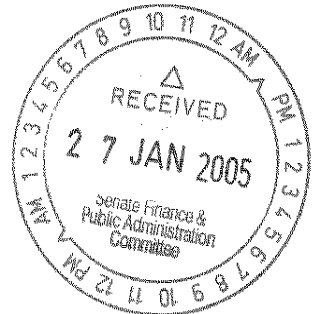


44 Cook St
ATHERTON
Q 4883

24th January 2005

Committee Secretary
Senate Finance and Public Administration
Committee
Department of the Senate
Parliament House
CANBERRA
ACT 2600



RE: SUSTAINABLE REGIONS PROGRAMME FOR
ATHERTON TABLELANDS REGION

I herewith present my submission to the Senate Finance and Public Administration Committee re the Senate inquiry into the administration of the Regional Partnerships and Sustainable Regions Programme.

Because of the enormity of the subject matter I have included two folders containing material relative to my comments. The pages referred to in my submission are clearly marked for easier access.

I wish it to be known that at no time have I applied for nor considered applying for funding from the Sustainable Regions Programme for Atherton Tablelands Region. Also, I would emphasise that I am making no inferences of impropriety or wrongdoing by any person or persons. If that does exist, it is, of course, for the Senate Committee to determine from other submissions or sources.

Essentially, my concerns focus on:

- 1) Lack of liason ~~WITH~~ the taxpaying public
 - 2) The conducting of 'due diligence'
 - 3) The Pinnacle Report - Stage 2 Final Report
 - 4) Some contradictions in funding approvals
-
- 1) The public has only become aware of grant approvals (some) when they have been announced in the local newspapers. This has caused considerable anger in the community with many taxpayers questioning the wisdom of some of the funding allocations and what they believe to be a waste of their tax dollars on projects that ultimately will not benefit them, the public, in any significant way. Many members of the public feel alienated and isolated in that there appears no avenue to protest or object to ATSRAC decisions.

I believe that, while the processes may be in accordance with funding guidelines, there should be (if grants are to be continued to be made to private enterprise), a system introduced similar to a compulsory 'Public Notice' imposed by Local Governments and other governments. That is, before the final step of approval for funding, the applicant should indicate his/her purpose for application with comprehensive detail of the proposed project. A period of one month should be allowed for the public to make comment. Such a forum would ease public disquiet and also circumvent the necessity of consultants conducting 'due diligence'.

- 2) Some of the projects funded to date have included 'accommodation'. A letter from the Office of the Deputy Prime Minister (Book 1 - page 5) spells out funding criteria for projects with perceived local competition '... unless it can be shown that there is an unsatisfied demand for the product/service or the product/service can be provided in a new or different way.' Accommodation is 'a place to dwell' and I personally believe that no matter how it is presented or 'dressed up' it still provides the same basic service. And, who is to say that a proposal for an up-market resort or similar accommodation project will not, during the 'off-peak' tourist season, reduce its tariff to a level which makes it competitive with existing businesses?

I am an accommodation provider in Atherton and at no time have I ever been consulted in the process of 'due diligence'. My enterprise is a major accommodation provider on the Tablelands particularly in the Atherton Shire. Also, the Australian Bureau of Statistics demands compulsory, quarterly statistics from my business under the authority of the Census and Statistics Act of 1905. Because statistics are not required from every provider (only hotels/motels/serviced apartments with 15 or more units) I presume the ABS considers my contribution to tourism accommodation to be of some relevance. The same can not be said re the consultants conducting 'due diligence'.

- 3) The Pinnacle Report - Stage 2 Final Report - commissioned by ATSRAC for \$150,000 was revealed in the 'Tablelander' on 27-07-04. (Book 1 - page 7). The core proposal was to establish the 'Cairns Highlands Business Centre' to include (amongst other features) a four star (minimum) hotel, conference centre, tourism operators offices, coffee, catering and souvenirs - similar facilities of which are already in good supply including a 4½ star hotel that has already received \$500,000.00 of ATSRAC funding for a 4 star business conference centre, a 350 seat function room and 10x4 star hotel rooms.

Because 'no entity has submitted an application for funding to ATSRAC for items listed in the report' (ref: letter from the Office of the Deputy Prime Minister - Book 1 - page 6) due diligence was not necessary. However, this development, if adopted, would have an unmitigating impact on existing business. Once again, there was no consultation with this establishment yet, it seems, Tourism Tropical North Queensland and Tropical Tableland Tourism were consulted and are noted in the list of 'Industry Acknowledgements' in the Pinnacle Report. (Book 1 - page 16). It is not mandatory for businesses to belong to an industry group or organisation such as TTNQ or TTT, yet it appears they were the only tourism orientated entities to have contributed to the Report. I wish to make it clear that neither of these organisations have any authority to speak on behalf of, or represent my private enterprise establishment.

Book 1 - page 10, shows that economic activity generated by tourism in the region in 2002 was \$65M. Note that this was 'reported by TTNQ in November 2003, personal conversation with John Mc Intyre.' Is this an adequate way to present statistics in a \$150,000.00 report? Book 1 - page 10 section 7.2.5. explains the aspects or anomalies of tourism statistics. One could be left with the conclusion that at best, they are elusive. (Information on the ABS collection of data on tourist accommodation is included in Book 2 - pages 26, 27, 28, 29 and 30.)

3) cont.

Industry Acknowledgements (Book 1 - pages 15 & 16) includes some entities that have received ATSRAC funding. This does not infer anything untoward, but I would have thought that in the interests of ethical protocols, any recipient of funding should be ineligible from giving or partaking in any advisory capacity relating to ATSRAC funding. See also, Book1 - page 13. Are there others?

There was brief public reference to the Pinnacle Report after its release. On 10-08-04 the 'Tablelander' reported that Mareeba Shire Council 'rejected' the Report, suggesting it 'should be shredded'. In the Report's defence, the (then) Chairman of ATSRAC stated 'he thought the proposal was highly likely to be extremely successful'. In another report in the same paper on the same day (10/08-04) the Chairman claimed that the proposal outlined in the Pinnacle Report would not have the core complex as called for in the Report and the proposal had already been renamed the Tableland Development Bureau. All this in a matter of days and pages! (Book1 - pages 8 7 9).

While it could be said that the Report bordered on the farcical, there are some really serious aspects of its release and contents. Deemed by many to be 'elitist', it stands condemned by its damning remarks about the people of the Tablelands. (Book1 - pages 17 & 18)

It needs to be remembered that the Tableland community is still reeling after the demise of its rural sector - it has lost its heart and its historic security - caused by a government that, in return, believes the \$18M it has tossed at the Tablelands as a 'placebo' is 'generous' and those who dare to criticise or question are 'ill-spirited'. (Book 2 - page 19)

To the best of my knowledge, with the exception of Mareeba Shire, no other shire council has made public comment on the Pinnacle Report. Nor has it been revealed whether ATSRAC has adopted the Report in whole or in part or abandoned the proposal altogether.

In the meantime, existing businesses are left to ponder if they will or will not face government funded competition. Also, it may cause those businesses to hesitate on decisions to expand or improve their own enterprises. The marketable and mortgage value of existing businesses might also be devalued as prospective buyers hesitate to invest in those businesses.

- 4) There have been some decisions by ATSRAC that are curious in their contradictions. As mentioned (the Pinnacle Report) does any member concede that, if the Report was adopted, there would be a conflict of competition between two funded projects? The Atherton Hotel recently applied for a gaming house licence. The Atherton Shire Mayor, a member of ATSRAC, was quoted in the 'Tablelander' of 21-12-04, 'it (poker machines) not only increased the social problems but ALSO AFFECTED THE VIABILITY OF SIMILAR VENUES ALREADY OPERATING'. (Book2 - page 32).

\$150,00.00 was allocated to a caravan park at Walkamin. A short drive north to Mareeba or south to Atherton, one can find free caravan parking on council land. The Mayors of these shires are members of ATSRAC yet their own Councils create ratepayer funded competition.

In summary, it would appear that the \$18M of taxpayers' money has been allocated in a fragmented way, slighting those who believe their businesses could be disadvantaged by funding grants of THEIR MONEY to their competitors.

ATSRAC does have a moral responsibility to account more openly to the public for its decisions and plans rather than create (by its behaviour) the illusion of being an exclusive club of patronising, philanthropic benefactors.. 'deeming' they know what is in the best interests for a badly hurting community.

ATSRAC could have done no better than foresee the Atherton Tableland as a region for aged-care and retirement. An area of compatible climate variations to suit everyone. A portion of the \$18M could have been allocated to promote the region as a place to visit with a desire to return to live. A place for developers to invest in retirement villages. Aged-care is a rapidly rising industry and alone, creates sound and sustainable employment with flow-on demands for schools, hospitals, health professionals, commercial enterprises etc. etc. resulting in jobs, jobs and more jobs. The remainder of the funding could have contributed to the upgrading of existing aged-care facilities to prepare for a prosperous industry in the future. What a shame the opportunity was wasted.

Jean E. Campbell

Jean E. CAMPBELL

Ph: (07) 40913311
(07) 40911885

Fax: (07) 40914807