Arthur Highway, Port Arthur





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Hon, Ivan Dean MLC Parliamentary Standing Committee of Public Accounts Legislative Council Parliament House HOBART TAS 7000

Attn. Ms Natasha Exel By email: pac@parliament.tas.gov.au

Dear Mr Dean

Inquiry into the Government's Financial Response to the COVID-19 Pandemic

Thank you for the opportunity to make a submission to this important Inquiry. PAHSMA manages three significant heritage tourism sites: the Port Arthur Historic Site and Coal Mines Historic Site on the Tasman Peninsula, and the Cascades Female Factory Historic Site in South Hobart. The financial impact from COVID-19 has been most significantly felt at Port Arthur, but also of consequence for the Cascades Female Factory.

As a broad overview PAHSMA is supportive of the overall response of the Tasmanian Government to this crisis. We note the matters that have been listed as requiring specific response and feel that we are limited in our spectrum of particular responsibility to comment. We note two areas of our interest: (1) PAHSMA's financial circumstances, and (2) the tourism industry.

1. PAHSMA

As the Committee would be aware PAHSMA is a Government Business Enterprise (GBE) and operates as a State Service Agency. As such, the commitment by the State Government to continue to meet the relevant payments for public servants has had a particular impact on our ongoing expenditure. We acknowledge and remain grateful for the annual conservation grant provided by the State Government but this is not intended to cover the cost of our Tourism and other operations, or of salaries of staff working outside of conservation.



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We suggest that PAHSMA is in a unique situation as a government body that operates an extensive and (current conditions aside) profitable tourism enterprise. In line with most tourism businesses many of our staff are seasonal, with the intent that staffing demand is met as operations require. The commitment to continue to pay public servants is a commendable step by the State Government, particularly in the context of the unavailability or Job Keeper of Job Seeker payments to stage government employees. However, this has meant that we have not been able to respond to a serious and substantial loss in tourism income with a reduction in our most significant standing cost, that of Tourism staff salaries. While the decision made by the Government has meant a welcome opportunity for our staff to continue to be paid and is not to be disparaged, as an organisation we find ourselves in a financial position that will not easily or quickly recover.



2. TOURISM INDUSTRY

We note that the Tasman region is highly dependent on tourism. The Port Arthur Historic Site is the main drawcard for visitors coming to the Tasman Peninsula. The closure of the Site to visitors for 105 days has had a major impact on both our Sites and the many businesses that rely on visitors coming to the area. PAHSMA, as manager of a major tourist attraction, commends the State Government's provision of the Small Business Emergency Grants, and the introduction of the Small Business Hardship Grants. These two grants have provided much needed support to struggling tourism businesses in our region. As Tasmania's primary visitor markets continue to be closed, we would support the tourism industry's call for a modest but carefully-targeted stimulus package to help our local tourism businesses bridge the gap until access opens and visitation reaches sustainable levels.

Should you require any further details please do not hesitate to contact us.

Yours sincerely

Stephen Large

CHIEF EXECUTIVE OFFICER