



SECTOR SUMMARY

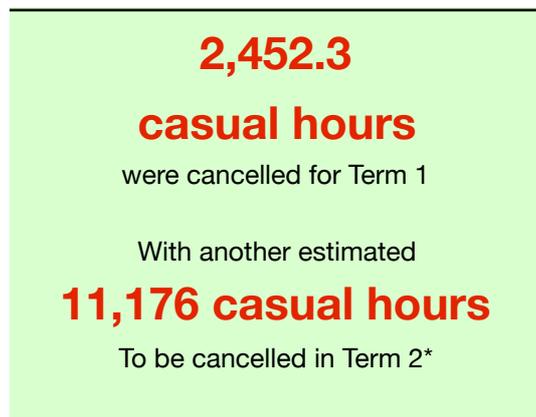
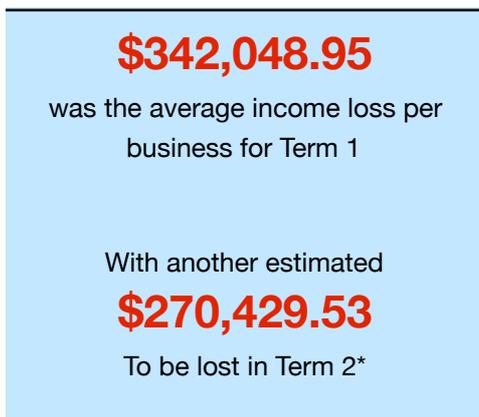
COVID-19 Effects on the Outdoor Sector in NSW

The Outdoor sector involves Education providers, recreation and leisure operations, sport and tourism providers. Outdoors NSW membership covers all these sectors from small sole traders to small and medium enterprises to large businesses in the outdoor education and camp providers.

The Outdoor industry calls for support for its many micro, small, medium and large businesses that have been severely impacted by Covid-19 in a similar way to that of the airline and service industry. All income is from attendees to 'non-essential' daily activities which has now fully ceased for the foreseeable future. The government has responded to the airline industry (https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Assistance_for_severely_affected_regions_and_sectors.pdf) hence we bring attention to the dire needs of our sector and consideration be given accordingly.

Current membership of Outdoors NSW is 99 including small, medium and large enterprises. A recent crisis survey was completed by 25% of the membership which asked our members to respond to the effects of the current epidemic which concluded the following results;

25 members responded to the Survey



The average outdoor education and recreation business is set to lose \$612,478.48 in income before July. With a sector that is estimated to have 800 businesses providing services of outdoors education and recreation in NSW, this is 11 million casual hours that have been lost.*

What does the sector need?

The Outdoor sector relies on bookings from tours, education groups, individuals that supply the income to provide the services of the organisation. All bookings have been cancelled as a result of required social distancing, business restrictions and self-isolation. This follows what already has been a major set back for this industry with the 2019/2020 fire season where several organisations had to close, cancel bookings or lost infrastructure in their business.

- To keep these businesses going, fixed costs need to be covered and they require **cash flow** to do this which is all but gone
- The staff are not required to conduct lessons, tours, adventures so **casuals and permanent staff have lost their job and income**
- **Regional towns will struggle** as these businesses are located in regional areas and if the unemployment rate rises the economy will suffer
- When the business starts to flow back following the epidemic (estimated to be Term 3/4 in 2020) the businesses will have an incredible **skill shortages** to be able to carry out their services and will take a long time to re-hire, retain and recover to get back to normal capacity.

“So many staff have had to be laid off as the revenue is just not there to keep them employed, its so scary for them and for us as when the business starts up again they won’t be there to employ”

- *OUTDOORS NSW MEMBER, 20TH MAR 2020*

6 Point Plan for the Outdoor Sector

- 1) Provide 50% of past wage costs to keep staff on and working in the business in other areas including maintenance and / or planning services or redeployment within the organisation in the next 6 months.
- 2) Provide one-off grants to businesses of \$5,000-\$50,000 based on past turnover to keep fixed costs covered during these next 6 months.
- 3) The NSW National Parks Wildlife Service’s Eco Pass fees to be waived in 2020/2021.
- 4) Work with the industry to build a return to the sector plan and sharing resources throughout the sector to see the industry back into business.
- 5) Provide other regional small businesses in other sectors an opportunity to hire staff using a government subsidy for the next 6 months in casual capacities to keep towns economically viable.
- 6) Provide Hygiene accreditation to all Outdoors NSW Members at no cost to help in preventing future epidemics.