



2009–10
Annual Report

TOURISM VICTORIA
Your partner for industry growth





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15 September 2010

The Hon. Tim Holding MP
Minister for Tourism and Major Events
26/121 Exhibition Street
Melbourne VIC 3000

RE: Tourism Victoria Annual Report 2009-10

Dear Minister

I am pleased to submit to you Tourism Victoria's Annual Report. The document outlines the achievements of the organisation for the year ended 30 June 2010.

The report has been prepared in accordance with the *Tourism Victoria Act 1992* and *Financial Management Act 1994*.

Yours sincerely

Dr Janine Kirk AM
Chairman
Tourism Victoria

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OUR PROFILE

As a Victorian State Government statutory authority, established by the *Tourism Victoria Act 1992*, Tourism Victoria is the vehicle through which the State Government participates in the tourism and travel industries. The Act sets out Tourism Victoria's objectives as follows:

- to market Victoria as a tourist destination for interstate and international travellers
- to increase
 - the number of travellers to Victoria
 - travellers' or tourists' length of stay at destinations in Victoria
 - the use of tourist facilities in Victoria
- to increase the amount of travel within Victoria and the use of tourist facilities by Victorians
- to improve and develop tourist facilities in Victoria
- to support and coordinate the provision of tourist facilities in Victoria
- to provide more efficient and effective utilisation of investment in travel and tourism in Victoria.

As well, our overarching objective is to implement current State Government policies as they relate to tourism development in Victoria and contribute to whole of government programs and policy implementation.



Thanks to our initiatives and extensive collaboration between government and industry, we saw dramatic gains in tourism performance during the year.

It is with great pleasure that I present the *Tourism Victoria Annual Report 2009-10*, a chronicle of the exceptional achievements of Victoria's tourism industry and our efforts to support it.

The story of our sector again remained one of resilience, innovation and recovery. Our state stood remarkably well against the global financial crisis, which has reduced consumer spending and impacted worldwide tourism visitation and expenditure since late 2008. Victorian tourism continues not only to counter these impacts, but to thrive.

Four years ago the Victorian Government delivered the visionary *10 Year Tourism and Major Events Strategy* to drive industry prosperity. While we still have much to do, this vision is materialising. Total visitor expenditure in Victoria has increased at an average annual rate of 4.8 per cent each year since we released the strategy. Tourism is now worth \$15.8 billion to Victoria's economy, representing 6 per cent of Victoria's Gross State Product. Our industry employs almost 185,000 people across the state, contributing 7 per cent of employment.

Tourism Victoria is consolidating the government's vision with a continued focus on major events and business events, expanded international air services, and a targeted approach to attract high-yield international and interstate visitors.

Thanks to these initiatives and extensive collaboration between government and industry, we saw dramatic gains in tourism performance during the year. Victoria's market share of international visitors grew to its highest ever, while Melbourne took the lead to become the most popular domestic holiday spot in Australia – ahead of the Gold Coast, the Sunshine Coast and Sydney. And consumer research continues to tell us Victoria is the Australian destination of choice for style, romance, shopping, cafés, theatre, food experiences and major sporting and cultural events.

We delivered a number of initiatives to bolster these competitive advantages and forge new opportunities. To capitalise on Victoria's reputation as one of Australia's most culturally rich states, we launched *Victoria's Arts, Theatre and Cultural Heritage Tourism Action Plan 2010-2014*. We took a lead role in addressing the critical challenge of sustainable tourism with the *Environmentally Sustainable Tourism Strategic Plan* – thereby prompting and preparing our industry to meet increasing consumer demand for socially-conscious travel.

To plan for the industry's needs the Victorian Government, through Tourism Victoria, is working further into the future. New commitments within the 2010-11 State Budget, including \$27 million for interstate and international Melbourne marketing activities, will pave the way for further growth.

During the year a \$36 million package of regional tourism initiatives was also announced under the Government's *Ready for Tomorrow: A Blueprint for Regional and Rural Victoria*. This strategic investment will support the development of tourism infrastructure, Regional Tourism Boards, and a Regional Business Events program to turn key regional areas into world-class tourist destinations.

Tourism Victoria will continue to champion long-term investments and initiatives like these to enable our industry to perform at the world-class standards required to stay ahead of our competition.

My sincerest thanks go to my fellow board members for their invaluable dedication and leadership. This year we welcomed Chris Woodruff to the Board, following the retirement of one of our longest-serving members, Geoffrey Conaghan. Geoffrey leaves with our heartfelt thanks for sharing his passion and expertise with us.

We also acknowledge the ongoing support of the Minister for Tourism and Major Events, Tim Holding, the Department of Innovation, Industry and Regional Development, and the unwavering expertise, hard work and energy of our leadership team and staff.

With visionary strategic initiatives and preparedness to adapt to change, we will not only meet consumer and industry demand, but we will ensure tourism fulfils its promise of increasing economic output, employment and investment in our state.

A handwritten signature in black ink that reads "Janine Kirk".

Dr Janine Kirk AM
Chairman



Over the last decade the make up of nations travelling to Victoria has changed significantly.

Victoria's tourism industry is vitally important to the state's economy. It brings new money into the state contributing close to 10 per cent of Victoria's exports. While other parts of Australia have seen a downturn in tourism, Victoria is attracting more people from overseas, who are spending more and staying longer. We now have the largest ever share of international tourists. Thirty per cent of international tourists who visit Australia now come to our great state.

Over the last decade the make up of nations travelling to Victoria has changed significantly. Our biggest growth has come from India and China. Last year we had the highest ever number of Indian tourists visiting Victoria – 50,700 – a 26 per cent increase. Almost half of all the Chinese tourists who come to Australia visit Victoria. With 163,000 Chinese visiting over the past year, this growth is set to be spurred by the launch of our new \$8 million Chinese marketing campaign next year.

Melbourne continues to be the most popular capital city for interstate Australian travellers. Roy Morgan research shows that we have now overtaken the Gold Coast as the most preferred domestic holiday destination. Our reputation for our year round calendar of major events, food and wine and theatre continues to grow.

When you consider the devastating Black Saturday bushfires, swine flu and the Global Financial Crisis, these results are a testament to the strength of our industry.

The government support to help industry is focused on the roll out of our *10 Year Tourism and Major Events Strategy*. Sitting beneath the 10 Year Strategy is the *Regional Tourism Action Plan 2008–2012*. As part of this strategy we launched our new \$7.3 million *Daylesford. Lead a double life* campaign. This campaign leverages off Victoria's unique spa and wellbeing attributes and capitalises on the growing interest in health and wellness experiences.

Regional tourism will also benefit from our new \$6 million *Villages of Victoria* initiative which will profile the unique personalities of Victoria's village destinations.

Investment is a key platform of our 10 Year Strategy and the quality of our first-class tourism infrastructure, facilities and services continues to develop. This year major hotel developments opened in Melbourne including the 28-storey, \$300 million Crown Metropol, the first two Art Series Hotels – The Cullen and the Olsen and Citadines Melbourne on Bourke – Australia's first Citadines Apart'hotel branded property.

We had yet another year of blockbuster events which smashed records including the hit musical *Wicked*, our string of Melbourne Winter Masterpieces exhibitions, and the sporting world focused on Melbourne when Tiger Woods played in the 2009 JBWere Australian Masters.

Our challenge remains to further deepen our industry and the range and quality of product we have across the state. We need to build our industry through sound investments that play on our strengths – food and wine, regional experiences and nature-based tourism. The target for future growth to expand the contribution of the tourism industry to \$18 billion, employing 225,000 people by 2016 remains both ambitious and relevant.

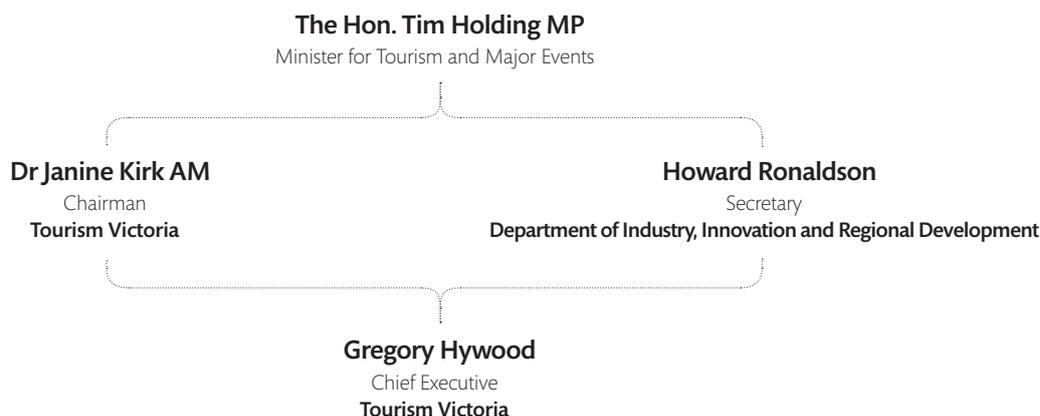
This report shows how Tourism Victoria delivered on our seven key priorities for 2009–10. I would like to thank all our staff and our many partners for their work throughout the year.

The past 12 months covered in this *Annual Report* have provided unprecedented challenges and opportunities. None of these results would be possible without the continued support of the Victorian Government. I thank Premier John Brumby and Tourism and Major Events Minister Tim Holding for recognising the crucial role tourism plays in the Victorian economy. And I acknowledge the ongoing work of our Board, led by Chairman Janine Kirk, for their response and commitment.

A stylized, handwritten signature in black ink, appearing to read 'Gregory Hywood'.

Gregory Hywood
Chief Executive

OUR STRUCTURE



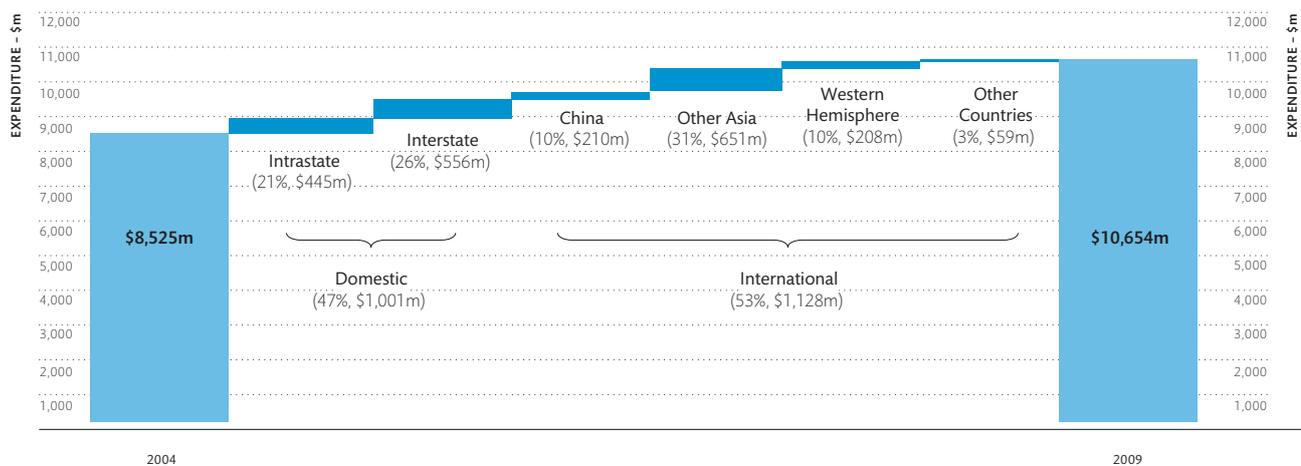
OUTPUT TARGETS & PERFORMANCE

Performance indicator	Unit of Measure	2009-10 Target	2009-10 Result	Comments
Quantity				
Investment projects facilitated	\$ million	250-300	396	Target exceeded. Six projects were facilitated with a higher value than expected.
Number of visitors (international)	number (million)	1.4-1.6	1.5	Target met.*
Visitor expenditure (international)	\$ billion	3.0-3.5	3.8	Target exceeded. International visitor expenditure in Victoria grew by 4.3 per cent to reach the highest ever recorded for the state.*
Visitor expenditure (domestic)	\$ billion	12-13	12.2	Target met.*
Visitor expenditure in regional Victoria (domestic)	\$ billion	5.8-6.3	6.0	Target met.*
Visitor expenditure in regional Victoria (international)	\$ million	230-280	300	Target exceeded. International visitor expenditure in regional Victoria increased by 7.5 per cent* and reached its highest ever recorded value.
visitvictoria.com annual visits to site	number ('000)	6,500	6,685	Target exceeded. The growth in visitation to visitvictoria.com was predominately driven by a 46 per cent increase in visitation from China compared to the previous year. This increase is largely attributed to a \$40,000 search engine marketing campaign targeting the China market throughout the 2009-10 period.
Quality				
Victoria's share of domestic tourism advertising awareness among target markets: interstate	per cent	21-26	31.9	Target exceeded. A range of significant interstate marketing activities were undertaken during 2009-10 which influenced this result, including the <i>It's Easy to Lose Yourself in Melbourne</i> and <i>Daylesford. Lead a Double Life</i> advertising campaigns.
Victoria's share of domestic tourism advertising awareness among target markets: intrastate	per cent	16-21	19.2	Target met.
Value of media coverage generated: domestic	\$ million	20-30	24.0	Target met.
Value of media coverage generated: international	\$ million	80-120	68.3	Target not met. Tourism Victoria partners with Tourism Australia to generate media coverage in international markets via its Visiting Journalists Program (VJP) and during the financial year, the VJP has delivered considerably less coverage for Victoria. Additionally, the decline in the value of international media coverage is attributed to the shift in focus of Tourism Australia's and Tourism Victoria's international communications activities which have moved away from traditional print and television channels to a greater adoption of online media.

* Result is for the year ending March 2010 (latest available)

With strong research we support improved decision making, policy and strategy platforms, and our marketing activity.

FIGURE 1: TOTAL OVERNIGHT VISITOR EXPENDITURE IN VICTORIA



Interstate and interstate expenditure includes destination expenditure only.

Since the release of the *10 Year Tourism and Events Industry Strategy*, total visitor expenditure in Victoria has increased at an average annual rate of 4.8 per cent per annum¹, outperforming the forecasted average annual growth rate of 2.5 per cent per annum.

Since the release of the strategy, 47 per cent of the total expenditure growth has been driven by domestic overnight visitor expenditure and 53 per cent from international overnight expenditure. International visitor expenditure is expected to contribute 76 per cent of the total growth in visitor expenditure in Victoria by 2016.

International visitor figures²

Growth in international overnight visitors, nights and expenditure in Victoria outperformed New South Wales, Queensland and the national average for year ending December 2009.

Victoria recorded its highest ever market share of international visitors at 30 per cent, while international visitor nights increased 14 per cent to 38.4 million nights.

International overnight visitation to Victoria increased by 3.5 per cent over the previous year to 1.5 million, outperforming the national average of 0.2 per cent. International overnight visitor spending in Victoria also grew 9.1 per cent to reach \$3.8 billion – outperforming key competitors New South Wales (up 0.6 per cent) and Queensland (down 4.1 per cent).

In 2009 Melbourne recorded its highest recorded number of international visitors and visitor nights with a 4.4 per cent increase over 2008 results in international overnight visitors to 1.4 million, and a 15.7 per cent increase over 2008 results in international nights to 34.2 million.

International visitor spending in regional Victoria also increased 15.9 per cent in 2009 to reach \$313 million, its highest recorded expenditure. This growth outperformed regional New South Wales (down 2.5%), regional Queensland (down 5.5 per cent) and the national average (down 0.6%).

Performance of international markets

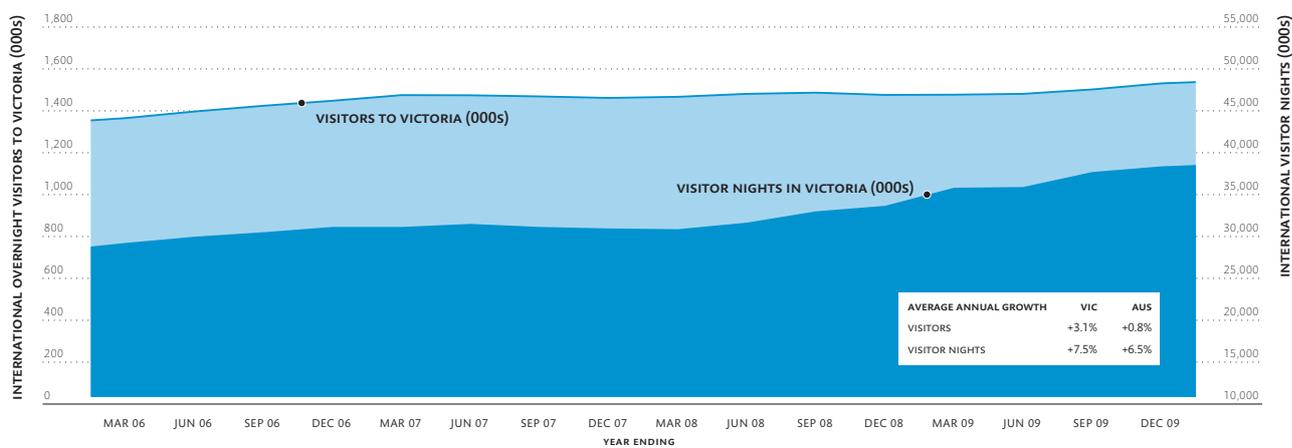
International overnight visitation continued to grow from two Tier One markets, China (up 1.8 per cent) and New Zealand (up 1.2 per cent). The UK and USA experienced declines for 2009 (down 3.7 per cent and 0.5 per cent respectively), however there was an increase in visitation from the December 2009 quarter compared to the same quarter in the previous year for both the UK (up 0.6 per cent) and the USA (up 12.9 per cent).

Stronger growth was experienced for the Tier Two markets of Malaysia (up 38.1 per cent) and Singapore (up 10 per cent) influenced by the Holiday and Visiting Friends and Relatives (VFR) segments, as well as India (up 26.1 per cent) which was also influenced by the VFR and Education segments.

1. Sources: *International Visitor Survey* and *National Visitor Survey*, 2004–2009, Tourism Research Australia, Canberra.

2. *International Visitors Survey*, Year ending December 2009, Tourism Research Australia, Canberra.

FIGURE 2: INTERNATIONAL VISITATION TO VICTORIA



Domestic visitor figures³

In line with the national trend, Victoria recorded declines in domestic overnight visitors (down 5.9 per cent), visitor nights (down 5 per cent) and expenditure (down 6.4 per cent) over the previous year to \$8.4 billion for the year ending December 2009.

Despite domestic overnight visitor expenditure in Melbourne declining by 8.3 per cent, domestic overnight visitors spent \$92 million more in Melbourne than in Sydney for the period (\$4.6 billion compared to \$4.5 billion).

The Roy Morgan Research Holiday Tracking Survey for the year ending March 2010 shows Melbourne continues to be the most preferred domestic city, with 20.6 per cent of Australians aged 14 years or more wanting to visit Melbourne for a holiday in the next two years. This is higher than the preference to visit Sydney (11 per cent) and the Gold Coast (19.3 per cent). Preference to visit Melbourne has been increasing over the longer term compared to Sydney and the Gold Coast which has declined over the same period.

Domestic overnight visitor numbers to regional Victoria declined by 6.7 per cent to 10 million visitors for the year ending December 2009, with domestic overnight visitor expenditure decreasing by 4 per cent.

Domestic daytrips to regional Victoria increased 4.6 per cent. Seven of Victoria's ten campaign regions recorded increases in day trip activity: Grampians (up 34.1 per cent), Mornington Peninsula (up 16.2 per cent), Goldfields (up 16.1 per cent), Great Ocean Road (up 9.6 per cent), Daylesford and the Macedon Ranges (up 5.5 per cent), Phillip Island (up 5.1 per cent) and Victoria's High Country (up 3.2 per cent).

Domestic daytrip visitation to Victoria increased by 9.5 per cent to 37.9 million daytrips, higher than the national average (up 6.5 per cent) and key competitor New South Wales (up 5.2 per cent). Daytrips represented 71 per cent of domestic visitation to and within Victoria and 31 per cent of visitor expenditure in 2009.

3. National Visitors Survey, Year ending December 2009, Tourism Research Australia, Canberra.

Increase consumer awareness of Melbourne in New Zealand and interstate markets by showcasing the It's Easy to Lose Yourself in Melbourne campaign.

Melbourne's year-round appeal continued to make it a magnet for interstate visitors. The city's unique depth and diversity has increased Melbourne's appeal as a repeat tourism destination, with visitors able to enjoy different experiences each time they visit.

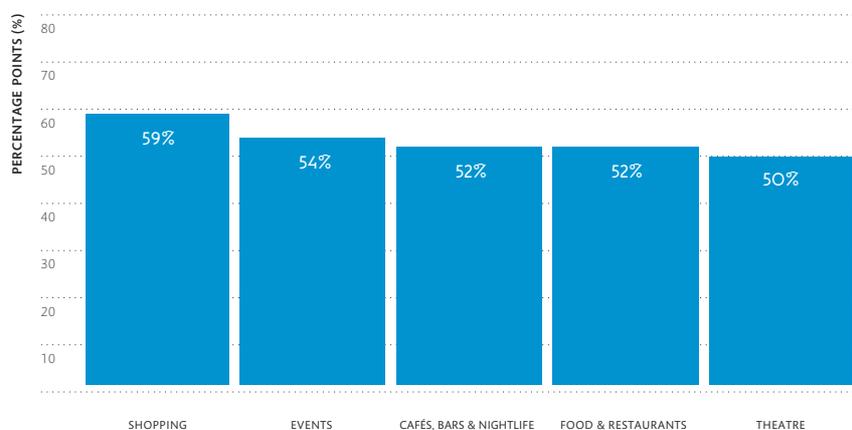
Melbourne now clearly leads the Gold Coast as the most preferred domestic holiday destination and is the only domestic destination to have lifted its preference level over the past decade according to a March 2010 Roy Morgan Research Holiday Tracking Survey. The survey revealed 21 per cent of respondents wanted to holiday in Melbourne within the next two years.

Domestic overnight visitors spent \$92 million more in Melbourne than in Sydney by the end of 2009, making it Australia's most lucrative tourism city.

Melbourne now leads the Gold Coast as the most preferred domestic holiday destination

PERCEPTIONS OF MELBOURNE

2010 BRAND HEALTH SURVEY



In the annual *Brand Health Survey* consumers identified Melbourne as the leading Australian city for the following attributes – shopping, events (sporting and cultural), cafés, bars and nightclubs, food and restaurants and theatre. Source: Brand Health Survey, Roy Morgan Research 2010.

Campaign activity

Across the year our *It's Easy to Lose Yourself in Melbourne* marketing activity centred on seasonal consumer campaigns that emphasised Melbourne's unique offerings in food and wine, events, fashion, architecture, arts and culture.

As part of this strategy we profiled three iconic precincts – arts, theatre and food and wine – to motivate consumers to explore these intriguing areas themselves.

Highlights included:

- Profiling the city's shopping experiences, laneways and festive atmosphere – highlighted by the Spring Racing Carnival.
- Encouraging visitors to make the most of summer at outdoor cafés, bars and cinemas, riverside precincts and events like the Australian Open Tennis Championships, St Kilda Festival and the Suzuki Night Market.

- Reinforcing Melbourne's reputation for food and wine and major events, particularly profiling the Melbourne Food and Wine Festival, the Formula 1 QANTAS Australian Grand Prix, theatre productions and dining experiences in Fitzroy.
- Persuading New Zealand and interstate visitors to visit Victoria in cooler months with the lure of Melbourne Winter Masterpieces exhibitions and events.

Trade partnerships with Qantas and Qantas Holidays, Virgin Blue and Blue Holidays, Accor Hotels, Zuji and Travelocity – among others – promoted packages to Melbourne's key winter events including *European Masters: Städel Museum, 19th–20th Century*, *Tim Burton: The Exhibition*, *Mary Poppins* the musical, *Titanic: The Artefact* exhibition and *Jersey Boys*.

Melbourne has increased its lead as the city recognised for ‘interesting cafés, bars and nightclubs’ and ‘quality food experiences and world class restaurants’

In addition to coordinating television, cinema, outdoor, print and online advertising, trade marketing, familiarisations and public relations activity, we also extended our reach into the world of new technology with more social networking activity, by engaging key social media bloggers and developing new mobile applications.

MasterChef

Melbourne’s famous food and wine featured on Channel Ten’s hit show *MasterChef*. After the ratings success of *MasterChef* series one, Tourism Victoria signed up as a sponsor to encourage more interstate visitors to come to Melbourne and regional Victoria.

The second season of *MasterChef* showcased some of the city’s finest tourism icons and outstanding food and wine culture across four episodes in May. Key locations included The Langham Melbourne Hotel, Melbourne’s famous laneways featuring Frank Camorra’s MoVida Bar De Tapas Y Vino, the Yarra Valley’s Domaine Chandon winery, the Queen Victoria Market and George Calombaris’ flagship restaurant, The Press Club.

Tourism Victoria’s partnership with *MasterChef* proved an ideal platform to showcase Victoria’s culinary credentials to a massive television audience achieving an average 1.7 million viewers per night during the broadcast week.

Phase 10 strategy development

As this is the final year of the current *It’s Easy to Lose Yourself in Melbourne* campaign, planning and production of a new Melbourne campaign will be undertaken to build on the competitive positioning that has been established over the previous four years.

The 2010–11 State Budget included \$22 million for interstate and international Melbourne marketing activities, including \$8 million to market Melbourne and regional Victoria to China.

In addition, \$5 million over two years was allocated to extend Melbourne’s competitive positioning with the next phase of Tourism Victoria’s long running *Jigsaw* campaign. The campaign is scheduled to be launched in the first half of 2011.



MasterChef judges Matt Preston, George Calombaris and Gary Mehigan visit the Yarra Valley’s Domaine Chandon winery.

Increase consumer awareness of regional Victoria in interstate markets by executing the Phase 9 Daylesford spa and wellbeing campaign and integrated marketing activity.

In partnership with the local industry during August 2009 we launched our \$7.3 million *Daylesford. Lead a double life* campaign.

To capitalise on the expanding spa and wellbeing industry, which is a growing market particularly amongst the baby boomer population, the campaign highlights the region's attributes and positions Daylesford as the premium destination for a spa and wellbeing short break.

The campaign creative plays on the notion that Daylesford is a destination where you can lead a double life. With the largest concentration of naturally occurring mineral springs in the southern hemisphere Daylesford and the Macedon Ranges is a region where visitors can indulge in the finer things in life while purifying themselves with cleansing wellbeing experiences.

Victoria is etching out new ground with this campaign by leading the spa and wellbeing market. In the *2010 Brand Health Survey* the state increased its lead by 2 per cent to reach 24 per cent as the leading state recognised for offering spa and wellbeing experiences.

This four year Australia-wide campaign is *Phase 9* of Tourism Victoria's award winning *Jigsaw* campaign and utilises television, cinema, magazine, newspapers and online mediums with a particular focus on the Sydney, Adelaide and Brisbane markets.

The first initial burst of campaign activity resulted in more than 10,000 consumers subscribing to our Daylesford newsletter and traffic to Daylesford content on visitvictoria.com increasing by 62 per cent (year on year) between 16 August and the end of November. In the first fortnight traffic peaked with an increase of 335 per cent year on year.

To showcase Daylesford's therapeutic credentials to a global audience and generate media buzz we hosted an innovative public relations event, *Massage en Masse*.

Inspired by Spencer Tunick, *Massage en Masse* confirmed Daylesford's reputation as Australia's spa and wellbeing capital when the town broke the Guinness World Record for the largest ever simultaneous massage.

The new world record was set with 263 qualified massage therapists and 263 volunteer massage recipients taking part in a history-making event at Lavandula Lavender Farm. The previous record for the largest ever simultaneous massage was 167 people, set in 2009 in Washington D.C, USA.

The picturesque event generated extensive media coverage around the world including BBC news, Getty Images, Life.com, Australian Women Online, *Postcards* and *Day Spa Guide*.

Villages of Victoria

The *Daylesford. Lead a double life* campaign is supported by a *Villages of Victoria* marketing initiative. The program highlights the unique characteristics of Victoria's iconic villages including their key product strengths of natural attractions, food and wine, spa and wellbeing or cultural experiences.

Featured villages include Daylesford, Kyneton, Port Fairy, Queenscliff, Castlemaine, Olinda, Metung, Beechworth, Bright, Sorrento, Walhalla, Maldon, Apollo Bay, Clunes, Healesville, Sassafras, Rutherglen, Yackandandah, Barwon Heads, Warburton, Paynesville, Halls Gap, Port Campbell, some of Victoria's Alpine Villages and in future years, Marysville.

These 27 villages combine to present a compelling visitor experience and showcase the competitive strengths of our state.

Daylesford set a new Guinness World Record for the largest ever simultaneous massage, confirming it as the nation's leading spa and wellbeing destination



Daylesford's *Massage en Masse* at Lavandula Lavender Farm, March 2010.

Our promotion of villages has focused on 32 editorials in *mX* newspaper, eight spreads in *Royal Auto* magazine and ten live weather crosses with Today Show. To capitalise in the online environment 16 videos have been produced for visitvictoria.com

This initiative received a \$6 million funding boost in June 2010 as part of the *Ready for Tomorrow: A Blueprint for Regional and Rural Victoria*. This funding will enable us to roll out this four year marketing initiative utilising new media including social networking, online and mobile technology as well as traditional media.

Restore visitation in regional areas affected by the February 2009 bushfires through the implementation of Bushfire Recovery Programs.

The aftermath of the 2009 February bushfires – Australia’s worst ever natural disaster – was extraordinarily difficult for Victoria including our tourism industry.

In response the Commonwealth and Victorian State Government jointly funded a \$10 million Victorian Bushfire Tourism Industry Support Package with \$6 million for marketing, \$3 million for infrastructure redevelopment and \$1 million for event support. This recovery package is working to boost tourism across regional Victoria and protect jobs in the tourism industry.

Bushfire response and recovery initiatives continue to be implemented for Gippsland, Yarra Valley and the Dandenong Ranges, Victoria’s High Country, Goldfields, Grampians, Murrindindi and Daylesford and Macedon Ranges. Integrated marketing and public relations activity again reinforced the message that Victoria’s bushfire affected regions were open for business and have much to offer to visitors.

Events and festivals are a key platform to drive visitation back to bushfire affected areas. In partnership with the *Herald Sun* a \$120,000 events and attractions campaign featuring a weekly column of regional events, attractions and deals was conducted during September 2009. Already, events funded by the \$10 million package are attracting visitors to these stunning parts of Victoria. Regional events in 2010 and 2011, including La Dolce Vita and Harvest of Gippsland, are set to continue this trend.

From their funding allocation of \$2.2 million Yarra Valley and the Dandenong Ranges Marketing invested in supporting recovery events as well as interstate television, cinema and print advertising. In autumn they focused on promoting the region’s seasonal offerings through a 12-page insert in *The Age* which was also distributed at the Melbourne Visitor Information Centre at Federation Square.

To leverage the High Country’s growing reputation as a key cycling destination, a number of cycling events – including the Audax Alpine Classic, Bike Buller and the Alpine Ascent Challenge – were supported through regional and state-funded bushfire recovery programs. The annual prize draw for the 2010 Alpine Ascent Challenge resulted in a 190 per cent increase in competition entries from last year while the event itself drew more than 200 riders.

In 2010 the Murrindindi Mitchell Bushfire Tourism Recovery Group launched watchusgrow.com.au enabling people to follow the region as it rebuilds and grows.

The local shires encouraged visitors back to its towns by supporting events such as the Marysville Lake Mountain Fire Relief Ride in February 2010 and the inaugural Marysville Marathon in November 2009. The marathon attracted 3,000 participants from as far as Canada and Great Britain, raised over \$15,000 for local emergency services and generated strong media activity, prompting plans to continue the event in future years.



Marysville Marathon

In a major public relations coup for Marysville, celebrity chef Jamie Oliver joined 200 other diners at the Marysville World’s Longest Lunch as part of the 2010 Melbourne Food and Wine Festival. The Festival again played a vital role in bringing visitors back to many parts of regional Victoria by showcasing some of the state’s best regional produce.

Gippsland's experiences were the focal point of seasonal campaigns highlighted by displays at the Melbourne Visitor Centre which were seen by more than 130,000 consumers throughout the 2009-10 winter and summer months. Another marketing highlight saw Destination Gippsland's first university-based outdoor advertising campaign help generate a 21 per cent increase in visitation and awareness to Mount Baw Baw.

A new 2010 winter campaign, devised by Goldfields Tourism in conjunction with tourism operators from bushfire affected areas, encouraged couples based in Adelaide, Canberra and southern New South Wales to holiday in the Goldfields region. The marketing campaign delivered a 21 per cent increase in visitation to visitgoldfields.com.au while visitation to individual operators' websites also spiked during the campaign roll out.

Bushfire recovery funding for Daylesford and the Macedon Ranges was used to market events including the ChillOut Festival in March and also leveraged the additional \$7.3 million allocated to help position the region as Australia's premier spa and wellbeing destination.

Funding for the Grampians region was used to support the *Spring into the Grampians* campaign and events including the Horsham Golf Club 102nd annual tournament in September 2009.

Working with industry

Many Victorian tourism operators have endured bushfires and experienced the impact they can have on a business even if their property is not directly affected by fire. Bushfires can have a profound effect on a tourism business simply by occurring within the same region, state or country.

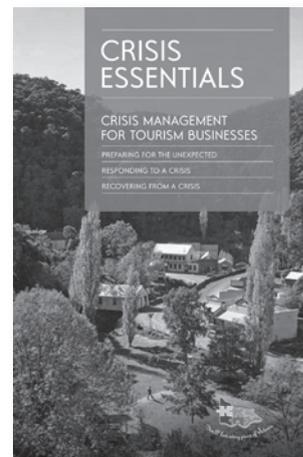
To assist tourism businesses in preparing, responding and recovering from potential crisis events like bushfires we launched the *Crisis Essentials Guide*. Launched during Fire Action Week 2009 this guide gives clear and decisive information about what tourism operators need to do to protect their business in the event of a crisis.

The guide provides advice and information to tourism operators including:

- How to identify, assess and manage risks
- Information on developing a brief plan that outlines how to respond in an emergency or bushfire situation
- Information on the importance and best ways to communicate with existing and potential customers
- How to ensure business continuity immediately following an emergency situation.

This educational guide was supported by a series of briefings and workshops for tourism businesses located in high fire risk areas. With unprecedented interest in these workshops more than 600 businesses participated reflecting our high level of engagement with industry on this important issue.

In partnership with the CFA, Tourism Victoria also reinforced bushfire visitor safety messages with tourism operators and consumers across the state.



Crisis Essentials released October 2009

Continue to build consumer and trade awareness of Victoria in priority international markets to realise forecast growth and maintain market share. Improve aviation access with a focus on strategically significant Asian markets.

With 70 per cent of Victoria’s tourism growth in the next decade forecast to come from international markets, our focus remains on markets presenting the best growth potential.

In 2009–10 through our public relations efforts we generated nearly \$70 million in publicity while our focus on the digital environment saw visitation to visitvictoria.com reach a record high, predominantly driven by a 46 per cent increase in website visitation from the China market.

We also boosted trade awareness with appearances at 11 trade shows and missions, and familiarisations for more than 1,100 travel agents worldwide. To extend our reach with global airlines and trade partners, we leveraged partnership dollars to maximise cooperative marketing activity.

These activities contributed to increased visitation and spend while our share of international visitors to Australia grew to its highest ever level at 30 per cent.

China

In 2010 Victoria highlighted its strengths as a major trade, investment and cultural partner to China at the largest-ever World Expo in Shanghai. To leverage the Victorian Government’s showcase we partnered with multi-channel media network the Shanghai Media Group to produce eight Melbourne-focused travel shows to reach a 620 million-strong audience. With World Traveller, China’s largest travel media group, we broadcast vision of Victoria to 198 million Chinese viewers across 33 regional television stations, metro train stations and on China Eastern Airlines flights.

The consumer marketing highlight was a 36-page supplement and advertorial in *Elle China* reaching 3.4 million readers. Another priority area, the digital environment, prompted a new digital strategy integrating

social networking, blogs, online advertising, search engine marketing and the interactive microsite go2melbourne.cn

Victoria’s compact nature means Free and Independent Travellers (FIT) can easily explore a range of tourism experiences. Trade partnerships with Qantas and PTC Express Travel targeted the Chinese FIT segment with a range of print and online material while Melbourne’s capacity to cater to this market improved with the first foreign language *Official Visitor Guide* in Mandarin.

We will have greater reach into China with a new \$8 million campaign commencing in 2011. This international campaign will capitalise on the rapidly growing China market and lead our strategy to make China Victoria’s largest international visitor market by 2014.

New Zealand

Victoria benefited from two consumer supplements in New Zealand’s three major newspapers – one highlighting Victoria’s regions, and the other focusing on Melbourne in winter. Around 580,000 copies were collectively produced, with the dual aims of increasing visitation beyond Melbourne and motivating New Zealanders to travel during the traditionally quieter winter months. Both campaigns included strong online components, resulting in a 76 per cent increase in hits on visitmelbourne.com/nz during the April–June 2010 campaign period, compared to the same time in 2009.

United Kingdom

Victoria hosted Corroboree Europe 2010 in May, welcoming almost 300 Aussie Specialist travel agents from the United Kingdom, Europe and South Africa. The four-day conference was a unique branding opportunity for Melbourne, combining workshops, networking events and a fun familiarisation program that enabled agents to submit interactive destination blogs

INTERNATIONAL VISITORS TO VICTORIA

Origin market	2009 Visitors to Victoria (000s)	% Average Annual Growth 1999–09	% change 2008–09	% change 1999–09
TIER ONE				
China	163.0	+15.5	+1.8	+322.3
New Zealand	230.7	+5.0	+1.2	+63.0
UK	201.3	+2.8	-3.7	+31.4
USA	129.5	+0.6	-0.5	+6.4
TIER 2				
Japan	39.9	-6.7	-11.1	-49.9
Singapore	75.1	+0.9	+10.0	+9.5
Malaysia	73.0	+7.0	+38.1	+96.9
Germany	59.0	+1.1	-1.2	+11.5
Korea	33.1	+7.9	-14.5	+114.9
India	50.7	n/a	+26.1	n/a
Hong Kong	38.7	+5.2	+1.1	+65.8
Canada	37.8	+2.8	-5.0	+31.6
TIER 3				
France	29.2	n/a	+16.0	n/a
Italy	24.0	n/a	+6.7	n/a
Netherlands	21.5	n/a	+3.9	n/a
Switzerland	16.3	n/a	+12.0	n/a
Scandinavia	29.0	n/a	+6.9	n/a
Indonesia	36.5	+4.1	+21.1	+49.7
Taiwan	25.9	-5.7	+28.9	-44.7
Thailand	21.5	+2.5	+3.9	+27.7
TOTAL	1,530.6	+3.6	+3.5	+42.3

accessible by the broader Aussie Specialist fraternity in Europe.

USA

We partnered with Tourism Australia in their flagship US campaign for 2009–10, the One Week Walkabout, which positioned Melbourne as a unique and compelling alternative to holidaying in Europe. Tourism Victoria secured rights as the only state partner, ensuring Melbourne and Victoria were primary focal points for the campaign which involved significant media buy-in and support from Qantas and Goway Travel.

An interactive display at the 2009 President's Cup in San Francisco showcased Melbourne's famous sandbelt, Royal Melbourne Golf Club and select regions to 120,000 tournament attendees. Tourism Victoria also hosted golf and travel media and industry VIPs involved in promoting the 2011 President's Cup in Melbourne.

India

India's significant potential for market growth over the next decade is one of Victoria's biggest opportunities. During the year, we hosted India's top ranked English language lifestyle channel, NDTV network, which resulted in two 22-minute episodes – *Top 10 things to do in Melbourne* and *High end holidays* – which were beamed to an audience of 21.5 million.

South-East Asia

Visitor growth in the Tier Two markets of Malaysia and Singapore was influenced by increases in the Holiday and Visiting Friends and Relatives segments and in aviation capacity.

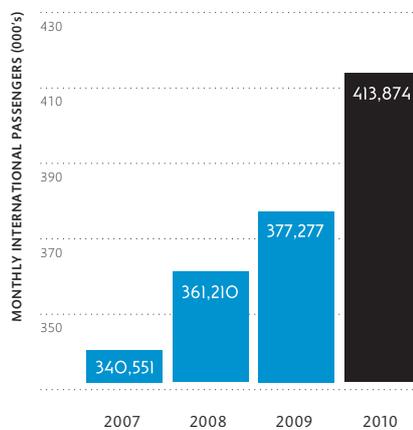
Airline services

Strong global airline partnerships also drove our international marketing activities. For example, to leverage Singapore Airlines' new daily A380 services to Melbourne, we used a series of advertorials to promote Melbourne's hallmark events, wildlife attractions at Phillip Island and Mornington Peninsula food and wine experiences in Singapore. With Singapore Airlines we also aired cinema commercials across Mumbai and Delhi, supported by online and print advertisements.

The 2009–10 financial year saw Melbourne confirm its status as the leading gateway city to Australia. Melbourne consistently outperformed Sydney and Brisbane in international passenger growth, highlighting sustained growth in overseas guests and

MELBOURNE AIRPORT INTERNATIONAL PASSENGER VOLUMES

BY MONTH (MAY 2007–MAY 2010)



Melbourne's resilience as a key tourism and business city.

Melbourne Airport continued to be an attractive option for airlines wanting to commence and increase services. Twenty-five international airlines now service Melbourne Airport accounting for 281 weekly international services, up from 263 last year, and a 13 per cent increase in international passengers.

Victoria welcomed new international services by V Australia, Garuda Indonesia and Qatar Airways, new A380 services from Qantas and Singapore Airlines, and increased services from Air Asia X, Qantas, Vietnam Airlines, China Eastern and China Southern Airlines. Emirates Airlines also announced plans to increase seat capacity on existing flights.

AirAsia X's increase in services from seven to 11 weekly flights between Kuala Lumpur and Melbourne reaped immediate benefits for Victorian tourism. The extra flights added more than 1,500 additional seats each way, contributing to a 35 per cent growth in visitation from Malaysia.

In addition, in June 2010, the Government announced that Air India will establish its regional headquarters in Melbourne, and fly daily direct services between Melbourne and Delhi from November 2010, creating up the 78 jobs and bringing up to 123,000 more tourist and business arrivals from India to Victoria each year.

Domestic air access into Melbourne and regional Victoria grew with new Tiger Airways services between Melbourne and Sydney. In October 2009, Jetstar began flying between Melbourne and Sydney from Melbourne Airport and added more services between Melbourne and various locations in Queensland. Tiger Airways recommenced six weekly services between Darwin and Melbourne, after announcing plans to double its Victorian-based fleet to ten aircraft.

Avalon Airport will become Tiger Airways' third Australian base, giving tourists more options when visiting Victoria. The airport also secured the right to host the Australian International Airshow until at least 2015, under a new agreement between Avalon Airport, the Victorian Government and Aerospace Australia. Avalon Airport also gave a longer term commitment to the Airshow, indicating it would host the show once every two years until 2025.

Increase Victoria's profile as a world-class business events and major events destination.

Major events and business events draw tens of thousands of visitors from interstate and overseas to Victoria every year. In addition to our year-round major events calendar we have a proven track record for hosting special one-off events that further boost our tourism industry, creating jobs for Victorians and beaming vision of our state to millions of television viewers worldwide.

Melbourne scored a sporting coup with the world's greatest golfer, Tiger Woods playing at the 2009 Australian Masters. Attracting high profile players to this tournament was part of a larger strategy to attract more golf major events and, in turn, more golf tourists to Victoria.

The 2009 JBWere Australian Masters injected \$34 million into Victoria's economy, almost doubling original forecasts due to unprecedented ticket sales and public interest. An independent economic impact report by IER showed almost 40 per cent of those attending came from interstate

or overseas. The event at Kingston Health also provided global branding and profiling opportunities for our golf products to an international broadcast audience of 380 million households.

No other city hosts a major sporting event like Melbourne. Our reputation as the world's sporting capital was reaffirmed in March 2010 when the city was named the world's Ultimate Sports City. This is a hat-trick for Melbourne having won the coveted biennial title in 2006 and 2008. Cities are ranked according to criteria including the number of annual sports events held, major events held or hosting rights secured between 2006 and 2014, numbers of federations hosted, venues, transport, government support, security, legacy, public interest and quality of life.

Melbourne is not only one of the world's great sporting cities, it can also claim to be one of the world's great event cities with a year-round calendar of major events.

Our major events strategy with annual events like the Australian Open Tennis Championships, the Melbourne Food and Wine Festival, L'Oreal Melbourne Fashion Festival, Spring Racing Carnival, Rip Curl Pro, AFL Grand Final and the Formula 1 Grand Prix continues to generate more than \$1 billion per annum in economic activity for metropolitan and regional Victoria.

Theatre productions are critical to Victoria's tourism offering and help ensure that our industry remains busy throughout the year.

Across 2009-10 Melbourne hosted top musicals from Broadway and the West End - *WICKED*, *Jersey Boys*, *Mama Mia*, *Billy Elliott*, *Fame*, *Chicago* and *Avenue Q*.

WICKED the musical became arguably the most successful production ever staged in Melbourne with the show creating \$126 million in economic activity for Victoria in just over a year. More than 610,000 people attended the show with an estimated 30 per cent visiting from interstate or overseas, including a strong influx from New South Wales and New Zealand.

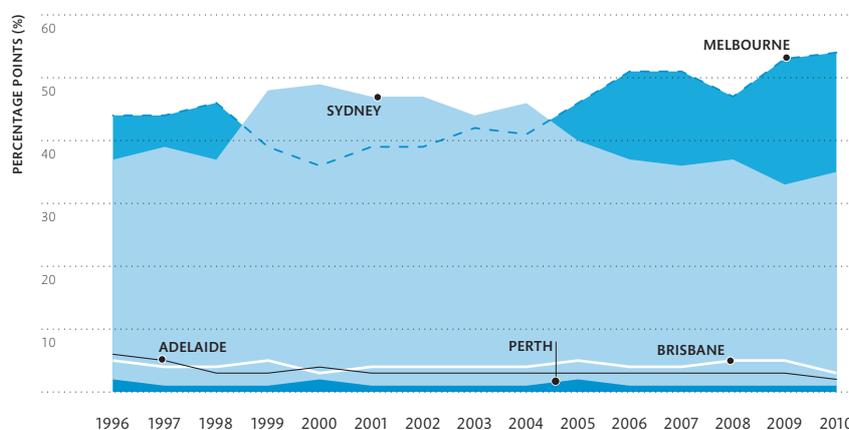
Melbourne remains at the forefront of the business events tourism sector. The Victorian business events industry is estimated to be worth more than \$1.2 billion per annum, providing 22,000 jobs.

Melbourne's newly completed 6 Star Green Star Convention and Exhibition Centre is recording strong business event bookings, with more than 60 international business events secured, which will bring around 120,000 business delegates to Victoria.

Over 2009-10 Melbourne's overnight business event visitors have grown, increasing 3.4 per cent to 153,000 visitors in 2009, up from 148,000 visitors in 2008.

MAJOR INTERNATIONAL SPORTING & CULTURAL EVENTS

2010 BRAND HEALTH SURVEY



In the annual *Brand Health Survey* Melbourne increased its lead position in the consumer mindset as the city with the reputation for hosting international sporting and cultural events. Source: Brand Health Survey, Roy Morgan Research 1996-2010.

Implement key initiatives of the Regional Tourism Action Plan 2009–12 including the enhanced Regional Marketing Program, Tourism Excellence Program and the evolution of Regional Tourism Boards.

The *Regional Tourism Action Plan 2009–12* (RTAP) was released in December 2008 and fulfils a key commitment of the *10 Year Tourism and Events Industry Strategy's* focus on long-term growth opportunities. The plan provides a clear direction to stimulate growth in regional tourism and address supply side issues and sustainability.

A report card on the first 12 months of the plan's roll out highlights the key outcomes for the year ending December 2009.

Victoria's regional tourism industry benefits from the Regional Marketing Program (RMP) that provides funding for regions to deliver integrated marketing campaigns. As part of the RTAP we reviewed the 2007–09 RMP which resulted in the development of a new \$6 million 2009–12 Regional Marketing Program.

A major campaign *Daylesford. Lead a double life* was developed and rolled out to highlight Victoria's strength in spa and wellbeing. See priority two for further information.

To encourage more international and interstate visitors to Victoria we launched a \$1.8 million global nature-based marketing campaign. *The Art of Walking*, a documentary-based campaign, showcased some of Victoria's most spectacular coastal scenery along the 104-kilometre Great Ocean Walk from Apollo Bay to the Twelve Apostles. The video-based campaign was an innovative way to promote Victoria's unique nature-based tourism product to the world.

The Art of Walking stars three national and international personalities – German Olympic gold medallist Katarina Witt, American environmentalist John Francis and Australian Paralympic ski champion Michael Milton. The campaign utilised traditional and non-traditional mediums including YouTube, flickr, online, cinema advertising, in-flight promotions, magazines and newspapers.

The Art of Walking documentary was beamed into homes around the world

The documentary was beamed into homes across the world on National Geographic's Adventure channel to Victoria's key markets including United Kingdom, Germany, Italy, New Zealand and Asia. The Australian campaign saw more than 410,000 *The Art of Walking* DVDs distributed with *The Sunday Age* and *Sydney Morning Herald* along with being broadcast across Australia on the National Geographic channel.

To highlight Victoria's strengths in food and wine we built a pop-up bar, King's Vault, in Sydney to showcase wines from the stellar King Valley and regional produce from Victoria's High Country. To encourage Sydneysiders to visit Victoria inside the vault wine lovers experienced intimate tastings and private events focused on locally grown Prosecco, Sangiovese, Arneis, Nebbiolo, Pinot Grigio and other distinctive Italian wine styles.

King Valley winemakers Fred and Joel Pizzini (Pizzini Wines), Arnie Pizzini (Christmont), Sam Miranda (Sam Miranda King Valley) and Otto and Michael Dal Zotto (Dal Zotto Estate) presented at winemaker-led events while guests enjoyed mouth watering food inspired by the region's best chefs including Patrizia Simone and Antony Simone (Simone's of Bright), Rocco Esposito (Wardens Food & Wine, Beechworth) and Adam Pizzini (Rinaldo's Casa Cucina).

To build public anticipation for the campaign, the pop-up bar's inner city location was kept a secret. Consumers were required to register their interest at whereiskingsvault.com or through the King's Vault facebook and twitter pages to uncover the location. Across the six night event we welcomed over 1,100 visitors and poured over 2,800 glasses of Prosecco and Italian varietals. Attendees at King's Vault included key food and wine journalists, bloggers, sommeliers and restaurateurs which generated valuable media coverage and buzz about the bar.

We enhanced the capabilities of visitvictoria.com by integrating online booking capabilities. Online is the way of the future and online booking is one of tourism's fastest growing global trends with 60 per cent of travellers now booking product online. Tourism operators had the opportunity to learn how online booking capabilities can benefit their business at seven local regional roadshows held across the state. The free roadshows provided assistance to businesses looking to increase their online presence or those migrating to an online booking system.

Victorian tourism businesses benefit from our Tourism Excellence Program which aims to create a competitive advantage for Victoria through improved service standards and visitor satisfaction.

The program delivered excellent results in 2009–10, exceeding the targets set at the outset of the program, including:

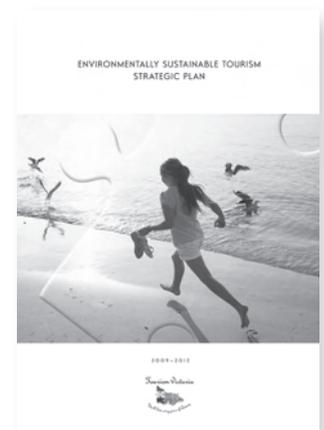
- 90 Tourism Excellence Workshops (target 65) have been held throughout the state, with a total number of 1535 participants.
- 19 Victorian products (target 14) are involved in the current International Mentoring Program.
- 100 tourism businesses were assisted as part of the Market Ready Program of which 60 were deemed market ready (target 25–30).
- All 11 regions signed with Tourism Audit Services to undertake regional tourism business audits. Nearly 900 tourism businesses have been audited to date.

We launched the *Environmentally Sustainable Tourism Strategic Plan* in September 2009 to encourage tourism businesses to adopt more sustainable practices in order to reduce their environmental impact and achieve cost savings.

Developed by Tourism Victoria in consultation with State Government representatives and key tourism bodies, the plan outlines the benefits of meeting higher environmental standards while addressing the challenges of implementing environmentally sustainable business practices.

The plan promotes the use of State and Federal Government programs such as CarbonDown and Grow Me the Money and urges the industry to develop partnership opportunities which will enhance sustainable tourism in Victoria. Other high priority actions include the development of a carbon footprint toolkit for businesses and destinations; accreditation of businesses that demonstrate environment credentials; and the provision of advice to regional and metropolitan tourism organisations on engaging with tourism businesses on sustainability matters, such as climate change.

Our team continues to work with campaign committees, volunteers, business owners and local government to establish new Regional Tourism Boards which will develop and lead each region's overarching strategic vision. This follows the success of this model in Gippsland and the Grampians.



The *Environmentally Sustainable Tourism Strategic Plan 2009-2012* released September 2009.

Work closely with DIIRD’s Invest Assist Division to attract and facilitate new tourism investment to Victoria.

New investment and infrastructure help our industry venture into new territory while stimulating visitation. Major priorities have been identified in the *Regional Tourism Action Plan 2009–12* and *Victoria’s Nature-based Tourism Strategy 2008–12*. We facilitated \$396 million in investment during 2009–10 to deliver on our promise of growth.

Guided by the *Regional Tourism Action Plan 2009–12*, we accelerated priority investment in regional Victoria aligned with our product strengths of nature-based tourism, high quality accommodation and business conferencing facilities.

Australia’s newest hotel developments opened in Melbourne this year including the country’s biggest hotel, the \$300 million Crown Metropol – complemented by the Crown Conference Centre, a new purpose-built hotel convention facility. The Art Series Hotel Group also entered the Melbourne market with the openings of The Cullen in November 2009 and The Olsen in April 2010, while Citadines Melbourne on Bourke became Australia’s first Citadines branded property and the largest in the global network for owner-operator Ascott International.



Victoria’s first artificial reef the ex *HMAS Canberra* opened in December 2009.

In December 2009, Victoria’s first artificial reef the ex-HMAS Canberra dive site opened to dive enthusiasts. We undertook extensive scoping work and negotiations with Australian and State Government agencies and stakeholders to assist in scuttling the decommissioned warship. The site has been a windfall for the local tourism industry with approximately 5,000 divers visiting the vessel in the first six months of operation.

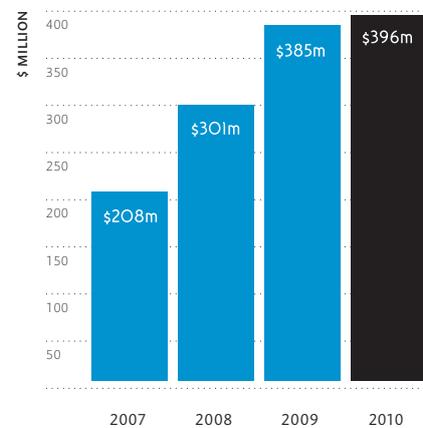
Guiding investors through an independent approval process is an ongoing focus to help our private partners conduct business in Victoria. We continue to work closely with DIIRD’s Invest Assist division to expand private sector investment and were involved in a number of important private sector tourism projects across 2009–10.

We provided local government with tourism advice, and facilitated development approvals for the \$120 million Lake Bellagio Resort and Spa in Daylesford. The proposed 336 room, 4.5 star luxury resort will feature conference facilities, restaurants and a day spa to complement the region’s reputation for spa and wellbeing experiences.

Our investment team continues to work with the Victorian Bushfire Reconstruction and Recovery Authority to redevelop Marysville. Our team is providing tourism and investment advice to attract new investment for a major hotel and conference centre and supporting tourism attractions.

INVESTMENT PROJECTS FACILITATED

YEAR ENDING 30 JUNE



Partnering with Parks Victoria we supported stage one of the Grampians Peak Trail – a looping track from Halls Gap to Rosea Hikers Campsite and Burrough Huts. The State Government contributed \$1.3 million towards the project which will become one of four Victorian Wild Walks. The full trail is estimated to grow the Grampians region’s economy by \$8 million by 2014.

We continue to work with the Shire of Campaspe and Regional Development Victoria on the \$14.2 million Port of Echuca Revitalisation project. The development will help secure the region’s prosperity by transforming the already popular and iconic heritage-listed Echuca Wharf into a first-class visitor attraction, and is estimated to attract a further 22,000 people each year.

As a Victorian State Government statutory authority established by the Tourism Victoria Act 1992, Tourism Victoria is the vehicle through which the Government participates in the tourism and travel industries.

Attestation on compliance with the Australian/New Zealand Risk Management Standard

I, Janine Kirk, certify that Tourism Victoria has risk management processes in place consistent with the *Australian/New Zealand Risk Management Standard* (AS/NZS 4360:2004) and the Standard ISO31000:2009 and an internal control system is in place that enables the Executive to understand, manage and satisfactorily control risk exposures. The Tourism Victoria Board verifies this assurance and that the risk profile of Tourism Victoria has been critically reviewed within the last 12 months.



Dr Janine Kirk AM
Chairman
Tourism Victoria

Other relevant information

Legislation

Tourism Victoria was established under the *Tourism Victoria Act 1992*. The Act outlines Tourism Victoria's functions, power and duties.

Merit and equity statement

In accordance with Government policies and guidelines, all appointments to Tourism Victoria in 2009–10 were made on the basis of merit.

Employees' health and safety

This year's annual report for the Department of Innovation, Industry and Regional Development covers occupational health and safety matters and performance indicators concerning staff employed in the Tourism Victoria offices. See the Department's *Annual Report 2009–10*.

Progress in implementing National Competition Policy

Implementing National Competition Policy does not impact on the business of Tourism Victoria.

Reviews of legislation that restrict competition

No reviews were undertaken in 2009–10 in relation to legislation relating to Tourism Victoria.

Application of the Competition Test to new legislative proposals

No new legislation was introduced during 2009–10 relating to Tourism Victoria.

Application of Competitive Neutrality (CN) principles to significant Government business activities

Tourism Victoria does not undertake any significant Government business activity with respect to the application of competitive neutrality principles.

Application of competitive neutrality principles to in-house bids

There were no in-house bids relating to Tourism Victoria in 2009–10.

Engagements of Consultants for 2009–10 in excess of \$100,000
Nil.

Engagements of Consultants for 2009–10, \$100,000 and under

Tourism Victoria engaged six consultants, each with a total consultancy cost below \$100,000 during the 2009–10 year. The total cost of consultancies in the financial year was \$124,902.

Other information

Other relevant information relating to the financial year is retained by the accountable officer and made available to the relevant Minister, Members of Parliament and the public on request.

Summary of additional information available on request

The following information is available on request:

- a statement that declarations of private interests have been duly completed by all relevant officers
- details of publications produced during 2009–10
- details on any major external review carried out during 2009–10
- details of any major research and development activities
- details of overseas visits undertaken
- details of major promotional, public relations and marketing activities undertaken during 2009–10

The information is available from:
Group Manager, Business Services
Tourism Victoria
Level 32, 121 Exhibition Street
Melbourne VIC 3000
Tel (03) 9653 9721

Workforce data as at 30 June 2010

	Ongoing employees			Fixed term and casual employees	Total employees	
	Full time (Head count)	Part time (Head count)	Total (Head count)	Total (FTE)	Total (FTE)	
June 2009	88	9	97	92	6	98
June 2010	84	12	96	90	5	95

	June 2009			June 2010			June 2010 totals (FTE)
	Ongoing employees		Fixed term and casual employees	Ongoing employees		Fixed term and casual employees	
	Head count	FTE	FTE	Head count	FTE	FTE	
Gender							
Male	35	35	1	33	33	1	34
Female	62	57	5	63	57	4	61
Age							
Under 25	2	2	1	2	2	-	2
25-34	36	34	2	35	34	3	37
35-44	32	29	3	30	25	2	27
45-54	17	17	-	19	19	-	19
55-64	8	8	-	8	8	-	8
Over 64	2	2	-	2	2	-	2
Classification							
VPS1	-	-	-	-	-	-	0
VPS2	3	3	-	3	3	-	3
VPS3	17	16	2	19	18	-	18
VPS4	25	23	3	20	19	3	22
VPS5	27	25	1	29	26	2	28
VPS6	18	18	-	18	17	-	17
STS	1	1	-	1	1	-	1
Executives	6	6	-	6	6	-	6

Diversity, Equality and Environmental Management

Tourism Victoria is committed to the employment and engagement of people from a diverse range of backgrounds, both in our workplace and in the communities in which we operate.

Throughout the year, Tourism Victoria complied with the office-based environmental performance improvement initiatives and requirements of the Department of Innovation, Industry and Regional Development (DIIRD).

The Department manages matters relating to the application of merit and equity principles and environmental practices. See the DIIRD *Annual Report 2009-10*.

Freedom of Information

Freedom of Information Act 1982 – Section 7 Publication Requirements

The Victorian *Freedom of Information Act 1982* gives individuals the right to request information held by Tourism Victoria. During the year, the Department of Innovation, Industry and Regional Development received three Freedom of Information requests specifically pertaining to Tourism Victoria, and 34 departmental requests which captured data from Tourism Victoria.

Access to documents may be obtained through written request to the Freedom of Information Unit, as detailed in section 17 of the *Freedom of Information Act*. In summary, the requirements for making a request are:

- it should be in writing
- it should identify as clearly as possible what document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Request for documents in the possession of Tourism Victoria should be addressed to:

Mr Darcy Provatas
Freedom of Information Officer
GPO Box 2219T
Melbourne VIC 3001
Tel (03) 9653 9721
Fax (03) 9653 9755

Requests can also be lodged online at foi.vic.gov.au.

From 1 July 2010, the required application fee per request is \$23.90.

Access charges may also apply once documents have been processed and a decision on access made, for example photocopying, search and retrieval charges.

Further information regarding Freedom of Information can be found on FOI Online, foi.vic.gov.au.

Whistleblowers Protection Act 2001

The *Whistleblowers Protection Act 2001* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Tourism Victoria does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. We are committed to ensuring transparency and accountability in our administrative and management practices and support the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment. Tourism Victoria will take all reasonable steps to protect people who make such disclosures from any detrimental action

in reprisal for making the disclosure. We will also afford natural justice to the person who is the subject of the disclosure.

Reporting procedures

Disclosures of improper conduct or detrimental action by Tourism Victoria or our employees may be made to the following persons:

Tourism Victoria's Protected Disclosure Coordinator is:
Mr Gregory Hywood
Chief Executive
Tourism Victoria
Level 32, 121 Exhibition Street
Melbourne VIC 3000
gregory.hywood@tourism.vic.gov.au

Tourism Victoria's Protected Disclosure Officer is:
Mr Darcy Provatas
Business Services Manager
Tourism Victoria
Level 32, 121 Exhibition Street
Melbourne VIC 3000
Tel (03) 9653 9721
darcy.provatas@tourism.vic.gov.au

You can also make your complaint or provide information directly to the Ombudsman. The Ombudsman, George Brouwer
Level 22, 459 Collins Street
Melbourne VIC 3000 (DX 210174)
Tel (03) 9613 6202
Toll free 1800 806 314
ombudvic@ombudsman.vic.gov.au
ombudsman.vic.gov.au

Disclosures can be made in writing or made orally. You may also provide information anonymously.

A copy of Tourism Victoria's Whistleblower Protection Procedures can be obtained by contacting Tourism Victoria on (03) 9653 9777 or from our website at tourism.vic.gov.au

FIVE YEAR COMPARISON

	2005/06 \$'000	2006/07 \$'000	2007/08 \$'000	2008/09 \$'000	2009/10 \$'000
Total assets	17,434	16,265	20,406	31,535	28,436
Total liabilities	6,693	5,919	7,163	15,120	13,196
Net assets/Accumulated surplus	10,741	10,346	13,243	16,415	15,239
Surplus/(Deficit)	2,830	(395)	2,897	3,172	(1,176)
Property, plant and equipment (WDV)	782	623	499	246	226
State Government contributions	44,690	42,786	59,869	66,066	73,829
Total expenditure	45,927	46,309	60,548	68,458	81,822

Significant changes in financial position 2009-10

Special projects grant funding is provided annually to Tourism Victoria to deliver specific Government initiatives, usually over two to four years. The accumulated surplus represents income received for special initiatives that is committed to be delivered and spent in future years.

An operating deficit of \$1.176m for 2009-10 is an improved result. It indicates a reduction in the amount of committed activity, funded in the current year, that is to be delivered in future years.

The increase in total expenditure of \$13.364m (19.5%) in 2009-10 has been achieved with only a minimal increase in resources demonstrating further operational efficiencies. In addition, at 30 June 2010 total assets have reduced by \$3.099m (9.8%) from the 30 June 2009 balance, a further performance improvement, demonstrating a reduction in the value of total assets required to deliver the business activity in 2009-10.

Operational and budgetary objectives of the entity for the financial year and performance against those objectives including significant activities and achievements during the year.

These are outlined in narrative and graphical form elsewhere in this report.

Summary of major changes or factors which have affected the achievement of the operational objectives for the year.

There were no major factors affecting the achievement of the operational objectives for the year.

Tourism Victoria is a Statutory Authority of the State of Victoria.

Tourism Victoria was established under the *Tourism Victoria Act 1992*.

Its principal address is: Tourism Victoria, 121 Exhibition Street Melbourne VIC 3000.

A description of the nature of Tourism Victoria's operations and its principal activities is included in the annual report.

For queries in relation to our reporting please call (03) 9653 9777.