

# TRANSCRIPT

## LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

### **Inquiry into the impact of the COVID-19 Pandemic on the tourism and events sectors**

Bright—Wednesday, 28 April 2021

#### **MEMBERS**

Mr Enver Erdogan—Chair

Mrs Bev McArthur

Mr Bernie Finn—Deputy Chair

Mr Tim Quilty

Mr Rodney Barton

Mr Lee Tarlamis

Mr Mark Gepp

#### **PARTICIPATING MEMBERS**

Dr Matthew Bach

Mr David Limbrick

Ms Melina Bath

Mr Andy Meddick

Dr Catherine Cumming

Mr Craig Ondarchie

Mr David Davis

Mr Gordon Rich-Phillips

**WITNESS**

Mr Guy Wilkinson, Economic Development and Investment Coordinator, Indigo Shire Council.

**The CHAIR:** The Economy and Infrastructure Committee public hearing for the Inquiry into the Impact of the COVID-19 Pandemic on the Tourism and Events Sectors continues. Please ensure that mobile phones have been switched to silent.

I wish to begin by acknowledging the traditional owners of the land, and I pay my respects to their elders past, present and emerging.

I wish to introduce my fellow committee members that are present here with us today: Mr Lee Tarlamis, Mr Tim Quilty, Mr Rod Barton and Ms Wendy Lovell.

To the witness I will need to read a short statement. All evidence taken at this hearing is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during the hearing is protected by law. However, any comment repeated outside the hearing may not be protected. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded. You will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

We welcome your opening comments and hope that they be kept to 5 to 10 minutes to allow plenty of time for discussion. Could you please begin by stating your name for our Hansard team, and then start. Over to you.

**Mr WILKINSON:** Guy Wilkinson, Economic Development and Investment Coordinator, Indigo Shire Council. Thank you for the opportunity to speak on behalf of Indigo shire's 1300 businesses on the impact of COVID. Indigo's diverse economy spans the full gamut of industry sectors, and collectively it is intrinsically reliant on tourism. Our businesses are predominantly micro and small enterprises that by nature have limited capacity to plan for and manage the level of disruption experienced over the past 16 months. Indigo shire is a rare case in the context of social and economic disruption, given everyone has experienced the impacts of COVID. A few communities have experienced bushfire and COVID, but very few like Indigo have experienced the devastating and compounding effects of COVID, bushfires and border closures.

Our shire is heavily reliant on cross-border supply chains, transit routes and, perhaps most significantly, access to staff who reside on either side of the border. The closures have further limited recovery efforts and are a causal example of the eroded confidence of businesses to plan ahead. Can government provide greater surety or improved forward modelling to instil some business confidence in key areas of decision-making? The blanket restrictions we experienced across the state and between states were understandably necessary, but the government's ability to quickly adapt more localised restrictions with consideration to the particular circumstances of specific communities and regions will help local economies stabilise faster.

As a result of these compounding challenges and principally now access to staff, our operators are highly fatigued, and as a consequence the impacts related to personal health and business health are manifest. Individuals' capacity to effectively recover and revitalise is inhibited. Building the capacity of our people and by extension their businesses is paramount. To illustrate, we are witnessing limited or constrained business function, which is affecting business and destination brand credentials. The current surge in regional visitation is welcome and providing a huge economic lift to our region. With it, though, comes some strain on operators, given fatigue, staff shortages, contact and outbreak concerns and modified operations. This can negatively affect the visitor experience. Continued promotion of COVID kindness, for example, through simple acts like booking forward, will help manage expectations, relationships and the transition back to business as usual.

It is apparent that these impacts will take many years to overcome. The current support of our state and federal governments has provided material benefit to our businesses, and operators who have benefited are deeply grateful. We trust that the government will continue to review and improve the announcement, eligibility and application processes to ensure clarity, simplicity and the equitable access to support. Our businesses implore the government to continue to develop and deliver support mechanisms sooner—that is earlier in the response phase—and to sustain support beyond the immediate horizon.

As a small regional council, Indigo was able to prioritise \$200 000 of council funds to develop a unique business support program to work with our 1300 businesses individually on response and recovery activity. This has been gratefully supported by the Working for Victoria program resources, and to ensure its sustained effect we would ask directly for a five-year commitment at \$200 000 a year to continue the highly impactful albeit unsustainable work that we are undertaking. Further, continued support of agencies like AgBiz Assist and business recovery advisory services will help us greatly in the resource-intensive efforts of reaching and helping individual businesses to access support. From a broader economic view, major event funding will provide critical recovery stimulus for our shire.

We would also welcome any fast-tracking of government processes relating to investment and development, such as the exceptional efforts of the VCGLR under the outdoor dining program to expedite applications for red-line extensions. That was an extraordinary example of local and state government working with industry in real time to fast-track positive outcomes.

Finally, poor mobile coverage has been a major inhibitor of trade. Our telecommunications infrastructure in Indigo shire is inadequate, and while we work closely and collaboratively with our federal MP, Dr Helen Haines, on resolving black spots, Indigo shire is in desperate need of short-term solutions to bridge longer term rollouts. This is another area where industry, community and all levels of government can work really well together to achieve quick and effective and impactful solutions.

So once again, thank you very much on behalf of the Indigo shire community.

**The CHAIR:** No, thank you, Mr Wilkinson. It is a pleasure to hear from you. Definitely a unique impact on Indigo shire and the businesses in the region. I really appreciated your feedback. I might pass over to Mr Quilty to begin and ask the first question from the committee members. Do you have a question?

**Mr QUILTY:** I was going to ask about border lockdowns. Obviously Wodonga dealt with the same issues. Do you think we have got that sorted now—that if we have more outbreaks that there will be free movement over the borders and that it will not be an issue going forward?

**Mr WILKINSON:** I cannot comment on whether it will not be an issue. I think that the work that has been done to get the current result has been exceptional. It took time to get there, understandably, but if we can maintain that sort of bubble arrangement and even expand the thinking around that, it would certainly be a great ongoing solution.

**Mr QUILTY:** And how does the state government help with mobile phone towers?

**Mr WILKINSON:** Like I said, I just look at this as a short-term solution. So I have been speaking with various businesses and some tech people around what that could look like, and at a cost of \$500 to \$800 per business there could be booster-type arrangements. Now, there is potentially some funding or some innovation or technological advice that we could work together to try and understand really what that looks like in terms of rollout. Again, we speak to these businesses daily, and to a person they are saying, ‘We can’t transact through mobile sources and we can’t actually communicate’. So our ATMs go down and our EFTPOS does not work on the mobile bandwidth, literally ceasing the transaction. So if there is a short-term solution while we wait for a bigger solution, I think it would be great to explore what that could look like.

**The CHAIR:** I might ask the next question and then I will pass over to Ms Lovell. We did hear from some of our presenters about the importance of digital connectivity—so the mobile phone black spots, which I experienced myself on the way here—but how is the NBN rollout in Indigo shire? Is it reaching the speeds or expectations of businesses?

**Mr WILKINSON:** I think the infrastructure rollout is fine, and NBN have placed roles within the region now, which we are working very closely with to help bring businesses up to an understanding level where they actually understand how to connect to and utilise the NBN more effectively. So we will be incorporating it in the business support program that we talked about, to really skill up the businesses to understand the potential, but in terms of the actual infrastructure my understanding is the rollout has been successful.

**The CHAIR:** I do understand the challenges of the border closures. Can you explain the last batch of arrangements? Because you said now it seems to be a working model with a bit more free movement between the New South Wales and Victorian border. What was the last arrangement during the last time that—

**Mr WILKINSON:** I probably cannot speak to specifics. I can probably speak fairly broadly to say that the recognition of the cross-border traffic that would encompass a geography would be included in an agreement around free transit across the border. And I must say that the management of the border during the closure was exceptional as well from both police forces and the government—it was extraordinary—and the military and all people who were present there. It was really well managed and as good as it could have been, the point being that we rely heavily on staff who reside across the border and many of our residents who work across the border were unable to move. Then you couple in the challenges of mobile coverage and you start to realise that remote working is not great in this area. I think the overall solution may require some refinement, but if we could roll that out again pretty quickly if this occurs again, then that would be a good outcome.

**The CHAIR:** I appreciate that. I will pass over to Ms Lovell.

**Ms LOVELL:** I am interested to explore the balance between tourists returning and continuing to return, which keeps businesses afloat, and businesses being fatigued. Obviously the skill shortages and stuff are contributing to that, but if you were the minister, what are three things that you would do immediately to assist those businesses?

**Mr WILKINSON:** The number one issue we hear is staff. The reason people are fatigued is because they are working excessive hours—physical and emotional fatigue we are talking about—and it has obviously been a very difficult time for everyone, regardless of the role that we have played in our communities.

**Ms LOVELL:** So what are the barriers to staff in the Indigo shire? We know here in Alpine shire a lot of it is around housing. What are they in Indigo?

**Mr WILKINSON:** It is the same. I was listening to the previous witness, and I presume you have heard it today—it is the availability of affordable housing. In Indigo shire we have a relatively low supply of residential land available. We need to work on that, but equally, I guess, with interest rates, cash, all of those economic factors and people moving to the country, housing is becoming priced at a premium in the regions, so there is a challenge to afford a house. Many of these houses are becoming rental properties for obvious reasons, and therefore workers cannot rent, so there are a number of factors at play. I am not sure what the request to the minister would be in terms of one thing to resolve that other than I can pose that—

**Ms LOVELL:** Does the shire have an affordable housing strategy?

**Mr WILKINSON:** No. That is work that we are undertaking now around strategic land planning, on the back of some of this feedback from business.

**Ms LOVELL:** So the other two things other than staff?

**Mr WILKINSON:** The other two things other than staff—the greatest effect we are having is working very closely one-on-one with businesses. Now, that helps at a business level, an individual business level, but aggregated that helps at a sector and an economic level. We, Indigo Shire Council and my colleagues across the broader Hume region, collaborate on a number of ground-up—I will call them—initiatives, such as Buy From North East Vic and Startup Shakeup. Minister Pulford is in the region today in support of both of those initiatives.

In the instance of Buy From North East Vic, it provides a free ecommerce platform for businesses, but essentially what it is is a digital upskilling mechanism—we have a very low digital literacy rate in the Hume region—to help businesses get online, trade online and open up new markets.

Startup Shakeup is another collaboration between local governments, education and industry around creating an ecosystem of access points, connection points and training, if you like, for businesses who want to start businesses in the region and businesses who may be wanting to innovate or grow in the region. They are ground-up approaches, and I think that is where we are having most effect.

Both of those initiatives that I have just mentioned have worked well on the back of a lot of in-kind support from the parties at the table and some limited funding from state in both instances but also from the local governments present—the collection of seven local governments. What they need now is the next investment of resource, whether it is money or people, to get those models to reach their critical mass. If we can do that, those

ground-up initiatives in region will help these businesses to survive and be stronger. That was two. You gave me three, didn't you? I will stick with two.

**Ms LOVELL:** It is okay. I will let you off the hook.

**Mr WILKINSON:** Thank you.

**The CHAIR:** Thank you. Mr Barton, do you have a question?

**Mr BARTON:** No, I think we have covered everything. I will just comment about how bad the mobile phone system is and how it is affecting businesses. I find it staggering these days.

**Mr WILKINSON:** It is staggering, if that is the comment. It is fixable. Probably for regions it could potentially be the number one priority if you think of the economic overlay that we are talking about but also obviously the disaster overlay. We have towns in Indigo shire that are landlocks on top of hills surrounded by trees who do not have good mobile coverage. We have access points in and out of towns between major centres that have significant black spots, and I could not think of a worse scenario if, when the next bushfire does occur, those people cannot get access to contact.

**Ms LOVELL:** A lot of those people have satellite phones for the that reason, don't they?

**Mr WILKINSON:** Some, yes.

**Mr BARTON:** I have got a mate who actually runs a company that does satellite phones globally. It is one of the biggest players around.

**Mr WILKINSON:** We should talk!

**Mr QUILTY:** We certainly have a lot of little communities who got their mobile phone towers knocked out during the fires and had no communication for two or three weeks.

**Ms LOVELL:** So has the shire been working with the state government to ensure the state government prioritise locations within the Indigo shire for towers?

**Mr WILKINSON:** As I said, principally more with the ITAG black spot program with the federal government, but I think—

**Ms LOVELL:** Yes, so it is provided through the federal government but the states still have to prioritise them.

**Mr WILKINSON:** Through our advocacy plan it is listed—and I can certainly follow up and understand what we are doing specifically with the state government on that.

**The CHAIR:** I do not have a further question because a lot of what I was going to ask was asked by my fellow committee members. On that note we might actually conclude for today. We are on schedule. I really appreciate you coming, Guy. Like I said, it was a different perspective—the three different challenges that your shire has persisted with. Keep it up. Well done. On that note we conclude today's hearing. Thank you.

**Committee adjourned.**