



Submission by Paynesville Business and Tourism Association

Inquiry into the impact of the COVID-19 pandemic on the tourism and events sectors

Introduction

Paynesville and district is a community of approximately 4,500 residents on the shores of the iconic Gippsland Lakes in East Gippsland.

Paynesville is a popular visitor destination, and our local economy relies heavily on tourism for investment, business growth and employment.

The Paynesville Business and Tourism Association (PBTA) is the representative body for business in Paynesville and district.

Our purpose is:

“To institute and act in matters to promote and cause the betterment and development in a tourist and business sense of the Paynesville, Raymond island and Eagle Point areas”.

The PBTA is a pro-active body with approximately 80 members. We regard ourselves as one of the most active and well-resourced business and tourism associations in East Gippsland.

We engage in advocacy and promotion for the local business community, participate in planning and development activities, provide visitor information, and run local events, including the annual Paynesville Music Festival.

Terms of Reference

It is noted that the Terms of Reference for the inquiry are:

“.. to inquire into, hold public hearings in Melbourne and regional Victoria to identify key issues and areas of concern, and report by 30 June 2021, on the impact of the COVID-19 pandemic on the tourism and events sectors and provide recommendations for State Government support measures that will restore the tourism and events sectors to their critical role in the Victorian economy and restore lost jobs.”

Impact of COVID-19

Following the 2019/20 bushfires, which had a devastating effect on the visitor economy in East Gippsland, the COVID-19 pandemic had a severe impact on local business that are reliant on visitors, primarily from Melbourne, regional Victoria and interstate.

Following the loss of the peak summer trade, the shutdowns created a stop-start effect for tourism, with many businesses (especially in accommodation and hospitality) losing most or all their customers. Recovery over the last few months has been strong but has not compensated for the impacts that were felt throughout 2020.

Due to the logistical difficulties imposed by COVID-19 restrictions, the annual Paynesville Music Festival (normally held in February) was cancelled in 2021. Restrictions on the number of patrons in restaurants and live music venues has also had a severe impact on trade for those businesses.

There have been many lessons learned and there are opportunities for continued support for business recovery.

Lessons

State-wide restrictions

The “one size fits all” approach to COVID-19 restrictions across the State meant that regional areas such as East Gippsland (which had no active cases since March 2020) were effectively closed for business throughout the year. A region-by-region approach to restrictions could have allowed at least for regional Victorians to have greater freedom of movement and enabled local businesses to generate business from within the region and elsewhere in regional Victoria.

Liquor licensing

Relaxation of liquor licensing requirements (by allowing businesses to increase their “red line” area to encourage outdoor dining) had a positive impact. This has demonstrated that it is possible to reduce bureaucratic obstacles to the approval and outdoor extension of licensed areas, which should be continued.

Support for hospitality venues

The initial round of financial support for hospitality and live music venues was welcome. However, it is understood that further funding was provided for business and Councils in metropolitan Melbourne over the summer to facilitate increased trade and this opportunity was not offered in regional areas.

The current limits on patrons in smaller venues is also making it very difficult for those smaller venues to operate with the 1 person per 2 square metres restriction.

Restrictions on events

While it is understood that there would be restrictions on events as we emerged from the pandemic, those restrictions made it virtually impossible to run large events. The lead time for COVID-19 approval was too long and our perception was that, through the approval process, the relevant authorities were deliberately making it hard to obtain approval.

The PBT attempted to obtain approval to run the 2021 Paynesville Music Festival but when we sought to apply for a permit in December 2020, we were advised that approval would take 8 weeks, leaving us in a position where we would not obtain approval until one week before the event. We could not afford to make the financial commitment to organising the event in the face of such uncertainty.

Opportunities

Investment in tourism infrastructure

Our region needs continued investment in public infrastructure to support local business and the visitor economy. While there have been some welcome funding decisions, the State Government needs to continue to invest in regional infrastructure – foreshore improvements, streetscape

upgrades, boating facilities, etc. – to provide a much higher standard of facilities that will support our recovery.

Opportunities for commercial activity on Crown Land

Localities such as Paynesville and district have significant areas of Crown Reserves on foreshores that would benefit from private business investment in boat hire, hospitality, recreation and leisure. It is currently very difficult to facilitate opportunities for private investment and leasing of Crown Land due to bureaucratic restrictions. Public foreshores in urban areas offer very good opportunities for business investment to support growth in tourism activity and attractions. There should be a more pro-active approach by DELWP and other government agencies to the potential opportunities for private investment.

Continued financial support for events

State Government financial support for local and regional events should continue as a way of supporting increased visitation and expenditure. Event organisers struggle to maintain levels of volunteering and the impact of COVID-19 has made it more difficult to attract local business sponsorship.

Inquiry hearings in the Gippsland region

It is noted that the Inquiry does not intend to conduct hearings in the Gippsland region. We believe that this is a significant oversight, given the substantial impacts on the regional economy caused by the bushfires and COVID-19.

Conclusion

The PBTA appreciates the opportunity to make a submission to the inquiry. We would be happy to provide further information if required.

Martin Richardson
President