

5.14. COVID RELIEF FEE REDUCTION FOR PORT DOUGLAS MARKET STALLHOLDERS

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DEPARTMENT People and Community Services

RECOMMENDATION

That Council offers relief to stallholders at the Port Douglas Markets to recognise the impact of COVID-19 travel restrictions on small businesses by:

- 1. Reducing stallholder fees to Wet Season levels during interstate border closures with New South Wales and/or Victoria, or**
- 2. Reducing stallholder fees to Wet Season levels during lockdowns in the Cairns local government area, or**
- 3. Waiving the 44 weeks per annum attendance requirement for permanent stallholders, and**
- 4. Delegating authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to finalise all matters relating to the administration and timeline for the cessation of the Covid relief matters above.**

EXECUTIVE SUMMARY

As the time spent under COVID-19 travel restrictions and interstate border closures increases, the impact of the lack of visitors on small businesses in the Douglas Shire also increases.

Council has had several requests from stallholders at the Port Douglas Markets to reduce fees to the level of the Wet Season discount in recognition that stalls are struggling to make money without interstate tourists.

Providing fee relief will help stallholders in this difficult economic time but will also negatively affect Council's budget and not provide relief to all the other sectors of the community struggling financially because of the pandemic.

BACKGROUND

In the 2021/22 Fees and Charges schedule Council introduced a Wet Season discount to fees for holding a stall at the Port Douglas Market to recognise that fewer patrons over the Wet result in less profit and, therefore, less incentive for stallholders to attend the market. Fewer stallholders mean less incentive for patrons to attend the markets, which further impacts sales at the market.

Over the last month, Council has had several requests from Port Douglas market stallholders to reduce fees at the market to the discounted Wet Season level in recognition that border closures between Queensland and our biggest domestic tourist markets of Victoria and NSW are having a heavy impact on sales at the market.

Table 1 - Port Douglas Market Fees 2021/22

Market Stall Size	Rate Including GST	Wet Season Rate
Card Table	\$23.00	\$17.50
2.4 metre frontage	\$34.00	\$25.50
3 metre frontage	\$45.50	\$34.50
4.5 metre frontage	\$58.00	\$43.50
6 metre frontage	\$50.00	\$45.50

The difference in stall fees from general to Wet Season varies from \$11 - \$17 depending on stall size.

COMMENT

While some stallholders run successful businesses in addition to their trade at the market, some rely solely on the Port Douglas Market for income. Some of these sell products that appeal to locals and Queensland visitors, but others rely on interstate or international tourists for sales. While many stallholders come from Cairns or the Tablelands to hold stalls in Port Douglas and Palm Cove, others live locally and have been dedicated to the Port Douglas Market for decades.

The impact of lockdowns is varied. Some stallholders have reported an almost unaffected trading season, but others are struggling to pay their stall insurance. Council is still welcoming new stallholders weekly, so some people are still willing to start trading.

Covid relief already provided

Permanent stallholders are generally required to attend the markets 44 weeks of the year or lose their permanent status. In recognition that some stallholders are struggling to make a profit at the markets without interstate tourists, Council has waived attendance requirements for permanent stallholders so those who do not feel it is financially worthwhile attending the market are able to take leave without impacting their permanent site position at the market.

Response from stallholders to this initiative has been almost universally positive:

- *Thank you so much for this. Victorian ladies like my product and my locals know how to contact me. So it has been a roller coaster year and my mkt sales certainly notice when long running lockdowns occur. I really like the Port atmosphere when it is buzzing and didnt want to give up coming to the Market. I lost 3 Sundays in August cos of covid Cairns fright ...The situation we find ourselves in has a domino effect. So I can appreciate just how much this affects the Council as well. Many thanks again for not penalising us.*
- *Thanks so much for being 100% onboard and supporting us stall holders during these crazy times!*
- *you'd get a few more stalls hanging around if the fee was lowered a bit - a ... Port Douglas market veteran*

During the August Cairns lockdown, Council discounted fees to Wet Season levels for the one weekend without Cairns visitors, as the impact on patron numbers was severe. Council can commit to reducing fees in any future Cairns lockdowns.

Market Coordinators and Council's Media Team are working on an advertising campaign to promote the market to locals by reminding residents of the fresh produce, food stuffs and homewares available for locals at the markets.

Economic and social benefit to the Shire of the Port Douglas Markets

Fewer patrons at the market leads to fewer stalls at the market, which leads to even fewer patrons. There is no doubt that a bustling and lively market brings economic benefit to other businesses in Port Douglas as patrons continue up Macrossan Street to shop or eat.

The market is also a great day out for locals to take the dogs, enjoy the sun and pick up some local produce, exotic treats, or gifts. Even locals who rarely attend the market are proud to cite the Port Douglas Market as one of the must-see attractions of the town.

Covid impacts all sectors of the Douglas Shire

Market stallholders have been greatly affected by international and interstate border closures due to Covid, but so have many other business sectors in the Douglas Shire. Council has received requests for fee relief from tour operators using the Daintree ferry, from ratepayers struggling to pay rates and accommodation providers asking for license fee waivers.

Covid lockdowns and border closures seem likely to remain with us for a long time, and Council needs to weigh up the needs of each suffering group against those of other groups, and its ability to assist.

Impact to Council

In July 2021 weekly stallholder fees brought approximately \$7,000 per week to Council. Wet Season discounts applied to the same number and mix of stalls would cost Council approximately \$2,000 per week.

Council has not budgeted for an income reduction of potentially \$48,000 (\$2,000 per week from October 2021 – June 2022, excluding the months already covered by Wet Season fees). This will have consequences for services and programs offered by Council.

In considering the financial impact of offering fee reductions to stallholders at the market, it is necessary to also consider the impact of reduced numbers of stalls due to inability to pay fees. If stallholders do not turn up, it doesn't matter what fee they would have paid.

Parameters and time limit of fee reduction

Details of the fee reduction can be determined by the CEO with delegation, but would include considering:

- Is the reduction only for full border lockdowns or also for major city lockdowns, i.e. if Sydney is locked down but regional NSW open?
- Does the reduction include all States? The impact of border closure with WA or the NT would have a very different impact than Victoria.
- Time limit to the fee relief. Lockdowns could be with us for several years.

PROPOSAL

That Council considers the above and offers relief to stallholders at the Port Douglas Markets to recognise the impact of COVID-19 travel restrictions on small businesses by:

1. Reducing stallholder fees to Wet Season levels during interstate border closures with New South Wales and/or Victoria, or
2. Reducing stallholder fees to Wet Season levels during lockdowns in the Cairns local government area, or
3. Waiving the 44 weeks per annum attendance requirement for permanent stallholders, and
4. Delegating authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to finalise all matters relating to the administration and timeline for the cessation of the Covid relief matters above.

FINANCIAL/RESOURCE IMPLICATIONS

Council could experience a maximum loss of revenue of \$2,000 per week or, potentially, up to \$48,000 from October 2021 – June 2022.

Council could also experience lost revenue by not acting as stallholders refuse to come to the markets without discounted fees.

RISK MANAGEMENT IMPLICATIONS

Offering fee relief to one section of the population suffering financially from Covid travel restrictions but not offering similar relief across the board could lead to public backlash towards Council.

Not offering fee relief to the market stallholders could result in loss of small businesses (market stalls) to the region and a loss in the standing of the Markets, further reducing visitor numbers.

SUSTAINABILITY IMPLICATIONS

Economic: A thriving Port Douglas Markets provide economic benefit to the Shire.

Environmental: Nil

Social: The Market is regarded with pride even by locals who do not attend. The loss of small market-stall businesses to the Shire will have social impacts.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 4 - We will work with our communities to ensure they are informed, empowered and supported so that they are resilient to the impacts of disaster events. Through our leadership and capabilities we will plan, prepare, respond and recover from events so as to minimise the impact on people, property, the environment, and our economic stability.

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Service Provider Council provides many services to the community from roads and waste services to libraries and recreational facilities. Services evolve over time and it is the Council's mission to ensure that these services are appropriate, delivered efficiently, and designed with the customer at the centre.

CONSULTATION

Internal: Port Douglas Market Coordinators
Chief Financial Officer

External: Market Stallholders

ATTACHMENTS

Nil