

Let's talk

about the

FUTURE

Mt Baw Baw and Lake Mountain

2030



baw mt baw

DISCUSSION PAPER SUMMARY

Project overview

All Victorian alpine resorts are facing an increasingly uncertain future.

The manner in which each resort responds to the impacts of climate change, how they can accommodate major shifts in tourism trends, recreation demands and visitor tastes, whilst still protecting their important natural and cultural assets, will determine what sort of alpine experience all Victorians will have now and into the future.

In planning for these necessary changes, the Victorian Government has asked the Mount Baw Baw and Lake Mountain Alpine Resorts Management Boards to undertake a comprehensive review of each resort. By September 2016, the Board will make recommendations to the Minister for Energy, Environment and Climate Change as to how best to manage, protect and develop Mt Baw Baw into the future to make the resort more financially sustainable, whilst ensuring that this is balanced with the maximisation of the economic and social benefits provided by the resort to the communities it serves.

The 'Mt Baw Baw and Lake Mountain 2030' project will respond to the challenges and opportunities and inform some of the big decisions the Victorian Government intends to make. Involvement in this process by everyone who visits, works or has an interest in these resorts is encouraged.

Your views are important. We may need to make difficult decisions to ensure that Mt Baw Baw resort remains as a valuable and loved regional asset.

The future of Mt Baw Baw is at a turning point. So we strongly encourage you to join a conversation, have your say and get involved.

Allan Bawden,
Chair Mount Baw Baw and Lake Mountain
Alpine Resorts Management Boards

Philip Nunn,
CEO Mount Baw Baw and Lake Mountain
Alpine Resorts Management Boards



The Act

The object of Alpine Resorts (Management) Act 1997 is to make provision in respect of alpine resorts;

- (a) for the development, promotion, management and use of the resorts on a sustainable basis and in a manner that is compatible with the alpine environment, having regard to:
 - (i) environmental and ecological considerations, in particular, climate change;
 - (ii) economic considerations;
 - (iii) cultural heritage considerations, in particular, Indigenous cultural heritage considerations; and
- (b) for the use of the resorts:
 - (i) primarily for alpine recreation and tourism;
 - (ii) in all seasons of the year; and
 - (iii) by persons from varied cultural and economic groups.

Some facts about Mt Baw Baw Alpine Resort

- Mt Baw Baw is Melbourne's closest downhill ski resort, approximately 180 kilometres east of Melbourne and only one hour from the heart of Gippsland.
- Access to Mt Baw Baw is either by a sealed tourist road curving upwards for 50 kilometres from Noojee or an unsealed 26 kilometres South Face road stretching from the Thomson Valley Road which is accessible from the Moe-Rawson Road.
- The Mt Baw Baw village offers a variety of on mountain accommodation options including 22 lodges, 10 apartments, two cabins and a hotel. There is a total of 700 beds available predominantly of one or two-star quality. The resort has a food and beverage offers available to visitors.
- Compared to the more northerly bigger resorts Mt Baw Baw is relatively underdeveloped with many snow gums and the village nestled within the trees.
- Mt Baw Baw is home to the Baw Baw Frog *Philoria frosti* is a smallish brown frog endemic to the Baw Baw Plateau and escarpment area. The Baw Baw Frog is listed as Endangered under the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999*

and threatened under the *Victorian Flora and Fauna Guarantee Act 1988*.

- Mt Baw Baw is an all-season resort, catering for snowboarders, skiers and those interested in snow play, and providing for green season activities that include bushwalking, downhill mountain biking and nature walks.
- In the snow season, the resort offers 35 hectares of groomed terrain, access 10 kilometres of cross country ski trails, 15 ski runs, seven ski lifts, and two snow play areas incorporating tobogganing and airbag/tubing activities. Modern snow making equipment currently enables snow cover to be available on most days on the main toboggan runs even during poor snow seasons.
- A growth in non-snow or "green season" activities include bushwalking, picturesque sub-alpine environment with spring flower viewing, national standard downhill mountain bike trail and general sight-seeing. The resort also acts as a venue for a range of events including car rallies and cycling events. During the 2014/15 "green season" operating days were decreased from seven to three (Friday to Sunday). "Green season" visitor numbers are small but have grown 15 per cent from 2007 – 2011.
- Around 70,000 people visited Mt Baw Baw in the winter of 2015 making it one of the highest years since 2005. Winter visitation numbers at Mt Baw Baw are highly variable and sensitive to fluctuations in level of snowfall.
- In addition to accommodation and

food and beverage offers, Mt Baw Baw has a snow equipment hire, a ski school, general administration building, medical facilities, retail outlets, fire depot, two visitor centres and educational information.

- Similarly, to Lake Mountain Mt Baw Baw has a very ethnically diverse visitor profile, with over high proportion of its snow season visitors describing themselves as being of Asian or Indian background. Most of the visitors are day trippers, and visit Mt Baw Baw because it is the closest mountain to where they live/are staying.
- Visitors to Mt Baw Baw during the 2015 winter spent on average \$45-56 per person per visit.
- Mt Baw Baw is a major contributor to the Latrobe Valley and Gippsland regions, where unemployment levels are above the Victorian average. Destination Gippsland considers that Mt Baw Baw as a winter destination is one of the few commercial tourist attractions in Gippsland that can generate revenue and employment for the region. In 2011 Mt Baw Baw contributed approximately \$7.5 million to Baw Baw Shire's Gross Regional Product.
- The operation, administration and promotion of Mt Baw Baw is managed by a Board. With the exception of ski hire and Kelly's café, the snow chain fitting service and small retail outlet, the Board of Mt Baw Baw operates all facilities providing services to visitors in the resort.

Some big challenges facing Mt Baw Baw Alpine Resort

Climate change will affect the resort – expect much less natural snow

- In their 2012 report 'Climate Change Impacts on Snow in Victoria' CSIRO indicated that in the near future, the duration of the Victorian snow season is very likely to be shorter, have a slightly later start, and generate lower maximum natural snow depths. The number

of good snow seasons is likely to decline and the number of poor seasons is likely to increase.

- A study into the impact of climate change in the Victorian alpine areas is currently being finalised. The study will also explore emerging snow making technologies and if they have capacity to sufficiently respond to forecast changes to alpine rainfall, humidity and temperature. Changes to natural snowfall patterns, combined with the future viability of lower altitude snowmaking, will be critical to the short and long term planning for the winter offering at all Victorian resorts.
- At 1,564m elevation, Mt Baw Baw is one of the lower of the alpine resorts in Victoria compared to the highest, Mt Hotham at 1,861m. Arguably,

low altitude resorts will be most vulnerable to changes in climate.

- It is expected that Mt Baw Baw may face an increased risk of bushfires due to shorter snow seasons, less rainfall over the year and drier and warmer ground conditions. The perception of bushfire risk may be a barrier to increasing the number of visitors in green seasons.

Infrastructure is poor and ageing, and costly to maintain

- The poor condition of the two access roads, the sealed Mt Baw Baw Tourist Road and unsealed South Face Road, can result in actual travel time from Melbourne to Mt Baw Baw being similar to other



alpine resorts further away. There is concern that some potential visitors will be dissuaded from visiting the resort as they may not be prepared to tolerate the somewhat difficult access to the mountain.

- Current snow making infrastructure is ageing and there are concerns whether it will be able to continue to provide full snow coverage.
- Services to properties within the village are comparable to most municipalities. However, as Mt Baw Baw is not connected to the national electricity grid the resort's entire electricity supply is provided by costly LPG fuelled generators. This reduces the funds available for ski or amenity infrastructure upgrades, and impacts upon

club and commercial viability in periods of peak demands.

It costs more to operate Mt Baw Baw than the revenue it is currently capable of generating

- In 2003, a long standing financial cross-subsidy from the larger alpine resorts (Mt Buller, Falls Creek and Mt Hotham) to support the smaller resorts was removed. Since then, Mt Baw Baw has been unable to become financially self-funding and has relied on additional government funding. For the past 3 years, Mt Baw Baw received approximately \$3.5-4.5 million per annum from the Victorian

Government to underpin its ongoing operations and management

- The majority of Mt Baw Baw annual revenue is collected through resort entry fees during the relatively short snow season, which usually runs between June and September. The prospect of shorter snow seasons and reduced visitation numbers, will have a direct and significant impact on resort revenue from the current income generating activities.



What we have heard from you

Mt Baw Baw's location at the southern boundary of the Victorian Alps and its sub-alpine environment provides visitors with natural beauty in all seasons. We know from previous community conversations that visitors

value Mt Baw Baw's ski runs, its snow play facilities, mountain bike trails and its easy access to neighbouring parks to explore amongst the snow gums, spring flowers and neighbouring national park. We've also heard that a key attraction of Mt Baw Baw is its accessibility and affordability as a family friendly destination – its access to snow experience in the winter and outdoor adventure activities throughout the year.

Mt Baw Baw visitors appreciate the variety of accommodation and facilities

on offer in the village for both the day tripper and the long term visitor but we've heard that these could be improved with more variety for all price points and the revitalisation of the club lodge sector. We also heard that Mt Baw Baw could do with some enhancements such as additional snow play and snow experience areas, an event space for functions and further development of the "green season" offerings with investment in infrastructure to make Mt Baw Baw more competitive.

Some important decisions may have to be made

The Board of Mt Baw Baw wants to know how you think the resort can adapt to the impacts of climate change and continue to maximise the economic and social benefits generated for its surrounding communities.

In order to do this, there are important questions we need to ask:



- 1 Why would you (or do you) choose to visit Mt Baw Baw rather than another Victorian alpine resort or destination?
- 2 What would you be prepared to see change at Mt Baw Baw to allow it to become more viable, and what must remain?
- 3 For Mt Baw Baw to become more financially sustainable, it will need to significantly increase revenue, minimise costs whilst still protecting natural and cultural assets. What ideas do you have for how the resort could do this?
- 4 Investment in additional snow making capacity, mountain biking infrastructure and nature based adventure activities and facilities have been proposed in the past. What could be done to enhance the existing activities and facilities and/or what type of new, non-snow based experiences or activities would bring increased visitors like you, to Mt Baw Baw in the winter or "green season"?
- 5 How could the local community, businesses and stakeholders in the wider region and Mt Baw Baw management better collaborate to bring visitors to the resort?
- 6 What would you change about how the Mt Baw Baw resort is governed or managed?

How you can be involved

To find out more about Mt Baw Baw and Lake Mountain 2030 and how you can get involved, visit haveyoursay.delwp.vic.gov.au

On the website you will find a series of activities you can do to provide your insights and the background studies/ reports used to prepare this summary.

Findings from the first stage of engagement will identify and inform a series of future option for each resort – these will be presented in an

Options Paper in August 2016 and will be available for the community and stakeholders to provide feedback.

