

The No 1 (uncompleted and unloved) resort in world

MORE than five years after an Act of the Queensland Parliament was passed to allow the controversial development of 8,500 hectares on the coast just north of Yeppoon, the now-named Capricorn Iwasaki resort project consists of three unfurnished apartment buildings, an unused motel, an ungrassed golf course and about 50 kilometres of unmade roads.

But the general manager of the company developing the resort, Mr Peter Warren, of Iwasaki Sangyo Co (Australia) Pty Ltd, makes no apology for the delay in developing the project.

Iwasaki Sangyo (Australia) is the Australian offshoot company controlled by Japanese multi-millionaire Yohachiro Iwasaki. Mr Iwasaki is said to be the third-richest man in Japan. He is the self-confessed "Number 1" in Japanese tourism, and he sees the project at Yeppoon as his chance to establish something which would be "Number 1 in the international sense".

He controls more than 60 companies. Among other things he owns an airline, four resort hotels in Japan, shipping and transport companies, a timber company, a chain of service stations, and office buildings in Tokyo.

But Iwasaki's dreams have not yet been fulfilled, and in a recent letter he wrote, "although I have achieved a No 1 position in Japan, in respect to the ownership of the highest-priced land in Japan, near the Ginza, and my country's top timber holdings on islands south of Kyushu, I have not attempted, until now, to develop anything which would be recognised as No 1 in the international sense".

To understand the Capricorn Iwasaki resort project and how it is progressing, one must first attempt to understand Iwasaki. Now in his 82nd year, he approaches the project with no apparent concern for the fact that he is unlikely to live to see it completed, but is satisfied that his No 1 son, 59-year-old Fukoso, will carry on in his footsteps.

Residents of Yeppoon and nearby Rockhampton blame Iwasaki senior for the delays on the project, and the editor of *The Morning Bulletin*, in Rockhampton, Barry Branson, said recently that the project and the controversy which surrounds it had been "very hot issues" in the area since its inception.

So controversial was it that the Queensland Parliament rushed through a special Act under which the project would be developed on the land Mr Iwasaki had acquired, thereby largely removing it from the control of local councils. That piece of legislation was enacted in 1978, as the Queensland International Tourist Centre Agreement Act, directly administered by the Premier, Sir Joh Bjelke-Petersen.

The Act required that the resort be developed over a 20-year period, in four five-year stages. It required that the first stage should have been completed in April this year, to provide a 100-unit motel, three accommodation blocks with 204 units, an 18-hole golf course and a beach facility with shop, showers and toilets.

Four months after the deadline for completion of Stage 1, development of those features is well advanced and, as the company puts it, "nearing completion". But the fact that they are not up and running has drawn criticism of the company, and of the State Government, for not demanding that deadlines be met.

General manager Peter Warren said during a media tour of the project recently that being four or five months late was not a serious problem, given that the company has a 20-year franchise to complete the project. And added, "Isn't it better to do things properly and know that when we open, everything will be just right, than to rush to meet deadlines and regret it later?" He also acknowledged that the legislation lacked "teeth", or penalty clauses.

The Morning Bulletin's editor said that when the project was launched in 1979, there had been a lot of local cynicism. "A lot of people suspected that it was not a genuine project, but when I say a lot, I don't mean the majority," he said.

It got off on the wrong foot when the official sod-turning ceremony turned into a sodden ceremony. With meticulous attention to detail, Iwasaki had found that it had not rained in the area on a June 20 for the previous 40 years, so that date was chosen. It poured.

The first building under construction was bombed in 1980. A Yeppoon fisherman was charged and later acquitted, "and I have got to say that not too many people in Yeppoon were very upset about that bomb attack," Mr Branson said.

Anti-Japanese feeling still runs pretty high in this conservative part of Queensland, and the project has had to contend with the racial unrest it has caused. The local RSL was vocally opposed to the project, but has quietened-down in recent years.

Mr Iwasaki had arrived in the area bearing gifts, and five years later gives the impression that he is still trying to buy friends. He has handed-out cultured pearls to the ladies of Yeppoon, taken local councillors, businessmen and executives on tours to Japan, given \$10,000 to the Rockhampton Girls Grammar School, \$60,000 to sport and cultural groups, \$5,000 for women's welfare, \$5,000 for youth sports. The list goes on — the latest being a \$100,000 program to teach local children Japanese language and culture, to equip them for future jobs at the resort.

But one businessman said that many of the locals wondered when those jobs would be available, "and whether they particularly want their children pandering to Japanese honey-mooners".

The fishing town of Yeppoon, about 10 kilometres south of the developing resort, is said to be fairly evenly divided into pro- and anti-Iwasaki feeling — some fearing the influx, and others eagerly awaiting the benefits.

As well as the advantage of the 20-year development franchise, the project has another enviable advantage in that it is totally funded by the profits from the other 62 Iwasaki companies. There are no borrowings. There are no loans to repay. Therefore there is no hurry to complete the project and start making money. In fact, Mr Warren said he expected another 20 years would pass before it would be profitable.

He attributed the delays in meeting the first-stage deadline to the vast scale of the project, that Mr Iwasaki was not always on location, that Mr Iwasaki had suffered a stroke a couple of years ago, and that Mr Iwasaki likes to personally supervise every aspect of development.

Mr Branson said that "certainly there is some justification in saying that part of the delay was caused by the bomb blast, and the wet seasons have not helped, but even with all the excuses they've got, they have not justified the extent of the delays, and that in turn has raised suspicion in the community".

The company's battles with "the community" seem endless. The latest was a lengthy dispute over the route which should be taken by power lines leading to the resort site. A six-month battle by about 20 landholders to keep the power line off their land was lost. The Capricorn Electricity Board, supported by the State Government, won but not before some members of the Livingstone Shire Council had unsuccessfully tried to raise support for a legal challenge in support of the landholders.

The problems for Capricorn Iwasaki continue. Still to be resolved are the questions of water supply, and who should pay for it. The company will continue to argue for the Federal Government to grant "international" status for Rockhampton Airport, or at least to allow international charter flights to land there on a regular and frequent basis.

Meanwhile, another of the now famous Iwasaki parties has been planned for September 17, when about 1,200 guests will arrive for the "opening" of Stage 1. But it will not be ready for them. They will be bedded-down in Rockhampton, 50 kilometres away, and many will be flown on to holidays in New Zealand as a face-saver for the fact that Capricorn Iwasaki is not ready.

Mr Warren believed that the motel and apartment buildings in Stage 1 would be open by December, and be ready then for their first guests. Development would continue for most of the next 15 years, and if necessary longer.

It has cost about \$35 million so far, and a Japanese executive of Iwasaki Sangyo said at the site that the total cost could be "\$200 million ... maybe \$300 million", he didn't seem to know, or care.

When completed late in the 1990s, Capricorn Iwasaki is planned to accommodate up to 18,000 guests at a time. Features would include at least three hotels, two golf courses, motels, blocks of units, a range of restaurants,

Report by FRANK LONGHURST and pictures by MICHAEL PORTER who were both recently guests of Mr Iwasaki at Yeppoon.

its own shopping centre, an Australian wildlife park, bird sanctuaries and a special "honey-moon park" where an Iwasaki tradition will live on. As at his resorts in Japan, honey-mooning couples will plant memorial trees, and bring their children back in future years to check progress.

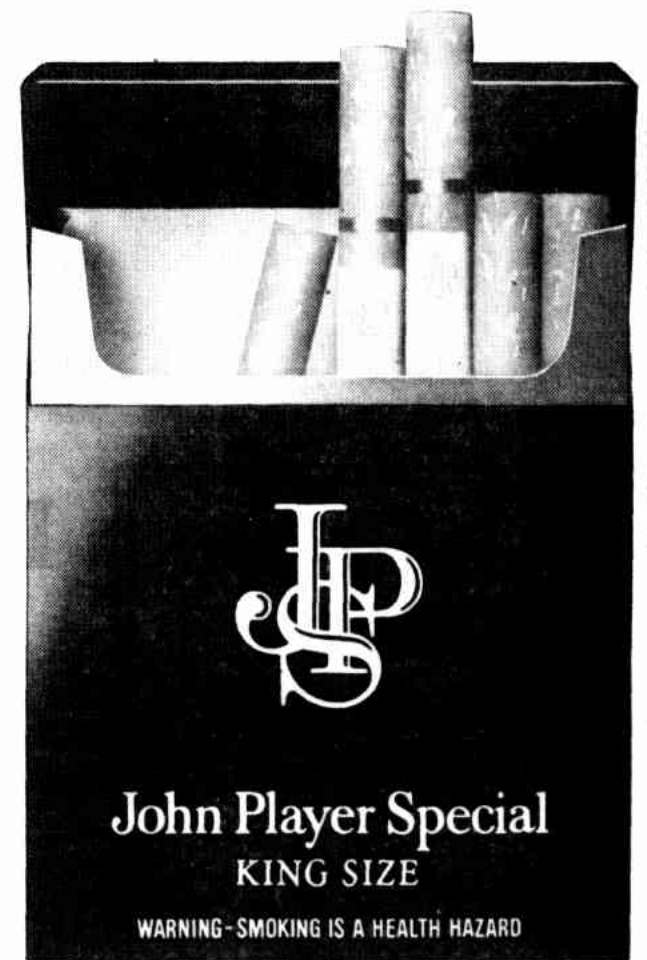
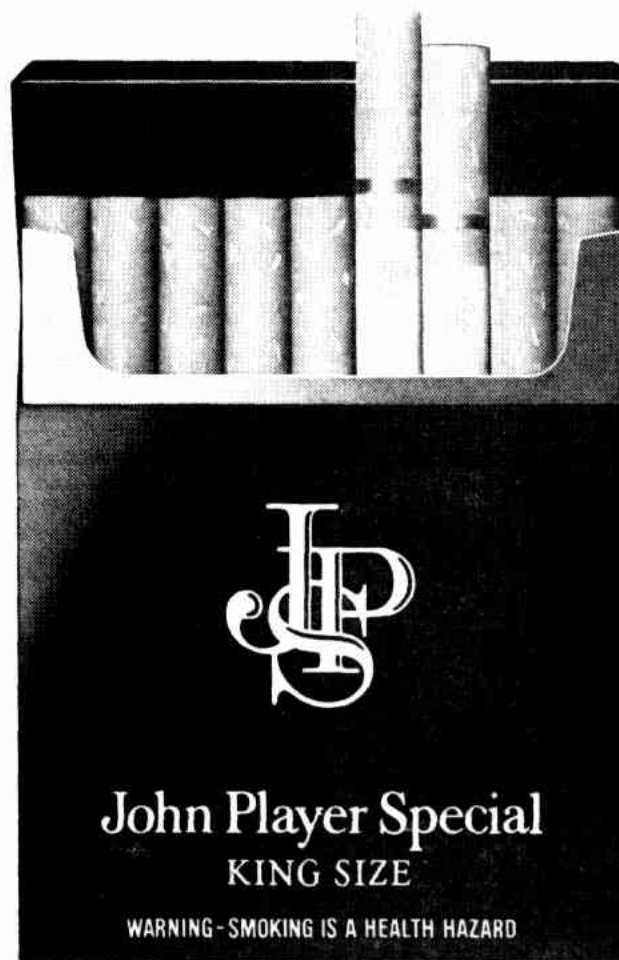
While the resort has been planned with holidaying Japanese in mind, executives assured the visiting Press that Australian holidaymakers would be equally welcome.

If the project proceeds to schedule it should fulfill Mr Iwasaki's dream "to create the Number 1 resort in the world", albeit Number 1 according to his own assessment of what the world requires.



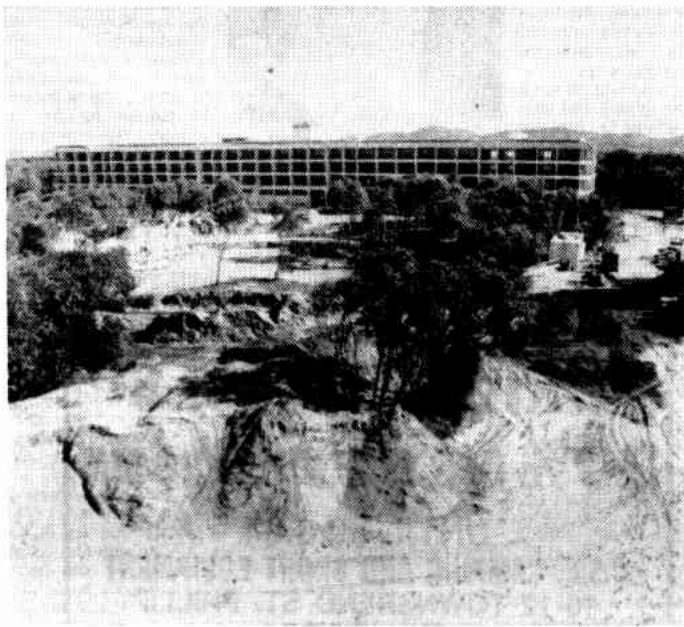
Yohachiro Iwasaki, the 82-year-old multi-millionaire who is developing the Capricorn Iwasaki resort north of Yeppoon, Queensland

Full Black Half Black



John Player Special King Size 25s

Some things in life have a special quality.



One of the partly finished blocks of holiday units at the resort site