Tassie’s first lady

Meet Amanda Gutwein-Burke, wife and biggest fan of Premier Peter Gutwein
Now time to be creative, better and bolder

THERE is no doubt that COVID-19 will be the defining event of our lifetime. The pandemic has taken a terrible toll on the community and impacted every business in Tasmania. Recovering from this crisis will require more than just the same old same old. It’s going to require the State and Federal Governments to be extremely creative.

So far, it looks like both levels of government are up to the task. Federally, the JobKeeper initiative is working well. Businesses have the confidence to plan for the next few months while the Australian Government calibrates its next move.

Locally, the Tasmanian Government says it will unleash infrastructure investment and build its way out of the current situation. Harnessing the building and construction sector is a smart move.

It can deliver investment into the farthest reaches of the state, it engages a huge workforce and for every dollar spent on construction, nearly $3 is returned to the local economy.

But the Government response can’t end there. We need to do better and be bolder.

The TCCI has been advocating for three principles to drive the recovery – businesses must be supported to re-open and stay open, we must invest in Tasmanians and we must invest in infrastructure. The fact is, while governments will assist, it will be the business sector that drives the economic recovery.

If businesses are going to remain open once JobKeeper ends, we need to work out other ways to support them. For example, payroll tax is a tax on jobs and the Government should extend the current pause on payments.

We must ensure that unemployed workers can be quickly redeployed into other areas through training and skills programs. We need to work with the peak groups and the unions to make sure this can happen quickly.

We also need to deliver projects that deliver hope. In post-war Tasmania it was the hydro schemes. Now we have the chance to turn to energy generation again.

Marinus Link will deliver thousands of jobs in Tasmania and unlock billions of dollars in investment. The time for talk is over.

Get it sorted and start building it now. That is the project to show the rest of the world that Tasmania means business and is ready to be a leader and innovator once again.
IN BRIEF

Urchin exports

HARVESTING of long-spined sea urchin along Tasmania’s East Coast is helping to protect the local abalone industry as well as provide a novel export.

The Abalone Industry Reinvestment Fund, supported by the State Government and the Tasmanian Abalone Council, committed $5.1 million over five years to help address the spread of long-spined sea urchin (Centrostephanus).

Primary Industries and Water Minister Guy Barnett said Institute for Marine and Antarctic Studies researchers had now produced the first scientific assessment of Tasmania’s growing long-spined sea urchin fishery.

“The lead author of the IMAS fishery assessment for the 2018/19 season, Dr Katie Cresswell, said the annual catch remained below 100 tonnes for many years but ramped up after 2017, reaching 185 tonnes in 2018,” Mr Barnett said.

“The report shows that the annual catch increased five-fold since harvesting began in 2009, with an increase in 2019 to 560 tonnes.”

Power prices fall

AURORA Energy has welcomed the Tasmanian Economic Regulator’s announcement that prices will decrease by 1.38 per cent for 2020-21.

The decision to lower standing offer electricity prices is much-needed relief for households and small businesses impacted by the COVID-19 pandemic.

CEO Rebecca Kardos said Aurora Energy, together with the Government and Regulator, had worked hard to deliver the best outcome for Tasmania.

Mill takes stock

AFTER eight years of planning and development, and an investment of millions of dollars, Tas Stockfeed has processed its first load of pellets through its new Devonport mill.

“We can finally say we are a proud Tasmanian company, supporting Tasmanian farmers with a Tasmanian-made pellet,” owner Trevor Macleod said.

“I saw the opportunity that the state needed a large commercial stockfeed mill to provide feed security to a growing dairy and livestock industry and create more opportunities for locals as the majority of processed feed was imported from the mainland.

UTAS Vice-Chancellor Rufus Black, left, shows State Growth Minister Michael Ferguson plans for the Willis St building.

Northern uni on track while south uncertain

THE University of Tasmania’s $300m Northern Tasmanian Transformation is under way but the future of its expansion expenditure in the south remains uncertain.

COVID-19 has seen a pause on master planning for the $600 million Southern Campus project in Hobart’s CBD.

The pandemic has also resulted in major upheaval to the institution’s future student model with international travel significantly under threat for an unknown period and admission of an over-reliance on the lucrative Chinese market.

As UTAS faces a revenue loss of up to $100 million by 2022, staff have agreed to wage freezes in a bid to save about 50 jobs while other cost cutting measures will be implemented and voluntary redundancies expected.

Course offerings will also be significantly streamlined by next year, with initial plans to cull from more than 500 to about 120.

But, UTAS’ Inveresk relocation is progressing unimpeded. The large-scale project to move the university’s teaching from Mowbray is the centrepiece of the $453.4 million Launceston City Deal.

Officials say it will create some 430 jobs during construction (20 percent will be apprentices and trainees) and around 230 ongoing jobs.

Vos Construction will build the $25 million library and student experience building, which is scheduled for completion at the end of next year.

Designs have also been revealed for the River’s Edge and Willis Street buildings – with construction planned to start next year and be finished by early 2024.

University of Tasmania Vice-Chancellor Professor Rufus Black said the development was more critical than ever.

In Burnie, construction of the University’s future Cradle Coast campus at West Park, worth around $40 million, is also continuing to progress.

New chief for Hobart Clinic

TASMANIAN not-for-profit mental health treatment centre, The Hobart Clinic, has appointed Simon Barker as chief executive officer.

Mr Barker has spent the past 17 years in the health industry, with his most recent roles including CEO of TasIVF and then as managing director at Virtus Health.

He also studied Managing Health Care Delivery at Harvard Business School and Leading Digital Business Transformation at the IMD Business School in Switzerland.

“I am looking forward to working closely with the highly skilled and dedicated staff of the organisation as we move through the business’ transformation to a truly digital system,” he said.

Support for startups

TASMANIAN startup founders and entrepreneurs will now have access to a range of new support through Startup Tasmania and their recently established partnership with Startup Victoria.

In response to the economic disruption caused by COVID-19, Startup Tasmania has waived membership fees for the next year to ensure that their resources are far reaching and accessible.

“A lot of our members are very early-stage startup founders or small business owners who are bootstrapping their way through business development, meaning that even before the economic crisis, they had very little disposable cash,” president Fiona Turner said.

Anyone wishing to take advantage of Startup Tasmania’s free membership can do so at startuptasmania.org.au and keep up to date at facebook.com/startuptasmania/

Beaconsfield goes for gold

A MULTI-million dollar rebirth of the Beaconsfield Gold Mine will go ahead with the first lucrative pour set for the end of the year.

NQ Minerals has formally taken ownership of the troubled business, which has been on care and maintenance since 2006 when a rockfall killed miner Larry Knight and trapped his colleagues Brant Webb and Todd Russell.

Underground mining ceased at Beaconsfield in 2012, primarily due to the low gold price at the time. Today’s gold price is now more than double.

NQ Minerals chairman David Lenigas said work would soon start on refurbishing the assets and detailed planning for the proposed decline, bringing up to 250 jobs back to the region.

Mr Lenigas said initial plans would see the recovery of gold from the multitude of old workings in the area and some of the estimated 67,000 ounces of gold in Tailings Dam 1.

“We don’t underestimate the challenges ahead, but there is a great pool of local talent in the area familiar with Beaconsfield that will assist us with this task ahead,” he said.

NQ Minerals has also re-established and rehabilitated old mining operations at the Hellyer Gold Mine, in the North West.

“We approach projects in a very careful, methodical manner and we strive to earn and maintain the community’s support to operate,” Mr Lenigas said.

“We are cognisant of our need to operate to the highest possible environmental standards and implement very robust and comprehensive environmental management systems.”
Family first

Amanda Gutwein-Burke is on a mission. The wife of Tasmania’s Premier is relishing getting back to business at her fashion and homewares boutique. She speaks exclusively to guest writer RACHEL WILLIAMS.
TASMANIA’S First Lady of politics lives by an old-fashioned proverb passed down from her father.

“He’d always say ‘a rolling stone gathers no moss’,” Amanda Gutwein-Burke says with a smile about her dad, Barry Burke.

The sentiment has certainly proved true recently for the businessswoman and wife of Premier Peter Gutwein, who has steered Tasmania through the depths of the biggest health and economic challenge seen for generations.

Mrs Gutwein-Burke, or Mands as she prefers, has seen the situation unfold from two sides – from a business perspective as the owner of Launceston boutique Inside and also politically.

She has figuratively been by the side of the Liberal Leader since he made the brave call to put in place nation-leading restrictions in mid-March. The pair only saw each other twice during the crisis, with Mr Gutwein based in Hobart to manage the situation and Mands in the north at home with children Millie, 16, and Finn, 13.

As she reads out notes she’s scribbled in her Gratitude Journal, which is usually reserved for to-do lists and Book Club notes, the sense of pride in her husband is more than evident.

“He was awesome,” she says. “He had to be totally consumed by the task because it was life changing.

“People say ‘you must be proud’ but I have always been proud. Treasury was an enormous responsibility, but he has always been smart enough to surround himself with clever people to move forward with an informed vision.

“His team was amazing. They all played a role in enabling him to think clearly and focus, which was critical.

“I know he has also been so complementary about the unity between departments and the way all of Government worked together.

“This helped him to speak with confidence and conviction and he was committed to getting us through. He had to stay strong for everyone.

“Some people come into the shop and want to discuss matters and say ‘it wasn’t a real crisis’ - I just see that as an insult, because things could have been so bad – we only need to look at what’s happening outside Australia. We are still losing people around the world and it was tragic that we lost 13 lives here.

“All of Tasmania has benefited from his decisive and clear plan.”

The shop Mands speaks of has taken a big hit, along with thousands of businesses like it around the state.

She closed the doors of the clothing and homewares business on March 12 and the financial ramifications were scary.

“Around 30 per cent of spending at the shop is by mainland and international visitors and the corporate workers of the city popping in for a gift-wrapped present, while they get a takeaway coffee from the (adjoining) cafe,” she explains.

“But the cash flow projections were dire. Some of the big retailers have continued to do well but for many small businesses like mine, I know first hand that it’s been tough.

“Thankfully, we have some amazing customers who would ring and we would meet them by appointment but you can’t compete with foot traffic. In saying that, we did make the choice to close up and if I had to make that call again, I would.”

The vivacious brunette says she was lucky enough to have established a website presence 15 months ago to allow for some sales to continue online.

“But that component is tiny for us. Inside is a sensory, in-store experience,” she says. “Online is a bit of a labyrinth.

“There’s inventory, accounts and customer loyalty programs that need to link with our online platform, that then links to our accounting package which I have to pay someone to support me to do so I can focus on the important aspects of customer needs and service.”

Three of her staff maintained their jobs via JobKeeper during the shutdown and are all back on board supporting the business come back to life in the depths of winter.

“I am well prepared for a good Christmas, which is a critical trading time. A lot of my customers buy things to send overseas and that will probably increase more so now. I always source special, light Christmas decorations and items that can be posted easily.

“I am so grateful we have such strong community support at Inside. We endeavour to stock locally made products and I feel that the support we’ve received recently reflects our ‘island pride’.

“My business needs to stand on its own feet with quality product presentation and stock – if I don’t have a product a customer wants, then I source it.”

The girl who hails from Rushy Lagoon in the state’s far North-East corner has an extensive CV.

Originally a teacher, she’s also worked for the TCCI as a training and employment adviser and sold advertising at

The Examiner newspaper.

She met Mr Gutwein when he was a staffer to former Liberal senator Jocelyn Newman, they got engaged when he proposed to her atop a wet and windy Eiffel Tower in 1998 and married the following year in Barbados.

Amanda Gutwein-Burke with husband Peter and children Finn, 13, and Millie, 16.

Continued page 6
While living together in Cork, Ireland, she studied and practised kinesiology and when the pair returned to Tasmania to start a family she managed the Bridport Bay Inn.

Before buying Inside in August, 2018, she worked as the Beacon Foundation’s National E-Beacon Manager, helping facilitate on-line learning and mentoring for those in lower socio-economic areas around the country.

“We designed a multi-stakeholder platform with live and supported collaboration to help those communities that really needed it.

“It allowed a student on the Central Coast who wanted to be a marine biologist to be connected with the appropriate mentor so that they weren’t disadvantaged by their location or demographic,” she explains.

“It was my dream job. I got to work in some fantastic schools and communities around Australia helping others gain employment – but it didn’t work for my family.

“My children are the centre of my universe and I wanted to be able to go and help at sports events or enjoy assemblies.

“This allowed me that flexibility for a better work-life balance.”

Mands reveals that she and her husband rarely discuss anything about politics.

“But he is definitely attached to his mobile phone,” she laughs.

And they are both very private.

“Not everyone knows who I am which is great. We don’t roll the family out very often.”

The only thing rolling is that stone and she admits she doesn’t know what or when her next career challenge will be.

“But I’m sure it will be interesting.”
Art and culture strike right chord

Tasmania has been touted as the best supporter of the cultural and creative industries in the wake of COVID-19.

ArtsHub.com recognised Tasmania as the best state per capita across the country for its arts stimulus package.

Arts Minister Elise Archer announced in March an extra $1.5 million package and brought forward more than $2 million in state funding to support artists, screen practitioners and organisations who had projects cancelled.

“Importantly, these funding measures are designed to stimulate the cultural and creative sector to continue to do what it does best - create work, engage with the community, project our identity, and critically reflect the essence of ourselves,” she said.

“In doing so, we were the first jurisdiction to also recognise, by way of stimulus funding, the ability to develop digital content during the COVID-19 pandemic.

“We need to ensure that there is a degree of stability in an inherently unstable and uncertain time. We also want to ensure our industry remains vibrant after the COVID-19 pandemic - production and presentation ready.”

Ms Archer recently visited members of the Van Diemen’s Band, who will receive $36,000 in funding for a new music project entitled The Song of the Birds in collaboration with the Youth Chorale of the Tasmanian Youth Orchestra and Hobart-based screen technology manufacturer, Ignite Digi.

“Our cultural and creative industries are a crucial facilitator of social and mental health and wellbeing for Tasmanians - an essential element both during and post the COVID-19 pandemic,” Ms Archer said.

“The cultural and creative industries are a vital part of our way of life in Tasmania.”

Arts Minister Elise Archer, left, with Van Diemen’s Band members Julia Fredersdorff, Jennifer Owen, Martin Penicka and William Nebwery.
The next edition of Tasmania’s only dedicated business to business magazine will be published to coincide with the 2020 Tasmanian State Budget.

With enhanced direct distribution to some 12,000 businesses, the Tasmanian Business Reporter is now individually mailed to every member of the Tasmanian Chamber of Commerce and Industry as well as electronically distributed to an extensive database of Tasmanian business owners, managers and professionals via a raft of peak business and professional organisations.

Now with a clear focus of talking to business about business in Tasmania, the State Budget edition will have in-depth coverage of annual finances for the state with a focus on business and what it means for the economy as we emerge from the COVID-19 pandemic.

This is a must-see edition of Tasmania’s only dedicated business magazine with a booking deadline of Wednesday, November 4, and a copy deadline of Friday November 6. So now is the time to feature your business in the state’s leading business publication.

Editorial enquiries, Becher Townshend – 0418 370 661
Advertising enquiries, Ruth Braggaton – 0409 666 011

As Shadow Treasurer, I will work with the business community to help re-build the Tasmanian economy.

David O’Byrne
Labor Shadow Treasurer

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A new short course at renowned Barnbougle is ready to welcome interstate and overseas golfers once borders re-open.

The COVID-19 lockdown has assisted in the development of a new $2 million golf course at Barnbougle, near Bridport.

Work has this week finished on the 14-hole short course, Bougle Run, that sits adjacent to the world-renowned Lost Farm course.

For developer Richard Sattler it is a fitting bookend for his golfing Mecca, which started with the opening of Barnbougle Dunes in 2004 - a course that is now ranked number 35 in the world by US Golf Magazine.

“Short par-3 courses have become increasingly popular in Europe and America,” Mr Sattler said.

“After studying some of the best examples in Scotland, Ireland and the US, we thought it would be a perfect complement to the facilities we already have at Barnbougle.”

Designed by top American architect Bill Coore, who also designed the business’s world-89 ranked Lost Farm, work was scheduled to commence on the new venture in February, however drought conditions prevented a start until March 1.

Then COVID-19 hit.

“Bill had planned to inspect the site in the third week of March, however his trip was postponed indefinitely given the uncertainty around the coronavirus pandemic.

“As result, we were forced to adapt and Bill began managing the project remotely, using drone footage, images and traditional phone calls to oversee construction.

“We had two architect associates on site at this time who were completing the build according to Bill’s plans.

“One was Canadian and was called home within three weeks of the shutdown and the other remained onsite to see the project through to completion.

“Although it was unfortunate that we were unable to take guests during this time because of lockdown requirements, on a positive note, we were able to keep staff on and reallocate resources to assist with construction and retain our workforce.”

Bougle Run is a total of 14 holes – 12 par-3 holes and two par-4 holes that meander through 2km of sand dunes – short in comparison to an 18-hole course which averages 6.5km.

Mr Sattler said it was a fun, yet challenging course for even the most avid golfer.

“Bougle run is designed for those that are looking for additional holes to curb their golf appetite post playing the Dunes or Lost Farm, for those short on time or those looking to take the kids out for a few holes.”

Mr Sattler hopes to officially open the course in late summer when borders reopen.

Interstate visitors make up 80 per cent of clients at the golfer’s paradise, with the balance from a mixture of local and international markets.

“We are forecasting that it will be two to three years before international visitation returns to pre-COVID levels,” he said.
A NATION-leading coronavirus screening app has been developed and launched by a Tasmanian company to help businesses screen visitors.

WHA managing director Jason Unwin said the COVID-19 VS app was developed because there was not a risk management product like it available.

“Every business needs a COVID-19 management plan and the COVID-19 VS app makes it easy to screen visitors before they even set foot onsite.

“As a business with a national and international footprint, WHA interacts with thousands of people every day. We initially developed the technology to be used in-house, but quickly realised there was a broader market for it.

“We’ve already identified a few people who were due to come into the office that had a higher level of risk. Based on that, we were able to reschedule their appointments and while none of the individuals have been diagnosed with COVID-19, it’s good to know we have that layer of protection.

“The app has been through rigorous testing and we have consulted with Public Health in Tasmania and based the app on the latest advice from the World Health Organisation.”

Local businessman and former Tasmanian health minister Peter McKay said the app would help manage risk at two of his businesses.

“Pembroke Wines offers tastings and tours by appointment and given we’re a family-run business, a COVID-19 outbreak would have a massive impact.

“Using the COVID-19 VS app as part of our management plan means that we can screen people quickly and easily before they arrive.

“It’s a contactless system as well, which is much better than filling out forms.

“I’m also going to encourage guests at our Airbnb property to use the app too.”

Users answer a few simple questions to determine their COVID-19 risk and a certificate can either be displayed on their phone or emailed or texted to the business.

“All up, it takes less than two minutes but it could make all the difference for a business,” Mr Unwin said.

The app is available in the Apple app store and a Google app store version is imminent.

The COVID VS App helps you assess someone’s COVID-19 risk before they visit your business.

Download the App now or talk to us about how the COVID VS App can help reduce the risk to your employees, customers and community.

VisitScreen.com

App Store is a service mark of Apple Inc., registered in the U.S. and other countries. Google Play and the Google Play logo are trademarks of Google LLC.
Like many in the health sector, biotechnology company Marinova has experienced intensified interest in its products in the wake of COVID-19.

Based at Cambridge Park, Marinova takes Japanese seaweed which was introduced into Tasmanian waters from ballast water from visiting Japanese boats in the 1980s, and extracts fucoidan which is used in numerous health supplements.

Established 20 years ago, CEO and managing director Paul Garrott said fucoidan was the “slimy film you find on many brown seaweeds”.

The introduced pest is harvested along the East Coast of Tasmania.

“After initial attempts to commercialize it as a gourmet food ingredient, further investigation soon revealed that this was not going to be financially viable in the long run,” Mr Garrott said.

“What happened after that has certainly developed into a niche export market for Tasmania.”

“Fucoidan-containing seaweeds have been used for thousands of years for all kinds of therapeutic purposes, but in the last 30 years the science supporting their health benefits has really progressed.

“To be clear, there is no evidence to suggest fucoidan has any activity against COVID-19.

“What we have seen however, is a significant increase in business as the world has turned its attention to immune health in general. Our ingredients are certainly supported by scientific evidence in this area.”

Mr Garrott explains how Marinova’s Chief Scientist, Dr Helen Fitton, had been instrumental in the company’s success.

“As a bio-chemist, she understood the properties of fucoidan from wakame and the potential role of this natural compound in human health,” he said.

“We set about pioneering the world’s only cold water extraction process to produce high purity, certified organic fucoidan that could be included in a range of nutritional, pharmaceutical and dermatological products.

“The biggest market for their use is in nutritional supplements.

“Fucoidan has proven bioactivity in a range of human health areas including gut and digestive health, immunity, inflammation, viral inhibition, integrative oncology and skin protection.

“It’s rewarding to see the extracts we produce here in Tasmania exported to leading nutritional companies in more than 30 countries.

“The quality of the seaweed we harvest is very important.

“We are licensed to harvest here on Tasmania’s east coast, and we also harvest seaweed in Patagonia and Nova Scotia to help us meet global demand.

“Tasmania leads the world in marine research and Marinova is proud to be contributing to that global reputation.”
Adjusting for virus hit

Are your business sales, margins and EBIT temporarily impacted by a period of lower performance as a result of COVID-19? Unless the true underlying performance can be presented to buyers, the business may not be saleable, or won’t achieve a fair value until the interruption has worked its way into history in the financial results. This could take years to achieve.

Without making adjustments, buyers may be unable to determine the true underlying level of future maintainable earnings for the business and either withdraw completely from the transaction or propose business value that is based on artificially low performance. Neither circumstance is tenable for the seller.

Although media reports highlight industries drastically impacted, there are many more industries trading on, largely as usual, which, is not newsworthy.

In reality, only a handful of our clients have been negatively impacted. Whether a business is impacted or not depends entirely on the industry they are in. Yes, businesses providing hospitality and tourism-associated services are strongly impacted.

And buyers are naturally cautious and some have requested a pause while the overall economic position stabilises.

However, there are many more businesses operating in the mid-market sector that are not directly impacted.

- The grass is still growing and needs to be mown, so equipment sales are continuing;
- motorists and other machinery are still operating, so petrochemical plants are still operating and need to be maintained;
- the lights still need to come on;
- construction sites are still operating;
- Business Activity Statements and income tax returns still need to be lodged;
- mining is continuing;
- food processing plants and breweries are still producing; and
- these all need to be operated, supplied and maintained.

There are also businesses in transport, logistics, IT, road maintenance – the list continues. Many of our clients provide support services to these sectors and other essential services.

For those who do have or who will have disrupted performance, M&A advisors can take up normalisation adjustments to compensate for the temporary interruption to activities.

Here is a strategy we will be adopting, which has already proven to be successful in past situations, such as the Global Financial Crisis.

DMA took a business to market a couple of years ago after it had produced a year’s worth of contaminated products and had other impacts of poor management decisions.

Based on information from our clients, we were able to analyse and account for the effects of these events on their sales, margins, restoration costs for example, to re-model their results.

The effects were calculated and normalised for in the financial reports.

The business was then taken to market and acquired by a larger company following completion of the normal due diligence process.

Nationally DMA currently has about 60 mid-market clients (four in Tasmania) worth over $300 million on our books.

Business Sales & Acquisitions
Tasmania

Divest Merge Acquire is a market leader delivering exceptional results in the sale and acquisition of medium and large Australian businesses.

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- Mergers and Acquisitions to medium and large enterprises
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Contact Us for FREE Confidential Discussion
Getting back to business

The Government is determined to super-charge the state’s COVID-19 recovery

As we begin the recovery phase of the COVID-19 pandemic, I’m heartened by the efforts of all Tasmanians.

The community’s cooperation and commitment has been pivotal in getting us to the position we are in now in controlling the spread of the virus, enabling the easing of gathering and trade restrictions much earlier than anticipated.

This means that our businesses are able to open their doors and people can once again head out to enjoy our wonderful state.

The Tasmanian Liberal Government has been working hard to support our small businesses through this crisis over the last few months.

We have delivered the largest economic and social rescue package in the country proportionate to Gross State Product, including over $60 million towards our small business support grant programs, which has provided over 18,200 grants to Tasmanian small businesses across the state.

Over $15.5 million of this support has been allocated to our vital tourism and hospitality industries which have felt the full effect of COVID-19 and its associated restrictions. To support these important industries, we’re asking locals to head out into our own backyard for their winter break through Tourism Tasmania’s Make Yourself at Home campaign, which will remind Tasmanians to enjoy what has made our State the envy of the nation.

We are also encouraging Tasmanians to buy Tasmanian. Brand Tasmania and the TCCI launched a new website: www.buysomethingtasmanian.com that lists hundreds of businesses across the State and across all industries that offer uniquely Tasmanian products, services and experiences.

The focus of the Tasmanian Liberal Government now is to supercharge the recovery process through the delivery of short to medium and longer term strategies and initiatives, including the Premier’s

Rebuilding with confidence
Business Tasmania

COVID-19 Safety Plans help us keep our businesses open, customers confident and our communities safe.

They are your commitment and action plan to reduce the chance of a COVID-19 outbreak.

What each plan looks like will depend on your workplace, but each plan should cover:

- Managing the ongoing risk of COVID-19
- Increased cleaning
- Physical distancing
- Information and training to staff
- The use of hand sanitiser or hand washing

There is no need to submit your plan to WorkSafe Tasmania, but keep it on hand for when a WorkSafe Inspector visits.

For support and more information, contact Business Tasmania:

1800 440 026
ask@business.tas.gov.au
Indonesian trade opening up

THE Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA) enters into force on July 5.

Indonesia has been a growing market for Australian goods and services exporters and in 2018/2019, total two-way trade with the country was worth $17.8 billion, making it Australia’s 13th largest trading partner.

Australia’s arrangements with Indonesia under the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) remain unchanged and the two agreements will co-exist.

Under IA-CEPA, 99 per cent of Australian goods will enter either duty free or under significantly improved access arrangements to those under the AANZFTA. Additionally, Indonesia has guaranteed automatic issuing of import permits for live cattle, frozen beef, sheep meat, feed grains, rolled steel coil, citrus products, carrots and potatoes.

Other highlights include tariff reductions for sugar, dairy and copper.

Outcomes on services and investment under IA-CEPA will provide increased certainty to Australian businesses including guaranteed levels of Australian ownership and modern rules on digital trade.

Tasmania’s major exports to Indonesia include zinc, aluminium, salmon, powdered milk, cherries, wood fibre and education.

In its quest to increase trade and investment under bilateral and multilateral free trade agreements, and to take advantage of the UK’s exit from the EU, the Australian Government has stated it wishes to move ahead quickly to negotiate a free trade agreement with the UK and launched negotiations on June 17.

The Department of Foreign Affairs and Trade has invited submissions from interested individuals, organisations and groups on the potential opportunities and impacts of an Australia-UK FTA.

Full information on making a submission is available on the DFAT website at www.dfat.gov.au/trade/agreements/negotiations/aukfta/submissions.

The EU, Australia’s second largest trading partner, has the potential to open up a market for Australian goods and services of five hundred million people.

For international trade and investment assistance contact TCCI TradeStart Adviser, Sally Chandler, at sally.chandler@tcci.com.au or phone 0408 888 311.

Turbulent times in shipping

IMPORTERS need to understand that the shipping lines are trying to come to terms with disrupted tonnage between ports.

From lock downs to production outputs against importers forecasts, the mechanism for determining what cargos are going where and when has thrown the shipping world into a spin.

The situation presently is that the shipping lines worked on caution and missed some ports on various sailings (blank sailings) and also reduced capacity ex most of the Asian ports.

In this regard we are in a world where there is actually more freight than space currently and delays of two to three weeks for loading on board from when cargoes are ready are the norm.

This is putting pressure on shippers at origin with space at manufacturers under pressure – this causes stress between buyer and seller (the buyer wants their goods shipped immediately but there is no space on ships and the shipper wants the goods gone so they can work on other projects).

The other side of this is that the shipping lines have an environment where they can demand high pricing due to demand (this time last year a 20’ container from China port to Melbourne would be around US$300 – that price is now currently sitting at over US$1000 and rising).

Exporters need to be very conscious as well as to what the import market is doing as the delay and reduction in volume coming into the country will impact the ability to export (one line in Tasmania is completely out of 20’ equipment presently).

Unless there is a change then there is a big concern around empty equipment coming into the last quarter of 2020.

Domestically things seem to be tracking okay. Airfreight is a bigger disaster than sea freight for obvious reasons. We are not out of this yet.
Opportunity for a better future

COVID-19 has had the greatest economic and social impact on Tasmania in a generation

The coronavirus pandemic has seen many businesses around the state close, some permanently, more than 20,000 Tasmanians lose their jobs and, tragically, 13 people have lost their lives.

But out of the devastation, we have the opportunity to work with business and the community to build a better, fairer and more resilient economy and society.

The Government’s response to date has been focussed heavily on infrastructure projects, all of which have the support of the Labor Opposition. But, as important as this is, we also need to support other industries and workers hardest hit by the shutdown.

Labor’s number one priority is to create jobs. But this cannot be one dimensional. It must reflect that some sectors have been hit harder than others and that women and young people have been disproportionately affected.

Recovery requires a comprehensive response that covers all industry sectors and all regions with a place-based focus on buying local, building local and employing local. We need to strengthen our regions and empower them to rebuild.

Businesses will need continued support to survive in the short-term. But long-term recovery will rely on the Government working in partnership with business and industry to innovate and identify new market opportunities.

Government assistance for industry must be tied to businesses building a better framework of economic security for workers.

Job security builds consumer confidence and a stronger economy.

We also need to rebuild a sustainable state budget position to ensure we can deliver the highest quality government services in health, education, housing, our parks and beyond.

We have an opportunity to come out of this crisis and to create a better Tasmania.

We must not let that opportunity pass us by.

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Rates explained

By JUKKA VILJANMAA
Senior Investment Manager, TPT Wealth

The Reserve Bank of Australia sets a target for the cash rate, which is the interest rate on unsecured overnight loans between banks. The RBA reduced the target for the cash rate twice in March 2020 to the all-time low level 0.25%.

On 1 July the overnight cash rate was set at 0.14%. This rate is the actual rate banks lend unsecured funds to each other overnight. Typically these two rates don’t differ.

The discrepancy arises from liquidity being injected into the financial system by the RBA and the 0.10% that banks earn on Exchange Settlement balances.

Due to excess liquidity within the financial system the overnight cash rate is gravitating towards the 0.10% earned on Exchange Settlement balances. In this environment this is a significant discount flowing through to reference rates used to set the yield on short term money market securities, known as the bank bill swap rate (BBSW).

As conditions normalise expect the BBSW and overnight cash rates to move towards the cash rate target. This would be the first indication that the RBA is looking to raise rates. The RBA has stated negative interest rates are “extraordinarily unlikely”, pegging the three-year bond rate to 0.25%, indicating it will remain at 0.25% for some time.

As an asset manager, TPT Wealth consider the value on offer across the term structure and credit spread through every economic cycle. With these currently low interest rates we consider not only the compensation we receive for longer term investments but also the value we receive for our short term investments. We actively monitor our funds’ investments and investment guidelines with the aim to keep them appropriate for each stage of the business cycle as we look to produce risk adjusted returns for our investors. Contact us or visit our website to learn more about our Cash and Income Funds, their risks, returns and withdrawal periods.

Looking for a managed Income Fund?

Our range of managed investment fund options include Income Funds, which aim at providing investment returns at competitive variable rates paid monthly. And while past performance is not a reliable indicator of future performance, we are proud to share our historical results.

Repayment of your capital and fund performance are not guaranteed

Minimum term: 9 months | Minimum balance: $5,000
Withdrawal conditions apply**

TPT Long Term Fund

2.33%* 1 year performance p.a.
2.95%* 5 year performance p.a.

IMPORTANT INFORMATION - please read: *Average annualised returns for 1 and 5 year performance ended 31/05/20 and assume reinvestment of income and applicable net-realised capital gains over 12 months. Performance is after fees and other costs. For important information about past performance, Funds and their risks, please read the Fund’s Product Disclosure Statement (PDS) which is available free of charge at any TPT Wealth office and online at https://tptwealth.com.au/. TPT Wealth Limited (TPT) is the Responsible Entity of the TPT Long Term Fund (Fund). An investment in the Fund is an investment in a managed investment scheme. It is not a bank deposit and there is a higher risk of losing some or all of your money than is the case with a bank deposit. TPT, MyState Limited and MyState Bank do not guarantee the repayment of capital or the performance of the Fund or any particular rates of return from the Fund. Investors should read the Fund’s PDS and consider taking independent professional advice that takes into account their investment objectives, financial situation, and particular needs or circumstances, before deciding whether to acquire, or continue to hold the investment. ** Please read the Fund’s PDS for withdrawal periods, withdrawal rights and investment periods and terms and conditions that apply. Please note, that while we expect to meet redemptions requests within the periods stated in the Fund’s PDS, these periods may be longer subject to the nature of the assets of the Fund and the Fund’s Liquidity. TPT Wealth Limited ABN 97 009 475 629 AFSL 234630. A wholly owned subsidiary of MyState Limited ABN 26 133 623 962.
Property remains resilient in COVID crisis

By Knight Frank Hobart's Commercial sales and leasing specialist RICHARD STEEDMAN.

Despite the unprecedented circumstances COVID-19 has brought upon us, Tasmania’s property market has remained relatively resilient.

The stability of “bricks and mortar” is proving to be attractive to investors, given the extreme share market volatility and the negligible cash rates on offer at present.

Unlike previous economic shocks, such as the Global Financial Crisis 2007/08, the Dot.com bubble of the late 1990s and the recession of the early 1990s which were all financially led, COVID-19 is health related which has had a flow on effect to the economy. As such, it is considered that it may have a more temporary impact on the economy.

While sales volumes have reduced, in part due to a lack of stock, values in the main have held steady across the state, with the REIT reporting (as at May 31, 2020) the monthly change in the median house price for Tasmania as 2.2% while the annual change in the median house price is a healthy 9.3%.

The statewide residential vacancy rate remained steady at 2.6% while rentals have also generally held firm.

COVID-19 has resulted in a flight to quality with significantly increased demand for “essential assets” such as freestanding supermarkets, service stations, and medical assets, where demand for their products and services has increased.

Investors are placing even more premium on security of tenure and cash flow surety with fixed growth, hence properties leased to the Government are more highly sought after than ever. While commercial property sales volumes are down, again this is in part a result of a lack of quality stock, there is considerable cash on the sidelines looking to be invested, but at the moment there are too few quality lease covenanted assets for sale.

Several assets, while not being publicly marketed are available for sale “off market”. The properties with the greatest volatility are the ones that have been affected the most by Government restrictions such as tourism assets and retail premises leased to businesses/services which rely on discretionary spend and customer interaction.

With the instability of the international political environment, properties with tenants who rely on offshore demand have greater risk and hence are less attractive.

While much has been made of the working from home phenomenon and the future of office space, we consider this to be overplayed.

No doubt corporate travel will significantly decrease due to the increased use of effective online meeting platforms, the office environment is still regarded as the most effective place to conduct business.

ASX listed tenant on Main Road.

362-364 Main Road, Glenorchy

For Sale by Expressions of Interest

679 sqm* high profile building
Rear car parking on title
Owner occupier opportunity

This is a rare opportunity to acquire a flagship property that is fully leased to ASX listed ANZ Bank (for 30 years*) and Tasmanian not-for-profit, Workskills on flexible lease terms with options.

Matthew Wright 0458 290 588
Scott Newton 0409 317 607
George Burbury 0408 333 523

Desirable North Hobart opportunity.

290-296 Argyle Street, North Hobart

For Sale or Lease by Negotiation

An outstanding property with immense upside located in sought after North Hobart and close proximity to Hobart’s CBD. The site consists of a workshop/showroom with ancillary office space.

Matthew Wright 0458 290 588
Scott Newton 0409 317 607

Business Leasehold and/or Freehold.

4 Scott Street, Branxholm

For Sale by Offer

Solar energy investment
Growing sales year on year
Building area: 240 sqm*

With a growing business turnover the Branxhorn IGA Express includes a 3 bedroom flat located at the rear of the 240sqm Supermarket floor plate, allowing a good range of product under the IGA Express model.

Rob Dixon 0408 134 025
Justin Wiggins 0438 522 876

Rare ground floor strata suite.

152 Macquarie Street, Hobart

For Sale by Expressions of Interest

Net lettable area: 188 sqm*
2 Secure car parks
Outstanding signage

It’s not often that a commercial unit of this quality becomes available with vacant possession positioned in the heart of Hobart’s financial and Government precinct with superb street exposure and a premium fit-out in situ.

Richard Steedman 0408 559 046
Hayden Peck 0412 766 395

Knight Frank Hobart’s Commercial 0412 766 395

Matthew Wright 0458 290 588
Scott Newton 0409 317 607
George Burbury 0408 333 523

RICHARD STEEDMAN.

Sales and leasing specialist

By Knight Frank Hobart’s Commercial

 PROPERTY VIEW

July 2020

0409 317 607

0458 290 588

Matthew Wright

0438 522 876

Rob Dixon

0412 766 395

Hayden Peck

0408 559 046

For Sale

For Sale by Offer

For Sale by Expressions of Interest

For Sale or Lease by Negotiation

For Sale

For Sale by Expression of Interest

For Sale by Expressions of Interest

For Sale by Offer

For Sale

For Sale by Expressions of Interest

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