disrupt the traffic too much in busy areas, they literally have millimetres in which to fit these objects. In every case that they have used products from Haywards Steel they have fitted.

Mrs JAMIESON - With all due respect, that is not going to help a small business that might be producing trailers or something like that and just requires steel components.

Ms WRIEDT - Well, Haywards Steel started as a small business. There is now a painting business down the road and that once Haywards have manufactured the towers for the wind farms they go down the road and they are spray painted down there with the coating. So there has been a flow-on effect to small businesses as a result of this 25 - 30 year-old company that has gradually grown.

Mr DEAN - I have a question on the industry assistance program.

Table 2.9 shows the expenditure and the forward Estimates dropping. I would like a comprehensive list of the businesses that have benefited and the dollar value of -

Ms WRIEDT - We are way ahead in a completely different part.

Mr DEAN - Well I can go back to my other question on small business development then.

CHAIR - That would be advised.

UNCORRECTED PROOF ISSUE

Mr DEAN - Was the number of small businesses that have been assisted in this area asked for?

Mr WING - I don't think so.

Mr DEAN - Could I have, then the number of small businesses that have been assisted in this area and also the dollar value of that as well.

Mr McILFATRICK - We can certainly say where we have given direct assistance to a particular business but then there is a broad range of businesses where we just give information.

Mr DEAN - I am asking about financial support.

Mr McILFATRICK - Okay, we can give a list of the companies we have given enterprise growth assistance to and we can give a list of people we have given other grants and assistance to such as ACL Bearing in Launceston.

Ms WRIEDT - Having said that, bear in mind that not all companies that come to us are seeking financial support -

Mr DEAN - No.

Ms WRIEDT - In fact probably one of the things that I have been surprised about since I have taken on this role is that I have met with a number of companies who tell me in their first sentence that they are not asking for government financial support and then they go on to talk about what they are looking for. It may be another issue that they need our help with or just some general advice, so it is not finite in terms of the companies that we have assisted.

Mr DEAN - The Budget for 2007-08 provided almost \$5 million and this current year it is \$5.5 million, so where is it going? What is happening to it? Obviously there is an administrative part within that as well.

Mr McILFATRICK - One of the things that we have done this year which is not listed which would help wide-ranging businesses is this better employers work kit. We have found that a lot of small businesses do not have an HR manager, do not have a marketing manager. We worked with a South Australian company and other State companies to put together a comprehensive manual about recruitment and retention and being a better employer. This has gone out in hard copy to a lot of businesses but more has gone out in CD form to many more and is available on our web. For instance, if you have not employed someone for a while and you want to do an ad or do a recruitment selection process you can go to that kit and it will help. We put \$100 000 into developing that and it has been used by over 4 000 businesses I think to date so that would be an example of one of the things that has happened.

I can also give you a list of all the people who had enterprise growth program assistance - that is, direct to business. Then there is our BusinessFirst! Program which we do in group sessions. We have done 10 or 12 group sessions and we have had 203 businesses there but I would not necessarily be able to list everyone of those.

Mr DEAN - There is a cost incurred there, I accept that.

UNCORRECTED PROOF ISSUE

Ms WRIEDT - Then there are initiatives that we have already spoken about that Wendy Spencer mentioned earlier, like the ideas workshop that Norma inquired about, that would be supported through these sorts of areas but we would not necessarily articulate in a list the participants of that. We would not claim in a list that we have not provided them with financial assistance but we have still helped them by providing that. We coordinated the clubs that recently were in the media. It was a bit like speed dating but for business is the only way that I could put that. I give that description and everybody knows what you mean. I described government community forums like that to somebody the other day. I said it was like speed dating. Fifteen minutes.

[2.45 p.m.]

Mr McILFATRICK - About a quarter of that budget is for enterprise centres; \$880 000 for enterprise centres. We can provide a breakdown.

Mr DEAN - Specifically the number of businesses that have benefited financially. That is the critical area.

Ms WRIEDT - Yes, we can provide that.

CHAIR - I have a question in that area as well relating to the Business Point. Last year it was noted that there was a target time of 24 hours. Was that 24-hour time frame met with inquiries to Business Point?

Mr McILFATRICK - Like most call centres, which is what Business Point is, they are very highly monitored. Business Point is one of our highest satisfaction units within the department. They track their performance and they perform highly. I am not saying every call has been met but I would say that 99 per cent of them have been met within that target.

Ms WRIEDT - I can tell you that to 31 March this year Business Point provided very high-quality information services to 8 977 inquiries. I will not say individuals because the same person might have rung at different points during the year, but they fielded and dealt with 8 977.

Mr McILFATRICK - Our customer satisfaction across the department was trending above 80 per cent and I think Business Point is higher.

Ms WRIEDT - I can add to that 90.5 per cent of calls were answered within six rings; not 24 hours but six rings for the year to date.

CHAIR - I was not expecting to get the response time from 24 hours down to six rings.

Ms WRIEDT - We aim to please.

CHAIR - You mentioned the funding of enterprise centres and there was quite a bit of debate in the Legislative Council Chamber last year about the funding of enterprise business centres. Can you tell me how many centres are funded?

Ms WRIEDT - There was six that are currently funded which service all of the municipality. There is \$880 000 a year over the next two years to the enterprise centre program; 95 per cent of that funding goes directly to the centres and the balance is used to support the network centre. In the 2007-08 financial year to 31 March the enterprise centre network contributed 305 jobs to the

economy and supported 1 286 Tasmanians with their businesses and business ideas. We have the Braddon Business Centre which covers Burnie, Waratah-Wynyard, Circular Head, west coast; Break O'Day which covers Break O'Day, the northern half of Glamorgan-Spring Bay down to Swansea; Business East which is Clarence, Sorell, Tasman and the southern half of Glamorgan-Spring Bay; Mersey which covers Launceston, Devonport, Central Coast, Kentish, Latrobe, King and Flinders islands, Meander Valley, Northern Midlands, West Tamar, Dorset, George Town, Derwent Valley, Central Highlands, Brighton and Southern Midlands.

CHAIR - They would have to get the biggest funding.

Ms WRIEDT - They do. They get \$400 000. There is Kingborough, which services Kingborough and the Huon Valley; and the TCCI run the Hobart one and they do Hobart and Glenorchy.

CHAIR - While we are still into Economic Development, Minister, I think it would be useful to go on to the major initiatives now before we leave that and head into tourism.

Special capital investment funds -

Mr DEAN - I am wondering if this fits in here. There is some debate as to where it really fits in and that is the AFL.

CHAIR - Well it is listed in this particular area.

Mr DEAN - It is. It could have come under Innovative Support perhaps as well. I have two questions, Minister. The first question is: are we continuing negotiations with Hawthorn in relation to a continued position with them here in this State? Then there is the funding in relation to getting an AFL team in Tasmania. Those are the two areas that I am interested in.

Ms WRIEDT - The relationship that we have with Hawthorn is a very good one and that continues. We are now well and truly into the second year of that sponsorship agreement and I think it is fair to say that it has served us very well and, indeed, it has served the club very well. Last year we did the SCOM report which I think put to bed the controversy surrounding the quantum of the sponsorship because what that report showed clearly was that the economic return to the State, after just the first year of operation of that agreement, was well over \$7 million. So it paid for itself well and truly and that was the net return so in fact the gross figure was around \$15 million.

We are not negotiating at this stage with Hawthorn because the deal is a five-year deal and we are only 18 months into it, so we are nowhere near the point of renegotiating, which we would not do until, under the terms of the agreement, about one year out from the end of that.

We have moved forward with the AFL team bid with the blessing of Hawthorn. We would not have gone into this without having spoken to them because we do value the relationship that we have with them. Several discussions have taken place with both Jeff Kennett and Ian Robson, as the CEO, in relation to what our intentions were and they gave us their blessing to move forward.

UNCORRECTED PROOF ISSUE

As far as our bid is concerned, we are going full steam ahead with that and I am hoping that we can get some enthusiasm, I have to say, from the northern media to engage in this in a positive way because, unfortunately, despite all that AFL football brings to the north of the State, there is -

Mr DEAN - It is only about one individual.

Ms WRIEDT - Unfortunately, neither of the print media outlets in the north or the north-west are choosing to engage in this either, in any way - definitely not positively. I think there have only been one or two articles that have appeared in the *Examiner* in particular. I have spoken to the previous editor about that and I do hope that they do not continue to take a parochial view of this because they are being conspiracy theorists and see this as a southern-based push to get AFL in Hobart. I went to Melbourne with the former Premier and met with the chief executive of the AFL and he did say, 'Tasmania has been very parochial in the past'. I said, 'I think those parochial arguments have been put to bed well and truly. Everybody accepts that Aurora Stadium is the home of AFL football. It is the only accredited AFL stadium in the State. We have made a substantial investment in it and it is regarded as the best playing surface in the competition'. That is where we are committed to and, indeed, I believe the AFL would not want to move the games from there.

Hopefully, the parochial side can be put to bed because we have just done a poll that the State Government commissioned using EMRS to gauge the opinion of Tasmanians in relation to this and that showed nearly half of the people that were polled - we did 1 000 statewide - indicated support for Tasmania's bid for an AFL licence and that was spread around the State. So, hopefully, we will see some support coming from the north because, as you would be aware, it is a significant economic injector to that area.

Mr DEAN - When is the submission that is being prepared now, as I understand it, likely to be completed and provided to the AFL?

Ms WRIEDT - We hope to have it completed by the end of this AFL season. We will be in a position if not next week then the week after to announce the result of the tender for the consultants to undertake the business case for us. Those tenders have closed. Next week, we will be in a position to announce the steering committee - who is assisting in relation to this bid. I need the steering committee to obviously tick-off on the consultant prior to its being publicised, but it is our hope to get it in then. We need to give the consultants sufficient time to compile a credible case, albeit as far as the Government is concerned we are doing our bit to show public support. That is why we commissioned the poll and why we have these stickers that we have produced. I have to say I get a thrill every time I drive past a car that contains somebody in it whom I do not know and I see a sticker on the back. I get very excited -

Mr WING - There is one on Jim Wilkinson's door.

Ms WRIEDT - There is one on my door as well. We have circulated those to football clubs around the State and so on. We set up the web site as well. One of the criteria that the AFL set down for us was evidence of support in terms of membership base, which I think we should be able to demonstrate given that the catchment area for Geelong, for example - which just happens to be my team - is only about 125 000 and they have very high membership.

Mr WING - They only have about 22 000 at Skilled Stadium, not much more than the capacity of Aurora?

UNCORRECTED PROOF ISSUE

Ms WRIEDT - Skilled Stadium has a capacity of 24 000. I think we should be able to show enough support, particularly now that this poll shows that half of the Tasmanians surveyed support it. Half of Tasmania is 250 000. That sounds pretty good support to me.

Mr DEAN - Yes, I strongly support it.

Ms WRIEDT - Good. Have you signed up on the web site, Mr Dean?

Mr DEAN - I probably will do. I meant to do it.

CHAIR - Is there a question in there, Mr Dean?

Ms WRIEDT - I was questioning him.

Mr DEAN - Yes, that is right.

CHAIR - I can only control this side.

Mr DEAN - Just so that I am clear on this, Minister, has the AFL have given a position that they are willing and will listen to a submission from Tasmania? At one stage I think they had taken the course that they were not really prepared to talk to us, but they have now said they will listen to us, they will look at a submission provided we can meet certain criteria. Have AFL now conceded that, rather than go to a second team in Queensland and a second team in Sydney, they will be seriously considering us if we go there with a strong submission? Where do we fit in that?

Ms WRIEDT - We went to the meeting in May with the express goal - no football pun intended -

Mrs JAMIESON - You were making a good point though.

Laughter.

Ms WRIEDT - Boom, boom! - with the express purpose of asking them to allow us to put a business case and getting their commitment to give it serious consideration. That is what they undertook to do. I think it has been very interesting watching what has been going on on the Gold Coast and in Western Sydney. The AFL have said they want to grant licences to those two areas but those two areas seem to be coming unravelled. The Gold Coast is all over the place in terms of where they would play the games because when State Government there put money into the Gabba for the Brisbane Lions it did so with an agreement that all AFL football, regardless of what teams, would be played at the Gabba. There has been a whole scenario played out there involving the Queensland Premier, Anna Bligh, as recently as this week. The attendances at the games at Carrara have been appalling -

Mr WING - About 6 000.

Ms WRIEDT - Yes, they only had 6 000 at a match. Our lowest crowd at Aurora has been about 12 600. Their highest crowd at Carrara has been about the same. We can draw 20 000 people quite easily. I think that they are misguided. I think if we present a sound case, which I am confident we will be able to do, they have to take it seriously. If they do not, they will be

UNCORRECTED PROOF ISSUE

doing a great disservice not only to Tasmania but, more importantly, to the competition. Ultimately, the decision will be made by the AFL commissioners and not by Mr Demetrio, himself.

Mr WING - A strong point, and it will no doubt be made to them is the one that Tim Lane keeps repeating, 'How can you have a national competition? How can you describe a national competition if one of the States isn't there?'

Ms WRIEDT - It is exactly the point that I have made this week. Tasmania has contributed five people to the AFL Hall of Fame out of 23 and we are not in the national competition.

The argument was put forward many years ago about cricket that Tasmania was not going to be able to compete at a national level and we have proven that we can do that and it gives their young people something to aspire to. Some of our talented footballers coming through need to be able to have the hope that one day they could play for a home-based team instead of knowing that they have to leave the State in order to pursue their playing careers.

Mr WING - That is right. Do you think there might be any chance of our attracting an existing team? That would be the easiest way to have it introduced here.

CHAIR - We have one - Hawthorn.

Mr WING - Not St Kilda.

Laughter.

Ms WRIEDT - I think he means in terms of a permanent relocation. We have our mind open as to whether it is a relocation of a team or whether it is an additional licence so if a team were to come to us and say that they wish to move out of Victoria, because we do know that there are a couple of clubs that are financially struggling, then we would like to entertain that as well.

Mr WING - We probably wouldn't want to try to build Richmond up, would we?

Laughter.

Mr DEAN - I have one further question.

CHAIR - On AFL?

Mr DEAN - Not on AFL, no.

CHAIR - I have one on AFL. It was my understanding always, and probably that of most Tasmanians, that the agreement was for \$15 million. Why do the budget papers show \$16.446 million?

Ms WRIEDT - There was always some indexation built into that. I don't know why the figure of \$15 million was always bandied around by the media. That is the figure that seems to have stuck - but it has always been in the forward Estimates because there was a CPI increase built into it over the five-year life of the agreement.

UNCORRECTED PROOF ISSUE

CHAIR - So that extra \$1.5 million is CPI, is that correct?

Ms WRIEDT - Over the five-year life of the agreement, yes, and that has always been in there. It has not altered.

CHAIR - I will follow that up in another place at another time.

Mr DEAN - I am going back to the question I asked a while ago in relation to the industry assistance program. Table 2.9 shows expenditure in forward Estimates is going down quite severely. My request is for a comprehensive list of the businesses that have benefited and the dollar amount in relation to the grants - this fund in terms of grants. I think it is different from the other one.

Ms WRIEDT - Yes.

Mr DEAN - So do we have that, Minister?

Ms WRIEDT - Yes, if you put that on notice - we do not have it with us.

Mr McILFATRICK - Can we ask what time frame you would like that in?

Mr DEAN - Over the 12-month period that we are talking about, thank you.

Mrs JAMIESON - Needless to say, I cannot go away without having a comment about Spirit of the Sea and given the divergence of opinion about the statue in Devonport, I wonder what the catalyst was for your decision to fund it to the tune of \$180 000. Will there be future dollars for the maintenance of it because if the Devonport Council have to maintain it, it is going to be another cost to the council which some ratepayers will not be happy with.

Mr DEAN - And, really, why the decision was made to get it.

Mrs JAMIESON - Well, yes.

Laughter.

Ms WRIEDT - The maintenance of it will be up to the council. We are providing the grant to the council. They put a submission to us which we considered. I had previously met with a group of committee members last year - I think there was about a dozen of them - who had been working on this for quite some time and who, at that stage, I think were loving me as wearing my hat as Arts minister but I think they had hoped that with the significant increase that we had in the Arts Tasmania budget that we would be able to fund it out of that but I had to explain to them that we had a strategic approach to the way we would give out that money. The Devonport Council made a submission to us that they believed it would have some -

Mrs JAMIESON - There was dissension in the council anyway.

Ms WRIEDT - Their majority decision in the end was that it would have significant benefit for the area for tourism. We know that visitors to the State are interested in art and culture. Not everybody will like it because art is very subjective, as has been reported on ABC radio. I did

make comments on Monday in my Estimates that I was disappointed with the Little Mermaid when I was in Copenhagen.

Mrs JAMIESON - I think one of the problems has been that other art people were not given a chance to even have a look in, but this was just presented to the community and it has been picked up by the Government. Others feel miffed because they did not have a chance.

Ms WRIEDT - As I indicated on Monday to the lower House Estimates, that is really a matter for the council. What processes they went through, I do not know. I think those questions are best directed to them. I think it will obviously be a talking point and, even if people do not like it, it is something that will be talked about and people will want to see what it is they are talking about. Some people love it and some people will not like it.

Mrs JAMIESON - I think it was just the amount of money.

Ms WRIEDT - I will not make any further jokes about unveilings of it with red velvet loincloth because that was reported on ABC radio as well.

Mrs JAMIESON - I have sat on its knee and it was cold.

Laughter.

Ms WRIEDT - I just cannot go anywhere near that one.

Mr WING - I am intrigued why items such as the Evandale sports centre and the Ulverstone showground redevelopment are in your department's budget?

Ms WRIEDT - Because the Department of Economic Development also covers the Office of Sport and Recreation, but it is not under my portfolio. That is Michelle O'Byrne. The Office of Sport and Recreation is still in here - output group 2. There are some specific capital grants. There is just over \$10 million for that output group and they are the associated capital grants.

Mr WING - The question of replacement of the partly-destroyed grandstand at the Aurora Stadium is under your Heritage portfolio, is it?

Ms WRIEDT - No, I do not have Heritage any more; it is under Michelle. Having said that, it is the council because it is the Launceston City Council that owns Aurora Stadium.

Mr WING - Yes, that is right, but the State Government provided most of the funding for the other grandstands.

Output group 3 Tourism

3.1 Tourism marketing -

Mr WING - The most significant thing just looking at this item is the decrease in the funding in Two Steps Down. I have read footnote 5 that that has to be read in the context of a greater understanding of the operations of the department and the change of the department to a different minister and portfolio. I was wondering if we could have some more detailed explanation as to

UNCORRECTED PROOF ISSUE

the reason for the decline in funding because on the face of it that would indicate less intense marketing?

Ms WRIEDT - I can assure you that there has not been any decrease in marketing funds for Tourism Tasmania and whilst what I am about to say may sound like a bureaucratic answer I do not mean it to be.

CHAIR - We will let you know if it is.

Ms WRIEDT - I am sure you will. It relates to the change from the former Department of Tourism, Arts and the Environment and the shift of Tourism Tasmania into the Department of Economic Development and the way in which the former Department of TAE apportioned the corporate overheads for Tourism's contribution towards them. They apportioned around \$3 million in corporate support that was Tourism's contribution to the overall operation of that previous department into the one output group, hence what appears to be the reduction.

The former department, I notice now, has I think seen the wisdom of its ways. I had a look at its output groups and it now distributes its corporate overheads over a much broader range but it is not unusual in terms of accounting practices for it to go either way. I know it looks bad and I got a fright when I saw it, however that is just their way of accounting for it because whether it is this department or any others, there is no specific line item in any of the departments for things like HR operations and the operation of secretariat and basic general corporate support. They are always apportioned over all parts of an agency. In this case for the tourism section it all came out of the one output group.

Mr WING - That explains the first step down but not the second one. The second one associated with the end of the tourism marketing campaign: does that not involve less expenditure for marketing?

Ms WRIEDT - It involves the end of what had been a four-year commitment that we made in the 2006 election which was an additional \$3 million a year for four years to increase our marketing effort primarily to bring Tasmania to television screens around the country, both free-to-air and pay television because apart from a little bit that was done over 10 years ago we had not had the resources to pay to get into the television market so I made that election commitment and that was for four years so 2010 is the end of that program. You see the decreasing in 2010-11 but it does not mean to say that there will not be some other form of initiative as we get closer to that time that would alter that outcome.

Mr WING - Unless there is, there will be a decrease in marketing to that extent?

Ms WRIEDT - It will be at the end of that fixed-year program.

Mr WING - How effective has that special four-year marketing program been?

[3.15 p.m.]

Ms WRIEDT - So far very effective. We were able to track, for example, when the advertisements first went to air on television screens I think at the beginning of last year there was a huge spike in inquiries to the Launceston Call Centre in the week after those advertisements started to run and, indeed, that has been a pattern when they have been off-air and then the advertisements run again we see a big spike in activity as people respond to them. We have seen

a continued increase of visitor numbers to the State that we have sustained in light of what has been a really challenging market. Other States have actually seen significant decreases in their numbers of visitors. We have continued increases every quarter for the past two years. That campaign has been running for the last two years and during that period Australians were taking fewer domestic trips, so we have been able to continue increases at a time when fewer Australians are travelling domestically. So it is certainly showing results.

Mr WING - So are you able to give us the figures for the last three calendar years or financial years of the number of visitors and also the number of bed nights? The number of visitors does not always give an indication of how much the increase might be. It is really a question of the bed nights.

Ms WRIEDT - I cannot give you 2007-08, but our visitor numbers going back to 2004-05 were 757 600 -

Mr WING - People or bed numbers?

Ms WRIEDT - Total visitors. In 2005-06 there were 812 500; in 2006-07, 827 000; 2007-08 to March it was 842 000 so we are probably expecting over 850 000. So from 2004-05 to 2007-08 it will probably go up about 100 000 visitors.

The average length of stay I would need to take on notice because we have two lots of figures. There is the component for all visitors and there is the component for holiday visitors. For all visitors, the number of nights has decreased over that period of time, but for holiday visitors it has increased. So, we would need to take that part on notice.

Mr WING - Yes. I am happy if we could have those later. This morning, in another context, the island of Jeju in South Korea was mentioned. As we have discussed briefly before, Minister, that island is about one-thirtieth the size in area of Tasmania and has about the same population - 500 000. It has 5 million visitors a year. Of course, it is very close to the densely populated areas of China, South Korea and Japan and it has great advantages there. If we do form some sister-state type relationship, which is being progressed now, we may be able to have some discussions with them on tourism because at times they have an aeroplane coming in every five minutes.

In terms of overseas visitors, could you please tell us how much is spent on international marketing to attract international visitors and the nature of the marketing?

Ms WRIEDT - We spent \$3.6 million and the main markets that we spent that on were North America, Europe and the UK, followed by Asia, Japan and New Zealand. The balance is spent generally on some global activities, the digital spend relating to international markets and general PR in our international markets. For example we spend \$875 000 in Europe and the UK because they are the biggest source of visitors to the State, followed by North America. We get roughly the same number of visitors from North America as we do from the UK. What is the second part of the question?

Mr WING - What was the nature of the advertising?

Ms WRIEDT - It is not necessarily advertising. In fact in our international markets it is probably fair to say we do little advertising as such because we would not get -

UNCORRECTED PROOF ISSUE

Mr WING - You would not get much television coverage for \$3 million, would you?

Ms WRIEDT - We would not get the penetration that we need in really crowded international markets, particularly given the expense of advertising in places like the United States. We have to be a lot more creative about the way we actually get any traction in the media, hence the value we have managed to get in a media sense from our offer to provide a honeymoon to the couple from North Dakota. It will probably only cost us \$3 000 or \$4 000 at the most because industry are going to contribute. It got coverage on *Good Morning America* and all sorts of shows - hugely successful. That is a one off. We cannot do that again.

Mr WING - And to the credit of the department we beat all the other States who were interested in it.

Ms WRIEDT - Tourism Australia would be the ones who will do advertising in other countries, so we are part of their efforts to attract visitors to Australia. We tend to do other activities. We have managers in a lot of the locations - people like Daryl Hudson, who is our North American representative. He has been with us for seven or eight years or more and has a really well-developed set of networks. He is very well known and very highly regarded. He will run things for us such as G'Day Vancouver, which is a smaller version of G'Day USA. G'Day USA has been a very big coup for us. It cost us \$125 000 to take part in that. We have done it twice and we have had some fantastic things out of that. They are creative activities, I think it is fair to say, that we take part in.

ATE, the Australian Tourism Exchange, which is held every year, was held last week. I was unable to go because Parliament was sitting. About 600-800 buyers from around the world come to the stalls that are set up. Tasmania had 27 tourism businesses represented there. Once again I hesitate to say it but it is a little like speed dating: they come along and make appointments at 15-minute intervals and find out everything they need to know about those products.

The visiting journalists program is obviously something that we get a lot of media value out of - the equivalent of about \$30 million a year in editorial content and so on. A Hong Kong documentary was filmed here called *The Last Paradise*. It involved Eason Chan, a Hong Kong actor and singer, very well known in his home country. He came out here last November with a crew and filmed around the State for a week. The weather was perfect. They were going to do three episodes on Tasmania and three on the Seychelles Islands. They took a lot of footage here, in fact so much that they ended up doing five episodes on Tasmania and they did not do one on the Seychelles. They went there and could not get enough footage. So we ended up with a five-part series. That went to air to three million households in Hong Kong and it was for the launch of digital television in Hong Kong.

When we were there recently to follow up on the back of that, the timing was perfect because it was the talk of everyone. From the moment we arrived literally, the person who took our bags up to the room in the hotel said, 'Oh Tasmania! I saw it on television recently. I want to go there. It is very beautiful'. The next morning at breakfast someone said, 'Oh you are from Tasmania. I want to see penguins. I thought the only place in the world I could see them was the Antarctic and now I am going to come to Tasmania to see the little penguins'.

The traction that got was huge and I hosted a function there with travel agents and tour group operators and they said just in the weeks after that had aired they had all seen an increase in

interest in Tasmania and their bookings were up substantially. One of them had reported I think bookings of about 125 people just in a week as a result of that.

Our investment in a dollar sense in that was very little. It was about supporting them while they were on the ground here yet we have got the sort of publicity we could not have afforded to buy. We are going to continue to follow up on that because we think that Hong Kong can be a very lucrative market for us in the future given that we are not getting large numbers from there at the moment. The interest that has been generated by that has been substantial.

Mr WING - I think we get great benefit from documentaries in quite a few countries and magazine and newspaper articles such as the motor car writer who covered Targa, who wrote a glowing account of Tasmania and recommended that as many people as possible should come here. I am wondering either now or later, if we could have the figures of visitor numbers and percentage of tourists from overseas and the other Australian States and Territories.

Ms MARIANI - Over which period?

Mr WING - I am thinking of the last set of figures or perhaps the last two, the last couple of years.

What type of advertising are we doing mainly in other parts of Australia? Television is so expensive I imagine there would be a limited amount, if any, of that.

Ms WRIEDT - No, no. The additional money that I talked about earlier, the \$3 million that we put in as part of the election commitment, was aimed at television and we have had a really successful television campaign that has run. It was a 45-second ad. We could see it here in Tassie when it has been on SBS because when you buy advertising space on SBS you cannot just buy it per State, it goes nationally. I was delighted a few times when I had SBS on at home when that ad first went to air. It would come and I would jump up and down screaming with the excitement of it. Clearly I need to get out more!

Personally I had really good feedback after that from people whom I knew interstate, saying that they had seen the ad and the high quality of it. We have backed that up with some new print advertisements, things like a picture of a beautiful beach somewhere with the slogan 'Swap the remote for the remote'. So once again those clever slogans get you to think about what it is.

[3.30 p.m.]

The other thing that we did in this latest campaign was to focus people more broadly on Tasmania and not just present the iconic locations of Cradle Mountain, Wineglass Bay and Port Arthur but to present images of Stanley and the Nut and more broadly around the State and also have a focus on experiences. This is backed up by research because our research showed us that people were keen on knowing that when they came here they could have a range of experiences, particularly, I guess, adventure based. There is a real market for that now. We are showing pictures of things like the Devil Jet and Rob Pennicotts' Bruny Island charter boat going round some of that spectacular scenery around Bruny Island and now he goes on the Tasman Peninsula as well. It is trying to show that you can come here and not just have a passive holiday experience but also an adventure one because there is a real market for that as well.

Mr WING - That is good, thank you.

Mr FINCH - Tourism is a vital industry in my electorate and I am seriously worried about the prediction of a worsening downturn in the tourism industry, and there are the fuel costs. Of course, we know the value of the Australian dollar overseas and for visitors coming here it is not such a good destination. I know that the outlook for the coming year looks strong in respect of the minister's projections which are on page 214. I am wondering what programs are in place or are being developed to cope with what might be a substantial downturn.

Ms WRIEDT - I want to put this into context because it does correlate with what I have said about the positioning of Tasmania in relation to the other States and Territories and where they have been. These are the figures for the year ending December 2007. During that time Australians took 56 million trips which was down 1 per cent yet Tasmania had the biggest increase in overnight leisure travel to each State. We went up 3 per cent and the only other States to go up were Queensland by 2 per cent and Victoria and South Australia both by 1 per cent. Western Australia went down 7 per cent. We also had the biggest increase in overnights; we were 8 per cent up. No-one else came near us in terms of that. The biggest increase among the others was 4 per cent.

Just to put it into context, there has been an overall decline in Australians travelling domestically but we have out-performed every other State and Territory in that context. I think that that is as a direct result of what has been some substantial effort in the last three years, in particular, to redefine how we present Tasmania to the rest of the country. We have done perception studies to understand what it is that visitors and potential visitors to the State want and so we try to target accordingly in our advertising efforts. It is really hard, I guess, to define in a short answer what it is that we are doing to arrest that trend because everything that we are doing is aimed at ensuring that we maintain where we are at the moment in that really competitive market. As I have said to this committee before, Australians are travelling less; they are travelling overseas more when they do travel. The Australian dollar does not help, the fuel thing is an issue, Green groups advocating in the UK that people should not take long-haul flights is alarming for the Australian tourism industry as a whole. I could not get Ms Putt to provide me with any commentary on that on Monday when we were in the lower House, surprisingly, but it is a concern that they have been very vocal. There are a lot of things that are external influences that we cannot control but I think in the work that we have done and particularly going to television screens it has made people sit up and take notice of us and we are seeing those results. It is about building on that.

We have put a lot effort in recently to enhancing our digital strategy and making sure that because we know that that is the way Australians tend to book now increasingly, it is rare for travel agents to take bookings for domestic flights, for example, or even domestic holidays. Overseas is a different matter. People tend to still book their overseas holidays using the traditional methods, but not so much domestically so we have done a lot of work on our digital strategies. Felicia, when she came in, realigned the organisation to bring it into the contemporary environment of having digital specialists on board to try to rewrite our platforms and that sort of thing.

Mr FINCH - It did concern me when looking through the budget papers that tourism is more of a low-profile activity for Tasmania. I do not see it as the dynamic industry that I am accustomed to, reading about the way we do tourism in Tasmania.

UNCORRECTED PROOF ISSUE

Look at the Northern Territory, their budget for Tourism this year is \$39 million; we have just over \$30 million. I figured we should do a comparison between the State and the Territory, bearing in mind that we have a greater population.

Ms WRIEDT - The Northern Territory have a bit of a problem because they had a 6 per cent decline in the number of nights spent in the Territory, so they obviously need to put in substantially more. You need to remember that it is not just within the Tourism output or this department that you find contributions towards Tourism as such, because there are items that appear in other agencies' budgets that contribute towards Tourism. For example, the Three Capes Walk, enhancements to our national parks that are not in our budget -

Mr FINCH - The Mark Webber initiative, does that come into your department?

Ms WRIEDT - Yes, it does.

The \$23 million north-west tourist road allocation appears in the DIER estimates not in this one. Things like the \$30 million redevelopment of the Tasmanian Museum and Art Gallery, given that TMAG is one of our most visited attractions in the State, is a contribution we are making towards Tourism. The Botanical Gardens sits in another department; Port Arthur, which received an extra \$1 million in conservation funding this year, does not sit in here. The Government, in relation to Tourism, I think wears two hats. We have the marketing side and promotional side through Tourism Tasmania, but the Government is also the State's largest tourism operator, because of running Port Arthur, Botanical Gardens, the Museum, Tahune Air Walk and a number of other attractions. We play a dual role as an investor in tourism in those sorts of things as well as what we do with Tourism Tasmania.

In this Budget there is also the commitment - which is not small in dollar terms - to the Tasmanian Brand Project. This project is not just about tourism but Tourism will be a beneficiary of our commitment to refocus the eyes of the world on Tasmania and what we have to offer here.

Mr FINCH - Okay.

So would it be fair to say that you are not anticipating tough times at Tourism Tasmania?

Ms WRIEDT - We are optimistic about Tasmania's performance going forward, because we have put in a really solid effort and because of the things that we are doing. It does not mean that it is not going to be challenging and that is the message that we are and have been sending our operators. Quite honestly, three years ago we did predict that we would see a flattening off or even a decline in our visitor numbers. I remember addressing the Tourism Industry Council annual conference three years ago and warning operators that the significant increase in visitor numbers that we were seeing could not continue because we could not continue to sustain that increase. We did not think it was possible. We have done that, and a lot of credit can go to Felicia, in the time that she has been here, and the new structure that she has put in place and the new team that she has brought with her. They have been thinking about a new way to sell the State beyond the traditional ways. The sort of the innovative, clever stuff that I talked about with the honeymoon where we get huge value for very little outlay.

Mr FINCH - I might have a good idea for you.

UNCORRECTED PROOF ISSUE

Given that fuel prices could represent a barrier to visitation, would you consider a fuel discount for visitors to Tasmania? Perhaps it might support the TT-Line to help get visitors across. It does not need to be much but it is the thought that counts. I know that it was tried in Italy during the 1960s with some success.

Ms WRIEDT - There is already a program that Innkeepers run offering fuel vouchers to people who come to the State and stay a certain number of days at Innkeepers properties around the State. There are already incentives there. Has the Government considered such a program? No, we have not and, given that there is no crisis as we are still attracting people here, I would be hesitant to advocate any sort of a program at the moment. I would hope that we do not get to crisis point because I think we have done the groundwork and positioned ourselves very well, particularly in comparison to other States.

Probably the biggest challenge is not so much petrol but the aviation fuel prices and the way that that will impact on us in terms of access to the State. We remain very active in discussions with the airlines. We are in the process of developing a comprehensive aviation strategy and have done a large amount of work so that we can present to different airlines substantial business cases for increased flights to the State out of various airports.

Mr FINCH - My thoughts were mainly in the TT-Line area with the fuel discount.

Ms WRIEDT - It could be something that the TT-Line might want to pursue but that is not for me.

Mr FINCH - I am just wondering about the market for retirees. Are we properly addressing this market? Is that one of your questions?

Mrs JAMIESON - No, it is me who is retiring.

Mr FINCH - We have two million fully-funded retirees in Australia and they are increasing by about 100 000 each year. I imagine that retirees would want to come to the comfort zone of Tasmania compared with those very dangerous and unpredictable overseas destinations. Do we have a focus on retirees?

Ms MARIANI - I am not ready yet for retirement but I am getting to an age where I do not want to talk about it. A lot of research shows that retirees are not the retirees we knew and we have to start to talk to them very differently. One thing that I always talk to the caravan and camping crew about, because they keep talking about the grey nomads - and even Bernard Salt reinforced this which made me feel redeemed because I have been saying this for a long time - if you are going to talk to the baby boomer generation, the next wave of retirees, you had better change the name because none of us want to be called grey nomads. I will die with coloured hair.

Laughter.

Mr WING - I am the same.

Ms MARIANI - There is a complete change in the psychology of how we talk to these audiences. You are right, I have been banging on about this not only at a Tasmanian level but also at an international level, because one of the things that I am frustrated about is that Tourism Australia does not seem to have a campaign that is designed to talk to people who are now

moving into that 55 to 65 age bracket. In America, 8 000 people per day are turning over the age of 60. I understand the passion and the interest in Asia, but here is a huge population of people who speak English and have a high propensity to want to travel to Australia, it has always been the aspirational destination of choice with people in North America. They have large disposable income and now they are going to have time and we do not have a campaign to focus on these people.

We have started looking at this and that is why I am investigating a lot of the research. We have been doing a lot of work on how you engage with this audience now because we cannot talk to them the way that we talk to the retirees of my parents' generation. This generation will go kicking and screaming into that part of their life. There is a very interesting group that is starting to build up in the North American market because, as is the problem in Australia, they are running out of people in the next generation; there just are not as many of them. They do not want the baby boomer generation to retire but that generation does not want to stay working, so they are looking at sabbatical programs to give them time to take a year or 18 months off, go travelling and have all that self-actualisation stuff that they are all looking for, but then come back to the job because we cannot afford to lose them. Again, to me there is a whole strategy that can be built around just talking to those people who want to take a sabbatical. Australia has such a high disposition with these people and that is where I think we need to start working.

I do not have a strategy to say, 'Absolutely we are doing it' but what we are doing is starting to understand how you talk to this new generation of retirees because it is a very different way of communicating to them. They are not looking for the passive holiday that my parents might have looked for, they are looking for 'self-actualisation' - this idea of going to destinations where you can learn something, where you can have self-fulfilment, where you can give something back. Tasmania is very well placed for that whole area. This concept of 'voluntourism' - this is another jargon word - is a big trend in terms of what people are looking for in this 50-plus age group. They want to get engaged with programs where they can come and volunteer their time to give something back to the communities or back in the nature stakes. Those are all territories that we are exploring. I believe it is a downfall of tourism at a global level that we have not recognised. There is a whole market out there of the way we need to start changing and talking to these people. Every time the baby boomers move to another phase of their life they take a whole world economy with them. Tourism is still thinking about the younger people, when in fact there is a huge opportunity here in the older group but you cannot call them 'retirees' and you had better not call them 'grey nomads'. That is why I wanted to answer that question.

Ms WRIEDT - Effectively we want to get the message out to them that if they do retire, if they chose not to do the sabbatical, there is no need for them to sit home and watch reruns of the *Pink Panther*. They can come out here and have a fulfilling experience.

CHAIR - Minister, from somebody else who hopes not to have to die with grey hair as well, I am going to call a tea break!

The committee suspended from 3.47 p.m. to 4 p.m.

CHAIR - We will attempt to finish tourism marketing, so are there other questions, Mrs Jamieson?

UNCORRECTED PROOF ISSUE

Mrs JAMIESON - Minister, given your interest in Cameron Tapp and the promotion he got and I know representations have been made to you regarding the Crescendo choir from Devonport going to Korea - or you might not have got the letter yet but it has gone through because I sent it -

CHAIR - It is in the mail.

Mrs JAMIESON - It was in the mail three weeks ago. There will be about 23 students and their parents and supporters going to Korea. They are the only choir in Australia that was invited by the Koreans to perform at - and I cannot remember the name of the centre. I just wondered if there would be any promotion for them too through your department and what the chance is of highlighting the talent of Tasmania in Korea.

Ms WRIEDT - We do not see opportunities through - and I do recall the letter now that did come by my desk and Felicia's; it has landed on her desk now. Processes haven't let us down.

Laughter.

Ms WRIEDT - Korea is only very much an emerging market for us in a tourism sense. We are only just starting to do some work there to build on the reputation that Tasmania has been getting in terms of products that we export to there. I think I highlighted earlier some \$1.3 million worth of exports to Korea through Lotte supermarkets that have come about in the last year. Adam Pike, who is regional tourism manager in Japan, also looks after Korea for us and indeed on my recent visit to Japan we did initially talk about him going to Korea as well but the market there is not well established enough for us at the moment and we do need to do some other work. For that reason probably we do not see at the moment that we could provide that choir with any assistance from the Tourism budget. It is not the sort of thing through Tourism Tasmania that we support -

Mrs JAMIESON - I do appreciate that.

Ms WRIEDT - sending choirs or other organisations overseas to represent, with a contribution, no matter how good they are. In fact, I think really the only time I can remember anything like that was when the State Government supported the Derwent Valley Concert Band in their quest to get to Copenhagen for the Royal Wedding. I cannot think of any others. Probably the only source of funding that might be available for them would be through Arts Tasmania; they might want to make that enquiry.

Mrs JAMIESON - Thank you.

Ms RITCHIE - Madam Chair, I was interested in the visitor spend and wondering what our average visitor spend is and how that compares to other States. I am happy to take it on notice if that is something more detailed.

Ms WRIEDT - The only data we have where there is the Tasmanian Visitor Survey and the comparison to other States we would have to take from the national visitor survey. We can get that if we put it on notice.

Ms RITCHIE - Did Mr Wing previously ask for the Tasmanian bed nights?

Mr WING - Yes.

Ms RITCHIE - Could we also have the comparative data as to the other States as to how many bed nights other States are experiencing?

Ms WRIEDT - Yes, we can get that.

Ms RITCHIE - Thank you very much.

Mr DEAN - Some 1.6 million search engine referrals annually from around the world looks -

Ms WRIEDT - It is exciting, isn't it?

Mr DEAN - I was going to say that it seems like a relatively small number, given that a high proportion of tourism today is now marketed and sold online -

Ms RITCHIE - Half a million in growth though.

Mr DEAN - Yes, that is the targeted number this year. I am looking at this year, 2007-08 which is 1.636. How does that compare with other tourist destinations are doing the same thing? Are we doing it well or is there room there for a lot of improvement?

Ms WRIEDT - Felicia is desperate to talk about this, I can tell.

Mr DEAN - If you look at 2005-06 it was actually a million. In 2006-07 it increased by about 500. This year we are down to about 100 as our target. Less at the moment.

Ms MARIANI - The search engine referrals is very complex. I just learned the difference between the referrals versus the organic searches the other day. That is only actually one part of the picture of people finding their way into our site. There are organic searches which are - if you go into Google, for instance, and someone types in 'Tasmania' or they type in things such as 'fishing' or 'wilderness' or whatever, those are organic searches that bring you down into the Google page where you have all the listings. We have put a lot of money into search engine optimisation which allows us to make sure that Tasmania comes up in the top two or three. The referral number that you are talking about is actually people who - I am not a techno so bear with me on this one -

Ms WRIEDT - You sound very impressive.

Ms MARIANI - Basically what they do, they are actually searching through some other site and they are getting referred from that site into our site.

Ms RITCHIE - By links, you mean?

Ms MARIANI - Yes. So this is only part of the picture of people who are finding their way to our site via searches. The organic searches are the direct type in 'Tassie' and up we come versus people who go through an airline or go through a sector association or something and then find their way into Tasmania. That is only one picture of a much bigger piece of pie. It is a difficult area and it is one that we are doing a lot of testing on in terms of how we maximise that. Those are actually the 1.6 million - are you looking at exact or projection?

Mr DEAN - I am looking at exact on page 213, table 2.8 where it refers to search engine referrals.

Ms MARIANI - We should actually exceed that figure. This is a really hard thing to compare apples to apples because not every State is pulling this data in the same way. So to answer how that stacks up with every other State would probably be impossible. This is a really new area for us, I will be quite frank with you. There are targets that we have set. We have never done this before. This is all something now that is part of the way that we put a bigger focus on our digital activity. We have put some numbers down and they are conservative because, to be honest with you, there is no historical data for us to say that this is what we expect we could get. We have some other kind of information that we have pulled together and that is how we have come up with the goal. That might well be a too conservative target. Next year when we put those targets together we will be a lot more comfortable to actually say that given history, this is what we think we could do.

Mr DEAN - So what we are saying is that other States do not keep that data?

Ms MARIANI - Some other States might. What we are doing is not a standard way of tracking. We are specifically tracking this because we have now put a lot of money into the idea of search engine marketing and search engine optimisation. This is actually a sort of cross-benefit from working quite strategically in the area of optimising our presence and when people are searching because it is not the web site that matters anymore. People do not memorise web sites. They simple go into Google and they do the search. Some 98 per cent of people find their way to us via a Google search. So we are trying to maximise our presence in that environment. Some people are looking at that but not everybody is looking at that. There is no stock standard way of measuring it so that we could compare apples with apples. We could maybe have a look at what other people are doing. I am happy to take that on notice and come back to you with some answer in that area but it may not necessarily reflect an absolutely consistent benchmark.

We can certainly have a look at that because it could well be that some States are categorising it in that way. They would have some way of capturing similar data but it may not be exactly the same methodology.

Mr DEAN - Briefly to the New Directions for our Island document, which was your three-year business strategy for 2006-09, I specifically want to look at the goals that you have there. If you look at the seven key goals - growing our domestic tourism market share, growing our international tourism market share, growing the number of Tasmanians holidaying on the island, attracting high-yield visitors, strengthening the relationships between our brand and consumers, increasing stakeholder satisfaction, increasing customer satisfaction with their Tasmanian experience - how are we progressing at this stage? Will we meet those goals?

Ms MARIANI - There are no numbers attached to those goals. When we set out to establish the new directions document, what we did was to refocus our strategy. We wanted to put a priority on those things that you have just read. What we have done in conjunction with the TICT is take a look at our own corporate goals and we have aligned those to the Tourism 21 goals that were just launched in December 2007.

I have some data - I do not have it with me here but I am happy to provide it - and we set three-year targets across market share for intrastate, interstate and international. For all of those things that you have just read off we set goals against a range of measures. We had a board

UNCORRECTED PROOF ISSUE

meeting the other day and that is why these numbers are top of mind. With the goals that we have set ourselves for 2010, three-year targets, in many instances after the first year we are already 70 per cent of our way to the targets that we established for three years. We have all of those numbers and I can take that on notice and get that to you. I can tell you today, having just done that analysis for another report, that we are tracking extremely well in terms of the market share across all the measures that you have noted.

Mr DEAN - These goals are very specific. The first one - growing our domestic tourism market share; are we or not?

Ms MARIANI - We are. We set a goal of moving the domestic market share - I am quoting this from memory so bear with me because we will confirm that in writing - from 4 to 5 per cent, and from 3 to 4 per cent internationally. Now that does not sound like a lot in terms of a target but in real terms you are increasing your numbers by 50 per cent in moving one percentage point. This is the point I am making: in the first year of actually capturing that data and reporting against those targets we are in many instances over 70 per cent of our way to those goals.

Mr DEAN - That is good, thank you. In relation to the same document, is the perception study complete?

Ms WRIEDT - Yes, that was done quite some time ago.

Mr DEAN - 'We will target our programs creatively and aggressively to build consumer awareness of core strengths, destinations' et cetera.

Ms WRIEDT - That has been done. I talked about the different tack that we took in relation to our marketing to show people a broader snapshot of Tasmania and also some of the experiences they could have here. That was built around the research we received in that perception study. I think it is fair to say that we know more now about what visitors and potential visitors to the State want than ever before. So we can more confidently target particular aspects of Tasmania and that is going to flow through now with the new zone-marketing approach that we are taking. We are marketing Tasmania through five marketing areas, as opposed to the traditional three, based along the phone-book boundaries. The research that we did showed that visitors did not really understand the essence of each of those areas and what was on offer there. By breaking it down further and having some better boundaries it will allow those areas to tell their stories in a better and more direct way and allow potential visitors to understand what is on offer there and the particular attributes that would attract them to that area.

For example, the east coast previously was broken into two areas. As I have indicated to this committee before, I am a tourism operator in Bicheno. Bicheno a classic example where we fitted in the north and we fitted in the south. As a tourism operator in that area, I would get stuff from the Regional Tourism Association in the north and the one in the south. Then you had to make a decision whether you were going to be in both of those publications. Now the east coast is all in one so it is obvious that I belong in the east coast. The east coast has a particular number of brand attributes that I think have not really been able to come through properly.

Mr FINCH - Speaking about branding and marketing, New Zealand has the 100% Pure brand. I think we put their noses out of joint a little by calling ourselves 'pure Tasmania' or something like that?

Ms WRIEDT - No, 'Pure Tasmania' is the Federal Hotels brand, often confused as being the State's brand, but that is fine because we can happily co-exist with the efforts that they put into marketing. The ugly grey baggage shed the size of a football field, which was formerly the welcome to Hobart to Airport, now has the longest mural in the State, which stretches along it with the most spectacular pictures of Wineglass Bay and Port Arthur and a range of properties. It is a Pure Tasmania one but it looks like Tourism Tasmania. Federal Hotels paid for it because it is their brand. So we are quite happy with that.

Mr FINCH - I saw the photo in the paper; it is great. What I was going to allude was this opportunity for us to give an international destination, probably to tourists from New Zealand. I am wondering what we are doing in that market to try to attract New Zealanders to come to, specifically, Tasmania?

Ms MARIANI - We have international representation in New Zealand as well. We have a manager on the ground there that represents Tasmania. We work very closely with tour operators on the mainland but in addition we put our own programs together. New Zealand is an interesting one because in Australia, as much as it makes them very angry, we do tend to treat it almost as a domestic market. So there is a lot of work that we do directly in that market that we would not do in other international market. It is because New Zealanders will respond differently. They know Australia like the back of their hand. It is a competitive market for us, though, because Tasmania is seen very much as a similar product offering to what they would find in New Zealand. It is still quite a good performing market for us. It is in the top five or six in terms of visitation. So we do focus on it quite aggressively to try to maintain that market share. What we are looking at now is developing some partnerships with a number of market retailers to look at how they can introduce some new Tasmanian product into their programs. A lot of work is happening right now as we speak to try to beef up the amount of Tasmanian product that wholesalers and retailers on the ground are distributing. We again do a lot of promotion in that area.

A lot of our work internationally is very promotionally orientated as opposed to advertising orientated but, as I said, it is a tough one for us because there is a perception that Tasmania has a lot of similar kind of tourism experiences. There are reams of research that will show you that when New Zealanders travel to Australia they generally travel for a big city destination experience because they like to shop, they like to go to the theatre and they like to attend major events. Those are the three top things in terms of what New Zealanders look for in an Australian holiday. So we have to compete on a slightly different level because we are not in one of those generally top-three things but we do have a lot of great things to offer. So we stick to our core strengths, we understand what we are good at and that is what we generally try to promote in the New Zealand market but we certainly do approach it as one of our core markets and it is a very good-performing market for us, as I said, in the top five or six.

Mr FINCH - I should not hold my breath expecting Jetstar to fly from Tassie to -

Ms MARIANI - Do not hold your breath. We are still working on that. There is an opportunity. We have been very aggressive in the access in aviation space. We have a specialist working with us in this area at the moment developing our business cases which we are sharing with the airlines right now. We have had a number of meetings with all of the major carriers but we are also looking at international opportunities and the first one that we are looking at is the New Zealand market. As a matter of fact there is a particular discount carrier out of New Zealand that we understand just did an analysis of the top five new markets to look at and in fact Hobart fell just below that fifth line. So they are quite happy to continue to entertain discussions with us.

Obviously there is a whole new filter which has been laid over the world of aviation in the last four weeks and in fact the business cases that we have been developing to be proactive in trying to gain new capacity have taken on a new focus and that is in fact about protecting some of our capacity. So the fact that we have done this work is quite fortuitous. With the situation that we are in right now we have a really good defence mechanism to get in there and argue why those routes should stay. So we are still using it for the proactive let us try to get some additional capacity but this information is proving very valuable to airlines who right across the world are looking at rationalisation of their routes.

Ms WRIEDT - Alan Joyce, the CEO of Jetstar, was here about three or four weeks ago at a dinner that the TCCI put on and he made the point at that dinner in addressing everyone there that Tasmania was not off the radar as far as he was concerned in relation to Jetstar International and the possibility down the track of them developing a new route out of Hobart. They certainly would not be seeking to fly from Hobart to anywhere that Qantas flies internationally. That is an area they are moving away from, going head to head with Qantas but he certainly said it was not off the radar. So with the work that we are doing in terms of having a proper air access strategy, doing the legwork for the airlines and then being able to present solid business cases to them I think that would give us a significant advantage over other States because to be able to present that work and then as their purchase of new planes or their realignment of schedules allows it hopefully then we can get in on the ground floor by being proactive.

Mr WING - When Qantas and Air New Zealand had direct flights between Hobart and Christchurch, despite the fact that they were not adequately promoted on either side of the Tasman, there was about a 60 per cent occupancy, I think. We had a select committee of our House on tourism in Tasmania and we were urging that there be promotion on each side. We were suggesting that the then Lord Mayor of Hobart, Doone Kennedy, should go to Christchurch and Vicki Buck the then Mayor of Christchurch should come here and have celebrations but nothing happened and they just faded away.

In talking to agents in New Zealand - our committee travelled to New Zealand - they made the point that you made earlier that there is a similarity with Tasmania and the New Zealanders saw the similarity and thought it was not worth coming here but several of the agents said once New Zealanders came here the thing they noticed that was a distinguishing feature was our heritage buildings, which were older than New Zealand buildings, and they found that an attraction.

[3.00 p.m.]

Ms WRIEDT - I think that is right. There are some similarities with scenery but there are some other differences that work to our advantage. I can show you that we are in a completely different era now and should we be successful at some time in the future in gaining direct flights to New Zealand or any other international destination, we are a lot smarter these days and savvy as to how we would do promotion of those things both on the ground and other clever things that we could do within the marketplace to gain attention. It is a lot easier these days with the electronic means that did not exist in the days that those flights first got off the ground.

CHAIR - Minister, with exit strategies and surveys, do you still do surveys on exit in all ports as well as airports?

Ms WRIEDT - The TVS - the Tasmanian Visitor Survey - continues. It was quite funny because when I had been Tourism minister for about a week I got surveyed when I was leaving Hobart airport and the woman as she approached me did say that I looked slightly familiar.

Laughter.

Ms WRIEDT - They continue. The TVS is regarded as being one of the most reliable measurement tools of any State in terms of the accuracy because of the large base quantity that we use.

CHAIR - And it still covers a broad area - for instance, people come for the AFL game and then they might head up to Circular Head or they might head down to Hobart and that is still all recorded in those exit surveys?

Ms WRIEDT - Yes. When a tourist is approached if they are walking through an airport and they say that they have come from interstate or they are just leaving then they are asked where they have been and that detailed information is recorded and that is how we work out the visitor nights per region and that sort of thing. With AFL football we have done actual on-the-ground surveys at the games at Aurora Stadium in order to get our figures for those games and the percentages that have come from interstate or intrastate to them.

3.2 Tourism destination development -

Mr DEAN - Minister, I am referring to page 2.13 which says that the department is strategically supporting development of exponential tourism products and services targeting industry development as well as business and product development and destination development. What plans does the Government have to further develop tourist experiences in Tasmania? What is the rate of satisfaction of tourists with their Tasmanian visits? What are their main concerns, if there are concerns, and what is the Government doing about those concerns if there are any?

Ms WRIEDT - They are three distinct questions.

Mr DEAN - Yes.

Ms WRIEDT - In terms of development and so on, a large part of our efforts go to working with members of the tourism industry to ensure that they understand what visitor expectations are and what sort of product that they want. For example, one of the gaps that we have identified is a lack of four-and-a-half and five-star accommodation in Hobart to support conferences that are coming in and obviously the conference and business events sector is a very important one to the State and contributes greatly. Delegates come here and stay on an average 4.6 nights and they spend around \$2 000 per stay per delegate, so it is a very lucrative one for us and we do find that if you get a bigger conference in Hobart, the premium end of accommodation is very difficult. If you get conferences at peak times - and certainly the TCB has grants programs to encourage people to have their conferences here during the winter periods and the shoulder periods when obviously there would be a greater supply of accommodation - then there have been reports of conference delegates having to stay as far away as Margate and the Huon Valley to attend a conference in Hobart. That is obviously a problem for us and we have recently welcomed a new CEO of the Tasmanian Convention Bureau because Vin Barron has retired from that position after 15 years. The new person, Denise Bradley, has come from Western Australia and we had a welcome function for her on Monday evening. At that function I highlighted accommodation as

one of the problems that we can foresee for the sector and for Tourism generally and I do hope that, in the various opportunities that present themselves on the waterfront area as part of redevelopment, something will open up in terms of hotel developments at the premium end because that accommodation is in short supply.

We work with individual operators through the different regional tourism associations. Workshops that are held on different things for them, how they can get more into the digital strategy and helping them with some tips in relation to attracting international visitors. So there is a lot of work that goes on there. I could keep talking but I suspect -

Mr DEAN - No, you are covering it and the question was about the preferred developments of tourist experiences and you are telling us they are convention centres and accommodation. My next question is about the current rate of satisfaction of tourists coming to Tasmania.

Ms WRIEDT - That bit of question has prompted me to remember one vital statistic and that is that in terms of what future development in tourism looks like, it looks very strong because we have \$950 million worth of private investment in tourism-related developments that we are aware of and these are only the ones that we are aware of, that the Department has had some connection with, that are on the books, on the drawing boards or at various stages of readiness. Probably not all of them will proceed. Some may not clear hurdles of planning processes and so on but that is what people have indicated to us that they wish to invest in tourism-related product in the State. That is really encouraging, because that is a record figure - nearly a billion dollars.

Felicia and I had a meeting in Launceston some few weeks ago with a tourism operator from interstate who does not currently have a presence in the market here. They run boutique-style accommodation at five-star level. They have bought land here to develop an accommodation business and they wanted to talk to us. They came with a team of people, including their advertising people and their marketing and planning people, and they wanted to just make sure that what they were going to plan would match the experience that visitors to Tasmania are looking for. They were so enthusiastic while they were here that during the course of the conversation they said, 'Well, we have a helicopter because we are going to look at our land now, but we think we might actually buy something else while we are here and plan a second development. Where should we go?' We directed them to some areas they might like to fly to while they had the helicopter. And then as the person was leaving he said, 'I think I might buy myself a weekend place while I am here as well.'

Mrs JAMIESON - As you do!

Ms WRIEDT - That was a very productive meeting. We all walked out with big smiles on our faces but that is still the level of confidence and I guess it comes back to what we talked about in an earlier output group - the level of confidence in the tourism market here in Tasmania.

As to satisfaction levels, I do not know that we actually track satisfaction as such.

Ms MARIANI - We do have some information. Probably most of that is gained by the information that comes through the TRCT as well as ourselves through letters of complaint. Actually, the TRCT is a very good source of that information. Generally what we find is that overall the satisfaction level is quite good with their experiences here. To be honest with you, the thing that we talk about is how we working with our industry, saying, 'What are you doing to combat some of this?' The advice that we are giving people nowadays is just because people do

not write you a letter to complain does not necessarily mean that they have had a good experience. We are encouraging people to now go onto site such as TripAdvisor. TripAdvisor has become the number one holiday referral system. Before people go away, that is where they go to find out where people have good experiences. We are encouraging our operators to go on line, look at TripAdvisor and search their product, see what people are saying about either the destination, the area within Tasmania where you are at, or your own property or attraction. Those are the kinds of things we are working with the industry on to recognise that the world again has moved on and just because somebody walks away and does not send a letter of complaint does not necessarily always mean that everything is perfect. So we are working with them on engaging with the consumer. If you find something on the web that is negative about your product, respond back to the person. How much is that going to help to build that relationship and change those people's perception.

Mr DEAN - Minister, as a destination State, what are some of the main criticisms that have come out? You have already mentioned one in relation to lack of quality accommodation and you referred to, I think, the areas for conferences and so on. Are there any other major concerns that tourists have identified?

Ms WRIEDT - Road signage is a frequent one. That is one we happily refer on to DIER. People have varying opinions as to the amount of road signage there should be.

Mr WING - And road kill?

Ms WRIEDT - A little bit. It is quite interesting because I have to say that when I became Tourism minister I probably did not expect that tourists who had left the State and not had a happy experience would write to me personally. I was used to it in Education but it was somewhat of a surprise when the few letters started coming through, that people would take the time to write to the Tourism minister if they were not happy. Strangely enough, probably the most common one would be in relation to issues with hire car companies where there is a dispute over damage. That is probably, in all honesty, the most frequent one I have had. It is not frequent frequent, I might get one every two months or so.

Mr FINCH - Minister, I know that you are fully aware of the issues that a lot of operators in the Tamar Valley have in respect of the recent past but also their future in regard to the pulp mill.

Ms WRIEDT - The ghost of Estimates past!

Laughter.

Mr FINCH - I am wondering if research has been done into the implications for the tourism industry in the Tamar Valley if the pulp mill does proceed? There would be some variances because we had announced not so long ago by Gunns that there would not be as much of a requirement for the work force as they had previously. What are the projections? What do they intend to do in respect of accommodating the workers who may need to come here? Will the tourism industry be able to accommodate their tourists as well as provide extra accommodation that might be needed for workers? Is Gunns going to build something?

Ms WRIEDT - No, my understanding is that they were planning to accommodate the work force through a combination of building some accommodation themselves in George Town but also using existing accommodation providers in the area. There is divided opinion in relation to

the benefits to the tourism industry in the Tamar Valley and George Town areas as a result of the pulp mill and that was borne out by the survey that the Tourism Industry Council did last year in about August. It showed that quite a large number of the tourism operators believed there would be a benefit for the tourism industry from the pulp mill. I am aware, for example, that the Pier Hotel in George Town has made a substantial investment, over \$1 million I think, because they believe that they will benefit from the influx of workers into the area. Likewise you have had Errol Stewart make a multi-million dollar investment in George Town, so there is certainly a lot of activity in that area.

[4.45 p.m.]

On the back of the discussion last year and the concerns that were raised in relation to the tourism operators, I conducted a couple of forums, the first of which was very well attended. I think we had more than 50 people. I think attendance dropped off a little for the second one and there was third follow-up one that Felicia did some time ago that had fewer again. What we developed out of that was a four-point plan of what we would do in relation to the proposed mill and the perceived impact on the area. We said that Tourism would continue to monitor the health and the ongoing integrity of the Tasmanian brand through Roy Morgan Research Holiday Tracking surveys to help us to continue to identify visitor preferences and intention to visit. If, for example, that shows us a sharp decline in visitor preference for coming to Tasmania, certainly that would be something that we would look at.

Mr FINCH - Have you done that work, or will that be done if the pulp mill goes ahead?

Ms MARIANI - That work already exists. The information that the minister is referring to is part of the Roy Morgan Research Tracking studies. The benefit of this is that we have the benchline data. This information has been collected for preference and intention, brand awareness and brand health. That is part of the Roy Morgan Research Tracking studies which we have been doing for years. We have a really good baseline of information. If those numbers start to change we will know we have a problem. At this point there has been absolutely no change and the preference and intention is performing extremely well for Tasmania.

Ms WRIEDT - The other thing we said we would do is to make sure that we work with our international managers in all our core markets and also with the public relations agencies that we have overseas to make sure that they are monitoring any impact on the brand that they perceive. For example, in the United States alone DCI, the company that we use there, monitors some 10 000 print and online publications including the larger ones like *New York Times* and *Los Angeles Times* and so on but also broadcast media such as *CNN* et cetera.

Mr FINCH - That is like media monitors.

Ms WRIEDT - They monitor all that to pick up any negative stories related to the pulp mill. We do the same in our national media through the six mainstream newspapers and magazines. We get feedback from them and also any other stakeholders like international airlines and so on to see if any of them indicate a declining preference. I also seek feedback when I travel overseas, and I have just come back from Japan and Hong Kong where I met with Qantas, and they have not indicated any difficulties.

There is a drop in Japanese visitors but it is not related to the pulp mill. Despite the Greens having been there advocating against it, nobody seemed to know about it. Likewise in *G'Day USA* there was no mention of it. We have not been asked about it, and I know that the Leader of

the Opposition indicated that it was never raised with him in his recent trip around the world either. Out of curiosity, I asked a few people in Hong Kong, an emerging market for us, and nobody had even heard of it. We are monitoring all of that. We do not want to rely just on word of mouth.

As part of the four-point plan that we put out, we will map out the potential stresses on the accommodation supply in the region relative to when the highest demand for accommodation would be. Demand for worker accommodation is estimated to be 1 000 people per month over a 26-month period, but part of that will be picked up by the purpose-built facility that the company will establish. Once construction of the mill is complete we will work with the local and regional tourism authorities to develop a proper communications plan to advise tourists of the availability of accommodation. If it looks like there is a squeeze, we will certainly work with them to mitigate any perceptions that have arisen. Finally, in the event that any of those things have highlighted an issue, or there is a blip in any of the data we are tracking, we will develop some strategies to mitigate those. As I said at the time, we cannot say what those mitigation strategies would be until such time as we know what this problem is. We would have to develop an appropriate response to the problem if and when one eventuates in our research. Felicia has formed a group that is doing some ongoing work on this.

Ms MARIANI - We have our first meeting on 14 July working in conjunction with the Launceston Tamar Valley Tourism Association. Because the accommodation issue is a bit unknown, I have formed a working group with some of the key people in the Launceston area to monitor some of the issues that could arise. I asked that this working group be formed because we need the intelligence on the ground. We need to know what rooms are available, where the stresses and strains are happening over the various periods of time.

Mr FINCH - Tamar Valley people as well, not just Launceston?

Ms MARIANI - Yes, it is Launceston Tamar Valley Tourism Association, so Peter Neilson is the person on the ground to pull together the responsible parties to work with us.

Mr FINCH - Okay. Thank you.

Ms RITCHIE - Minister, going back to your comment about the lack of supply of accommodation at the premium end as a potential issue in Tasmania, please comment on whether you feel that there is a correlation between this and the real estate boom in Tasmania. Even though we have experienced property price increases, we are still very competitive compared with mainland property prices. Do you think that is going to position us well to attract developers to Tasmania to develop such accommodation premises, based on the fact that our property prices are very competitive compared to mainland States?

Ms WRIEDT - Definitely, I feel a slogan coming on: You can still afford to buy in Tasmania. Certainly I think that there is still an opportunity for people who want to develop at the premium end, in particular, to come and look at investment opportunities here. We have under way at the moment a tourism infrastructure investment strategy to identify strategic gaps in the area, such as premium accommodation in Hobart and there may be other areas. I know the Huon Valley suffers from not having anything of significant size with a large number of rooms and they could benefit. For example, having a small boutique hotel would be a great boost to that area.

UNCORRECTED PROOF ISSUE

Ms RITCHIE - Is this infrastructure investment strategy aimed at providing detail to potential developers about what they can come and do in Tasmania?

Ms MARIANI - It is almost a notion of alluding to Tasmania as an investor-ready destination. We are also looking at not just the gaps in the type of product, but also things that could impinge upon a developer's intention to build in Tasmania. So things like ensuring that they have good access in and out of whatever the destination might be - the water issues, the sewerage issues - so there are more things that are also around inhibitors to what would make a particular development difficult to build in Tasmania. So there are two sides of it. One has to look at the gaps in the type of product but the other is more broadly looking at the things that could inhibit the success of a development moving forward. It is a very broad program that is being done in conjunction with Economic Development. So Tourism and Economic Development are working together on this particular strategy.

Mrs JAMIESON - A quick question on ecotourism initiatives. Have we anything new in the green ecotourism?

Ms WRIEDT - The project that I talked about earlier with the gentleman whom we had a meeting with I guess would be something in the ecotourism area. There is the Crescent Bay - Dick Smith; well it is not technically Dick Smith, it is his daughter and son-in-law. The planning hurdles that they had faced are now cleared.

There is Cockle Creek which had previously been proposed and which I think is still in some stage of planning, Musselroe Bay which I think will be quite a significant project when it gets off the ground, Pumphouse Point which Simon Currant is progressing and, whilst it is mentioned in here we do not have the budget allocation, the north-west tourist road that will enable us to showcase the Tarkine and let people get there, which they cannot do at the moment despite the fact that we promote the Tarkine. We can put all those in that ecotourism basket.

Mrs JAMIESON - Lake Margaret or anything like that?

Ms WRIEDT - No.

CHAIR - Minister, if I can follow on from your reference to the Tarkine drive and the funding. Have there been any funds or promotional programs identified to promote the Circular Head region in light of that Tarkine investment in the road funding, bearing in mind that they could quite easily shoot off through the Wynyard section and come around and miss the Circular Head area?

Ms WRIEDT - No, there has not been, but we are still very much in the planning stage for that road development and I have been at pains to point out that we have not finalised the exact route of it. Forestry Tasmania to date has done work on this project and it now gets handed over to DIER because it is an initiative in their budget papers, but from the tourism perspective I have an interest in it because I am going to lead the consultation process to have some further engagement with the stakeholders up there to make sure we are choosing the most appropriate route. There are a number of stakeholders who have an interest in it -

CHAIR - Does that include the Circular Head region?

Ms WRIEDT - Most definitely. The Circular Head Tourism Association has benefited quite significantly from some TPP initiatives. They are taking a lead role in positioning the north-west coast. There is strong representation from that area in the new zone marketing group that I talked about earlier. With all due credit to the Circular Head Tourism Association they have really come into their own in the last 12 months and been very proactive. They benefited from a TPP grant through a cooperative marketing initiative and they did an excellent job at that in terms of putting together a package of accommodation at Tall Timbers, entry to Dismal Swamp and a third attraction or experience, which I am sorry I can never remember. They ran that through a direct mail campaign to households in the State, they ran advertisements, they did inserts in newspapers and Tall Timbers had an occupancy rate last May of over 80 per cent, which is absolutely unheard of in wintertime.

[5 00 p.m.]

CHAIR - Have all the funds been expended in the tourism promotional plan?

Ms WRIEDT - No, we have \$2.88 million in this final year. Originally it was going to be just a two-year program but because it took us a little longer to get the grants process organised in the first year we decided that we would carry some over into a third year, and this is the third year.

CHAIR - If we have not already asked for it today, can we have a copy of the breakdown of the projects that have been funded in that particular area?

Mrs JAMIESON - We have not heard anything about any initiatives for, say, King, Flinders and the other islands around Tasmania. Is there anything on the horizon there?

Ms WRIEDT - The Tourism Tasmania Board met on Flinders Island.

Ms MARIANI - About two board meetings ago.

Ms WRIEDT - They did, just after Easter. I was meant to attend as well but some of us could not get there because the weather was so bad in Hobart that day that the plane would not go. The members of the board who had flown from Melbourne were able to get there.

Flinders Island has been very active in going to Australian Tourism Exchange. I first met up with them last year at ATE in Brisbane. They group together very effectively. King Island, I am not sure what their

Ms MARIANI - Most of the work that happens with King and Flinders islands tends to be very development-oriented as opposed to marketing-oriented. I know that Claire Ellis and her development team spend a lot of time on Flinders and King islands working with the operators and trying to develop a product. As the minister said, there are a number of individual operators who are pretty much up to speed and ready to market their product. They work with us on a range of marketing programs. As the minister noted, we had Flinders Island at ATE. They were again there this year. It is important to note that our operators are subsidised quite significantly by Tourism Tasmania to attend ATE. Tasmania is one of the few States that still subsidises their operators to attend that trade event. That is another benefit that has flowed on to Flinders Island and they take advantage of that. They do not have to come and they have started to really push themselves hard and are trying to develop that up as an international destination as well.

CHAIR - Minister, is it possible to have a list of the names of the board members?

Ms WRIEDT - I can tell you off the top of my head. Bob Annells is the chair; Simon Currant sits on the board in his role as president of the Tourism Industry Council of Tasmania; Juanita Von Stieglitz, who is from interstate - she works for American Express; Alison Stubbs from Freycinet - she and her husband, Simon, run a tourism venture there; Wayne Kirkpatrick, who is a board member of Tourism Australia and previously was the CEO of Hamilton Island; and Kim Seagram from Stillwater.

CHAIR - I had one more question in relation to the climate change initiatives that the State Government has identified. Have there been any talks with the hire car companies about the vehicle energy-level rating that has been talked about with complying from government standards? I am wondering whether there has been any consultation or discussion?

Ms MARIANI - We have had lots of discussions with some of the major car hire companies, largely around the idea of introducing hybrid vehicles into their fleet. Interestingly, though, I think what they are doing is testing it in the bigger markets at the moment. There are some hybrid cars available through some of the car hire companies on the mainland but we do not seem to have them down here yet. They are discussions that, if we are to be seen as a green destination, we should be providing people with vehicles that are environmentally friendly, whether they are the Prius or some other form of the new hybrid cars that are coming out. We are engaging with hire car companies quite extensively. To us, that would be one of the most visible signs of when you enter Tasmania; to be presented with the opportunity to purchase an environmentally friendly vehicle would be ideal.

Ms WRIEDT - But also those ones that have a better star rating like the government fleet will have - it does not have to be a hybrid vehicle. There is that lack of availability of a range of hybrid vehicles but if you look at the ones that are still available now as part of the government fleet there is still quite a list which indicates a variety of vehicles, including some four-wheel drives.

CHAIR - Obviously that will come at a cost though. Have you thought about any incentives to offer -

Ms MARIANI - That is really a dangerous space for us to get into. The problem is that, once you enter the incentive world or the subsidy world with any industry, you open the floodgates to our doing that for a whole range of industries. To be quite frank, it is really not sustainable. What we have to present to all these businesses - and this is the work that we are doing within Tourism Tasmania - is the creation of one of the good business reasons for all tourism businesses in Tasmania to consider making some adjustments to their carbon footprint. So it is actually turning it around and creating a benefit to their bottom line by thinking about making these movements as opposed to our subsidising people to change behaviour. That actually does not really work. It is better to instil that in their business practices by presenting them with sound business reasons for making those changes. That is really the way we are working with them right now.

CHAIR - There is still quite a bit of debate about the carbon footprint of a Prius, I believe.

Ms MARIANI - Yes, there is.

UNCORRECTED PROOF ISSUE

Ms WRIEDT - There is indeed.

Mrs JAMIESON - But they are so economical, aren't they?

Ms MARIANI - They are actually like hens' teeth to get, so that would probably not be a viable option anyway.

CHAIR - It is obviously something that will be explored and talked about more in the future.

Mr WING - I am just wondering what the effect, if any, is on tourism of the lack of water flowing down the Gorge - there has just been a trickle for a few months now. You have to almost look under the rocks to see it, rather than it washing over the rocks. Also, the silt in the Tamar in the Launceston area, what effect might that have on tourism?

Ms WRIEDT - I do not think that those sorts of things act as a deterrent. I think that everybody right around Australia understands the drought conditions that we have been in and would not be surprised to see a lack of water in the Gorge or any other number of other water catchment areas in the State because the home States that they have come from are very dry as well. It was interesting that I did fly over the Gorge by helicopter recently because I launched the new Heli Adventures operation at Aurora Farm that Greg Crick has started. As part of the launch we went up in one of the choppers and we went over the Gorge. It did make me realise what a lack of water there was there. As to the silt in the Tamar: we are making a contribution to the removal of that. Obviously there are some tourism operations that rely on access up and down the Tamar. So we are contributing \$240 000 to the Upper Tamar River Improvement Authority which has the unfortunate acronym of UTRIA.

Laughter.

Ms WRIEDT - It makes me want to go and run for cranberry juice right now!

Mr WING - And it is being disbanded so you will not have to worry much longer.

Ms WRIEDT - Okay. We will probably be providing money to the council then, I suggest.

Mr DEAN - I would hope so - heaps.

Mr WING - Not nearly enough.

Ms WRIEDT - There is \$240 000 plus GST that we have allocated in this Budget for this.

Mr WING - That will have an imperceptible effect. It probably needs about \$5 million or \$10 million to have any effect.

Ms WRIEDT - We have started with our contribution.

CHAIR - Every little bit helps.

Ms WRIEDT - It does. It has to start somewhere.

3.3 Tourism distribution services.

Mrs JAMIESON - This may well be my ignorance, Minister, but the Launceston Travel Service Centre - is that actually funded by the Government?

Ms WRIEDT - It is our call centre operations and Tas Temptations is what that refers to as opposed to the Tourist Information Centre in Cornwall Square.

Mrs JAMIESON - Okay, which clarifies it. I was just interested in the terminology that has been used here. It says, 'The output provides conversion opportunities for Tasmanian tourism operators'.

Ms WRIEDT - Yes. It is our wholesale distribution operation and our call centre. It was interesting that I had an opportunity to visit there recently and listen in on some of the phone calls that the operators were taking from both travel agents and visitors to the State. Having just the week before had a meeting with the chair of the Wooden Boat Festival, I was delighted to hear one lady from South Australia ring up and making inquiries about accommodation because she and her husband were specifically coming over for the Wooden Boat Festival.

Mrs JAMIESON - Which raises a question for me then about staffing - full-time, part-time and the number of calls that are received.

Ms WRIEDT - Can we put that on notice?

Mrs JAMIESON - Yes.

Ms MARIANI - And the number of calls as well. We have all that information.

Mrs JAMIESON - Any other relevant information that would be of interest could be tabled. The private tourist operators there are using the service to receive and give information as well so that it can be handed on, I take it?

Ms WRIEDT - Yes, they can choose to be part of Tas Temptations and to have their inventories, so the rooms that they have available, as part of the database so that they can be booked directly and Tas Temptations charges 25 per cent commission, which is about industry standard for that sort of activity.

Mrs JAMIESON - Thank you. Do we have the figures then of direct bookings versus the Internet bookings, for example? Are those figures available?

Ms WRIEDT - No, we would not have those. What quite often happens is that particularly medium-sized operators will put some of their rooms available on Tas Temptations and then hold some back to direct market themselves, generally over the Internet. It is quite common to have a combination but we would not be privy to their Internet bookings.

Mrs JAMIESON - Do we have any figures on the direct effect attributable to the fuel increases - for the boat and motor homes - or is it too early to get that sort of figure yet?

Ms WRIEDT - TT-Line I cannot help you with. You would have to talk to the TT-Line. The figures on how they relate -

UNCORRECTED PROOF ISSUE

Mrs JAMIESON - Has there been any direct effect that we can attribute to the fuel increases on, say, the number of motor homes coming into Devonport?

Ms WRIEDT - You would have to talk to the TT-Line and I doubt that they would have that information because if people are deciding that it is too expensive to travel around in a motor home they are not going to contact the TT-Line. I do not think we would be able to quantify that.

Mrs JAMIESON - Do we have any feedback at all as to whether Tasmania is an animal friendly place? We love our dogs. Do we have any feedback on people who travel with their animals and who may or may not come to Tasmania because it is not animal friendly?

Ms WRIEDT - Felicia has been waiting all day for the opportunity to talk about dog tourism, I can tell you.

Laughter.

Ms MARIANI - We do not have any information that says people perceive us as being either friendly or non dog friendly.

Ms WRIEDT - It could be other animals.

Mrs JAMIESON - Yes, cats come.

[5.15 p.m.]

Ms MARIANI - I do not think Jetstar allows pets on the planes so it is only the Qantas flights and the Virgin flights that people can get their animals on board to bring them with them. The TT-Line of course does take pets but I do understand - and this is all anecdotal - that the TT-Line's issue that you cannot go down to see the animals and that means 11 hours that they are down there by themselves is prohibitive for a lot of people. Those are just anecdotal things but there is really no research that positions us as being friendly or not in that regard.

Mrs JAMIESON - Thank you. Where do the TVINs fit into the scene? I just could not find any mention of them in the budget paper. I might have overlooked it or it might be called something different now. I was wondering if we could have an update on the visitor numbers, satisfaction survey and so on.

Ms WRIEDT - It is 3.2, they come under Development.

Mrs JAMIESON - Yes, I still could not find them mentioned.

Ms WRIEDT - We fund them but we do not own or manage any of them, as we have pointed out before. There are two types; there are yellow-eye centres and white-eye centres. Some are part of the accredited network and others are locally operated ones.

Mrs JAMIESON - Do you have any facts and figures? I am quite happy to have them tabled if you have them.

Ms WRIEDT - We do not have them with us. What did you want, numbers through the centres?

Mrs JAMIESON - I was wondering about user satisfaction and/or people who actually go because I know some of them do keep track of people who use these services.

Ms MARIANI - I do not honestly know that we have figures on user satisfaction. We would have numbers of people who go through the Visitor Information Network. I would have to take that on notice. It does exist but we would have to go back and find that information.

Mrs JAMIESON - And where they actually come from?

Ms WRIEDT - No. A couple of years ago when we were looking at making some statewide changes to the network, we put counters in on the doors of all the centres. Regarding family groups, they were set at such a height that children did not trigger them off. We can give figures on those but I do not know that we can go much further than that because we do not hold other data.

Mrs JAMIESON - I know at Latrobe they keep track of which State people come from.

Ms WRIEDT - That would be a local initiative for their own information so individual centres may hold that. But as part of our role in the network, we do not.

Mrs JAMIESON - Okay, thank you.

3.4 Major events support -

Mr DEAN - I am looking at the annual report for the year and it refers to the National and Special Interest Event Grant Program supporting 77 events.

Ms WRIEDT - The National and Special Interest Event Grant Program has been designed to assist clubs and associations who are going to gather together for a national event in Tasmania. We have, for the 2008 calendar year, secured 74 events with an expected attraction of 28 000 visitors and an economic benefit of \$27 million. We have the Touring Event Program as well and that is designed specifically to encourage car and motorcycle clubs, bicycle clubs and other touring events to come here. For example, it could be the MG Club that will come and tour around. There was one, I think, the Easter before last which was Porches. I was on the east coast and I was passed by about 60 Porches coming towards me.

CHAIR - Were you green with envy, Minister?

Ms WRIEDT - I was indeed. I have also been up there when some of the motorcycle clubs have come pass en mass and I was not quite as green with envy as that but somewhat overwhelmed. We also have the Your Club, Your Island Program which was a new initiative in the 2006 election. That was particularly aimed at lifting visitation during the winter and shoulder periods. Some 28 events have been listed for 2008, with about 1 000 visitors and about \$1 million. The touring event was 17 events, \$4.1 million and 2 300 visitors. So there are three main programs. Then there is the regional event assistance program which will support 14 programs across the State in 2008. That has things in it like the Moorilla International Tennis, the Australian Wooden Boat Festival, Southern Roots Festival, Falls Festival, Targa Tasmania, V8 Supercars, Hobart International Triathlon, Pacific Golfer Club Challenge - so it has fairly major events.

UNCORRECTED PROOF ISSUE

Mr DEAN - Any new major events coming in, Minister, that we have not previously had? Have you been able to gain any?

Ms WRIEDT - There are some but we are not at the point where we can talk about them at the moment because they are not finalised. It is fair to say that we have an ongoing, active program of discussion with various organisers of major events and they are at various points of finalisation. So, as soon as we can, we can share those.

Mr DEAN - Elton John concerts and things like that?

Ms WRIEDT - Casting my mind back to the night of the concert, through Michael Chugg we were able to get details of where people came from for that concert. I think 3 000 people came from interstate for it.

Ms MARIANI - It was a little bit higher than that.

Ms WRIEDT - They came from as far away as far north Queensland and outback Western Australia. So that was a huge coup. For Michael Chugg it was his sixtieth birthday present to himself - to bring Elton John to his home town. We remain in close contact with him with a view to getting another major concert at Aurora Stadium because it did prove to be a very good venue on the night.

Mr WING - Very well organised.

Ms WRIEDT - It was very well organised and Felicia and I were sitting up there rocking like two old Elton John fans. With the picture there of the sun setting and the stage and the huge crowd, the first thing I said to her was, 'Please tell me someone from Tourism has a camera to take photos of this' because, in terms of promotional opportunities, it really captured the moment beautifully. We will continue to work with Michael. He is a great friend to Tasmania and will do everything he can to get something here.

That was a case of not putting money into the concert; we did not pay Michael Chugg anything to bring Elton John here. What we did was facilitate it by putting them in contact with different suppliers that they would need for equipment, set up the staging and the stuff that they were not bringing with them - lighting in particular - and chairs. We were able to then put together packages with a mainland company for airfares and accommodation and concert tickets. We did not put money into the event.

Mr DEAN - On the down side, are there any major events that we might lose? Targa is entrenched, I take it?

Ms WRIEDT - Targa is here to stay and Launceston should be very happy with the number of legs they have.

Mr DEAN - Are the V8s coming back again?

Ms WRIEDT - Yes; we have a contract with the V8s that still takes us forward a number of years.

UNCORRECTED PROOF ISSUE

Mr WING - The Launceston City Council used to have One Night in the Gorge early in February but because the costs were too high the council decided not to continue it. Would that qualify?

Ms WRIEDT - That would not have been during your time as mayor, would it?

Mr DEAN - No, it certainly was not. It was before my time.

Mr WING - Would that qualify? Can local government make applications for grants? That was quite an attraction and could have been built up.

Ms MARIANI - We can find out. We do not know that local governments are eligible but we can certainly have a look at the rules.

Mr FINCH - Minister, we talked earlier this week in respect of the Silverdome and the Daniel Geale fight - an IBO world title fight. Daniel Geale is, of course, a Launceston boxer and he was very keen to have his first defence in a world title fight in his home town of Launceston. It seemed to be that the Silverdome would be a perfect venue.

He came down with his promotion company, the Grange boxing school, to carry out an investigation. The quote he got from the Silverdome actually did frighten them off - a quote for approximately \$50 000 - so they did not pursue that opportunity in Tasmania. Daniel by the way will fight on Friday night against a European, I believe, in Sydney. I think he was given less of a quote at the Derwent Entertainment Centre to stage the fight there - something like \$5 000, but of course I do not know so much about that. It was like the other \$50 000 and included a lot of extras that would have gone with the fight.

The point I am making is that there was a golden opportunity for us to encourage a local sportsperson with a boxing fraternity that would travel. That was what I was hoping would be recognised by the Silverdome and by Sport and Recreation. Even if it is just a one off here was an opportunity for the Sydney and Melbourne boxing fraternities to get that trip to Tasmania to see Daniel fight. It would be televised on Friday night fights as it will be this Friday night. It did not come about. I think Events Tasmania did actually have some investigation into it but did not proceed with it.

I was also interested to see that Anthony Mundine, in discussing his future prospects, has also come to Tasmania to investigate an opportunity. I am wondering if there is an opportunity being missed here. Certainly with Daniel Geale I think there was. I wonder whether Events Tasmania could perhaps explore this boxing fraternity that pays big dollars to go to fights and might be attracted - even if it is only a one-off situation or a novel thing - to come to Tasmania to see a world title fight.

Ms WRIEDT - In relation to Daniel Geale one of the difficulties was that there was no approach initially made to Events Tasmania. We only became aware of it after somebody from Michelle O'Bryne's office made us aware. Subsequent to that the promoters were contacted by phone and they did commit to providing a written proposal by the following Monday. By this stage it was very close to when they actually needed an answer on the fight. I do not think that Events Tasmania ever received the full proposal. We can certainly find out and provide something on it if you put that on notice but they did not actually get the information that they needed. I am sure you can appreciate that, whether it is something such as the defence of a boxing title or any other event, we require a certain amount of paperwork and written stuff to be

UNCORRECTED PROOF ISSUE

provided to enable a proper analysis. It is my understanding, certainly from the limited information that we have here, that they did not provide that. Sorry April of this year. I can certainly find out.

[5.30 p.m.]

I am not aware of Anthony Mundine and I do not know where that has come from.

Mr FINCH - That was a newspaper story. He did travel here to look at venue possibilities.

Ms WRIEDT - I guess it is not always obvious how people would get in touch with Events Tasmania if they are just coming over in an individual capacity. Certainly the Director of Events Tasmania would be happy to pursue the possibility of making contact with the boxing associations here in the State so there is awareness at a State level as to what the different programs might be if future opportunities arise.

Mr FINCH - I am not so much concerned about past history as I am about what might happen in the future. I think what disappointed me most was that I did involve the government in those negotiations, so there were two people from government agencies who were in attendance at those discussions earlier in the piece. I would have thought that one of their first ports of call would have been to Events Tasmania, to rope them in and ask how do we tackle this, how do we look at this. I would have thought Events Tasmania might have been brought into the loop straightaway. Somebody from Events Tasmania would have recognised the opportunity more so than somebody trying to crunch the numbers on the rent of the Silverdome.

Ms WRIEDT - There is no doubt about that but we need to know about those things.

Mr FINCH - I am probably alerting you, Minister, to say that other agencies should be aware of the work of Events Tasmania a little bit more.

Ms WRIEDT - I take that on board. It probably gives us an opportunity to perhaps raise the profile of Events Tasmania a little bit within government as well as externally.

CHAIR - Minister on behalf of this committee I would like to thank you and all your team sincerely for your patience and input. We thank you and we appreciate it and we look forward to seeing you next year.

Ms WRIEDT - Thank you very much and can I say thank you to you in your first role as Chair for the way that you kept us on track. You did a magnificent job. I also thank all the staff of the department and my officers. This is the first time as a new department that we have done Estimates. There has been tremendous activity and it is always good to see it come to an end. All the preparation has been worthwhile.

There are obviously some areas of particular interest for members within both parts of the agency. If there are briefings that members of this committee or indeed the upper House would like in specific areas then please get in touch with my office and we can quite easily organise a briefing and some site visits with one of the regional managers.

CHAIR - Thank you very much, Minister. We appreciate that and you will be hearing from us.

The committee adjourned at 5.35 p.m.