

Inquiry into the economic and regulatory frameworks for Queensland island resorts

Submission No:	12
Submitted by:	Elmer Ten-Haken
Publication:	Making the submission and your name public
Attachments:	See attachment
Submitter Comments:	
Submitter Recommendations:	No Recommendations

Submission to the Queensland Parliament Transport and Resources Committee regarding the economic and regulatory frameworks for Queensland's island resorts.

I live in the Whitsundays. I have worked in several roles in the tourism industry and in National Park management as a ranger for QPWS. I have personal experience of the island resorts in my local area, but cannot comment about the situation further north or south, except to say that what I see happening here is unlikely to be much different anywhere else within the Great Barrier Reef region.

The Whitsundays Islands National Park is an area of outstanding natural beauty and ecological importance. It has a very active tourist industry, including lots of mainland accommodation in Airlie Beach and a large bareboat fleet, and has already reached saturation point from the point of view of visitor numbers. It used to have lots of active Island Resorts, but now only a few survive and operate successfully.

Before any consideration is given to either building new resorts or renovating old ones, using either public or private money, a thorough "post mortem" of the existing resorts which are now derelict and abandoned needs to take place. **Any changes to the regulatory frameworks relating to island resorts needs to incorporate the lessons of the past.**

The demand from tourists is changing. The original Whitsunday Island resorts, built on places like Lindemann island in the 1930's, were cheap and cheerful and attracted guests who would put up with basic facilities (grass huts) in exchange for a great experience in the then unspoiled Whitsundays. They were seasonal and were operated in addition to the grazing leases which were the island's main economic output. If these places failed, there was little impact - they did not leave a large blot on the landscape.

Late 20th century tourists expected so much more; high standard accommodation and gourmet meals, air-conditioning and Hollywood showers – all of which is incredibly difficult and expensive to provide on an offshore island. It was perceived that the only way this could be done was to go big – big corporations building big resorts and hoping to attract big crowds. Large resorts were built on Hayman Island, Hamilton Island, South Molle Island, Daydream Island (actually West Molle Island), Long Island and Brampton Island.

That model worked for a while. The new resorts did attract large numbers of visitors when they were new and fashionable, but there were many problems involved in running them:

- Most of the big island resorts were a long way from anywhere and, despite the flat calm seas depicted in each and every resort brochure, the reality is quite different and the sea passages to and from these resorts are notoriously unpleasant during bad weather, which is much more frequent than expected when the southeasterly trade winds blow. This applies to both passenger ferries and supply barges. Brampton and Lindemann Islands do have airstrips, but were only capable to handling light aircraft.
- The Queensland coast is susceptible to severe cyclones. When these pass over they trash island resorts which are usually right down on the beach and thus open to storm surge as well as destructive winds.
- The cost and logistical difficulties of providing the year-round high standard of guest service which today's tourist wants is simply prohibitive this far away from the mainland hubs. The

practicalities of providing reliable power, drinking water and sanitation in an environmentally acceptable manner are just too difficult to be sustained by all but the most world-renowned operations which can charge premium prices, and they have a very limited market.

- The Whitsunday Islands are not on the Great Barrier Reef – they lie within it's lagoon. Many years ago, when the first resorts were developed, the fringing reefs around most of the local islands were spectacular and well worth visiting for snorkelling, reef walking and fishing. Today that is no longer true. Most of the fringing reefs are in very poor condition and the best diving and snorkelling are out on the reefs of the outer barrier – a long way from the island resorts and with all the same difficulties of access in poor weather mentioned earlier.
- The most recent wave of tourists are no longer interested in staying at a large resort, with many realising that island resorts are not very environmentally friendly or sustainable and that the experience they provide is sadly limited by comparison with an overseas trip, a cruise, or a boutique holiday aboard a bareboat with just a small group of friends. Lying by the pool at a Club Med resort is just no longer the cool thing to do.

Clearly the expense, difficulty and discomfort of getting guests, staff and supplies to these islands, the limited experiences which they provided, plus the privations of mother nature and the changing expectations of visitors killed off many of the big resorts. **So now we have a whole lot of islands with ruined and abandoned resorts on them. Many of the abandoned resort island leases have been sold by the original operators and now belong to shadowy entities which have occasionally mooted big plans to rejuvenate them, but the reality is that the cost of rejuvenation and operation to modern standards is too high and demand for such resorts no longer exists, so nothing has happened.**

Dilapidated and abandoned Island Resorts – why they should be removed - not renovated:

In and around the Whitsundays the following abandoned resorts exist and are slowly mouldering away in our tropical climate:

Brampton Island Resort, Lindemann Island Resort, Hook Island Resort, Happy Bay Resort on Long Island and South Molle Island Resort.

- All of these detract from the “unspoilt wilderness” image which tourist operators like to convey.
- They are an ongoing problem for the authorities managing the national park because, as they collapse, the materials in them become refuse which needs to be removed from the island. Some of the older structures will contain asbestos – with all the difficulties which that material causes.
- Since there is no demand for large island resorts anymore, there is no possibility that they will be taken up by commercial entities and rejuvenated.
- While there is public money available to remediate the mess left by the owners this should be done.

The legal framework surrounding island resorts should be altered so that any Island resort lease which has not been operated profitably, and in a manner consistent environmental protection laws within the last five years should be resumed by the government. Unfortunately, these resorts

were all built with no consideration of their end of life costs, so the taxpayer will have to pay for the structures to be dismantled and shipped off the islands and for the land to be revegetated so that it can revert to National Park like the rest of the island. **This will be a significant cost – but it will solve the problem once and for all.**

Operational Island Resorts – why they need to be closely monitored:

The following Island resorts are still operational: Hayman Island Resort, Hamilton Island Resort, Daydream Island Resort, Palm Bay Resort, Long Island and Paradise Bay Resort, Long Island.

These island resorts survive for a variety of reasons:

- Hayman Island Resort, is a five-star resort with a worldwide profile and is popular with the super-rich. Only they can afford the prices!
- Hamilton Island Resort has a domestic airport. Despite this, guest numbers have declined over a long period of time. In recent years the Island management have sold a lot of real estate and the Island is actually becoming a residential suburb rather than a resort.
- Daydream, Palm Bay and Paradise Bay Resorts are relatively small and close to shore. They offer services to niche markets. They are probably sustainable, provided that they are not impacted by future cyclones or storm surges which could make them unusable at any time.

All of the above need continuous monitoring of their environmental standards and compliance:

- The temptation for the managers of these island resorts to cut corners when times are tough is far too great, and there have been instances of untreated sewage discharges and inappropriate rubbish dumping at several of the now abandoned resorts in the past.
- There should be absolute limits on the growth of Island resorts. Once they become too big, they are a liability to the local community and council in the event of a “Natural” disaster. I can remember hearing about boat loads of dazed tourists being dumped at Shute Harbour when Daydream Island was evacuated during cyclone Debbie. The local community had enough of its own problems at that time, without having to deal with a whole bunch of confused, scared and angry tourists who needed to be accommodated locally because all road, rail and air connections were cut off for over a week!
- Should any of the island resorts be abandoned in the future, the same should be done for them as I have described for the already derelict resorts – remove them and return the land to the National Park.

New resort developments on Whitsunday Islands.

No new resorts should be built on any of the Whitsunday Islands. There is no justification for them and, it would seem, little demand either. If there were, we wouldn't have five abandoned ones! The history of resorts in the Whitsundays shows that running them is difficult and costly and that fashions in tourism change all too quickly – leaving us with stranded assets. If any approvals are granted for the development of new resorts, or the renovation of old ones, those approvals must contain provisions for the cost of removal of the built infrastructure and remediation of the land in the event of the failure of the operation. That way the public won't be saddled with the bill for the clean up again.