

2 April 2006

Senator Mathias Cormann
Chair
Senate Select Committee on Fuel and Energy
P O Box 6100
Parliament House
Canberra 2600 ACT

Dear Senator

Please find attached, our submission on issues relating to the Select Committee's terms of reference, and the effect on tourism-related businesses in the Mackay Region of Queensland.

I look forward to meeting with the Committee during its visit to Mackay next week.

Yours sincerely



David Phillips
GENERAL MANAGER



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SUBMISSION TO THE SENATE SELECT COMMITTEE ON FUEL AND ENERGY

Mackay Tourism

Mackay Tourism Limited is the peak tourism organisation for the Mackay and Isaac region of Queensland. Mackay Tourism addresses all segments of tourism – including business travel, visiting friends and relatives, holidaymakers and our growing conventions and events market.

MTL comprises two hundred and twenty three public- and private- sector members businesses who combine their resources to achieve tourism growth to our region. They elect a Board of eleven Directors who set the objectives and strategic policy of the organisation.

Mackay region's visitor industry welcomes approximately 800,000 travellers each year, with an estimated expenditure in excess of \$350 million, generating direct employment of approximately 6,000 full time jobs. Long distance drive travellers account for 75% of visitor arrivals, and the leisure component (approx one half) are extremely price sensitive and would be negatively impacted by increases in motoring costs.

Our local industry includes many operators who are passionately caring of our environment and natural assets, and are acutely aware of the potentially serious degradation of the natural environment of the region through climate change – particularly the iconic value of the Great Barrier Reef.

Impact of a Carbon Pollution Reduction Scheme

At a time of softening national and international tourism markets, and unprecedented government-imposed financial and compliance burdens, tourism operators are very nervous of the possibility of further cost increases to their businesses and deterrents to discretionary consumer travel resulting from new environmentally-based charges or conditions.

In tropical Queensland, the Committee will understand that tourism businesses are inevitably major users of energy, to be able to offer competitive products and services – the cost of refrigeration, air conditioning and transport over considerable distances are just some of the essentials within tourism here.

An increasing number of tourism businesses are taking steps to measure and where possible, reduce their carbon footprint. Techniques to reduce energy consumption, minimise waste and recycle are becoming better recognised and understood, but much more needs to be done to educate and encourage businesses to implement them.

We do understand that steps we (Australia) may take to preserve our environment, can in fact, be used as very positive signals of leadership to the world and thus attract additional visitation and endorsement.

Global Awareness - Local Action

In Mackay, at our recent Tourism Conference, operators were alerted by Tourism Queensland to the case study of Hidden Valley Cabins (near Townsville), where significant savings have been achieved by the operator after installation of solar panels. Opportunities such as using eskies in rooms instead of installing refrigerators, monitoring and reducing useage of electricity, materials and water, eliminating disposables, using high energy efficiency equipment, mobilising staff to be active conservers, double-sided printing, using electric cars within resort or attraction boundaries, marketing on-line rather than just printed matter, and other steps, are slowly gaining recognition, but we have far to go.

The industry would welcome real incentives (eg rebates and discounts) to take the carbon-reduction plunge, rather than be forced to implement measures at considerable cost to their businesses, in forseebly very soft trading conditions.

Public Transport

Mackay Tourism does have some comments in regard to public transport and reducing emissions.

We believe steps to encourage far more travellers to use public transport need to be accelerated as a matter of urgency. Two examples: A very small percentage of travellers between Brisbane and the Sunshine Coast use the train – because the frequency and speed by rail is abysmal – instead thousands clog the Bruce Highway, leading to jams at every peak time or day. Secondly along the length of the Queensland coast, with alarming accident statistics, huge articulated trucks travel over enormous distances, day and night, within metres for the most part, of the underutilised main north-south railway. When the volume is so great and consistent, why do we not adopt the North American and European model and place every hundred or so trailers aboard scheduled trains eg from the northern outskirts of Brisbane, to Mackay and points north ? Such trains could include carriages with amenities for the truck drivers if necessary.

In Summary

Like tourism businesses everywhere, we acknowledge and support the urgent necessity to take action now to plan our sustainability and protect our natural environment. We do however urge governments of all levels, to do all possible to minimise any adverse impacts upon business performance, that is likely to lead to the reduction of our industry's competitive position and the elimination of jobs, particularly in regional Australia.

Across Queensland, tourism sustains over 100,000 jobs and is the bread and butter livelihood of innumerable communities. Currently the outlook for tourism is not healthy and domestic tourism, in particular, (because it sustains so many regional and remote communities beyond the gateways), needs a massive promotional boost. Consumers need to have confidence to spend their holiday dollars, and the industry needs encouragement to build affordable, environmentally-friendly products. We urge government to consider these factors carefully before embarking upon a scheme that could lead to operator failure and the resulting unemployment and adversity to regional communities.

A handwritten signature in black ink, appearing to read 'D Phillips', with a small flourish at the end.

David Phillips
GENERAL MANAGER
6April 2009