

THE OFF SEASON

TOURISM TASMANIA
ANNUAL REPORT
2020-2021

TASMANIA
COME DOWN FOR AIR



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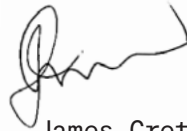
SUBMISSION TO THE MINISTER

Section 41 of the *Tourism Tasmania Act 1996* (the Act) requires that the board of directors must prepare for the Authority (Tourism Tasmania) an annual report for each financial year. The Act states that the annual report is to include the following information and documents:

- The statement of corporate intent which relates to the corporate plan that takes effect at the beginning of the next financial year
- The financial statements of the Authority for the financial year to which the annual report relates, including a copy of the opinion of the Auditor-General in respect of the financial statements
- A report on the operations of the Authority during that financial year
- Section 42 of the Act states that the Minister must lay a copy of the annual report before each House of Parliament within four months after the end of the financial year to which the annual report relates.

Accordingly, we have pleasure in submitting to you for presentation to Parliament, this report on the affairs and activities of Tourism Tasmania for the financial year ended 30 June 2021.

Yours sincerely



James Cretan
Chairman
Tourism Tasmania Board



John Fitzgerald
Chief Executive Officer
Tourism Tasmania

October 2021

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www.tassietrade.com.au

www.discovertasmania.com.au

The Tasmanian tourism industry acknowledges the Tasmanian Aboriginal people and their enduring custodianship of lutruwita / Tasmania.



A person wearing traditional Indigenous Tasmanian clothing, including a black jacket with white stitching and a large orange hat, is shown from the chest up. They are holding a large, dense bundle of green, leafy branches. The background is a natural landscape with trees and shrubs under a bright sky.

We honour the uninterrupted care, protection and belonging to these islands, before the invasion and colonisation of European settlement. As a tourism industry that welcomes visitors to these lands, we acknowledge our responsibility to represent to our visitors Tasmania's deep and complex history, fully, respectfully and truthfully. We acknowledge the Aboriginal people who continue to care for this country today. We pay our respects to their elders, past and present. We honour their stories, songs, art, and culture, and their aspirations for the future of their people and these lands. We respectfully ask that tourism be a part of that future.



Penny Farthings
at Evandale
© Trent Mitchell

ABOUT TOURISM TASMANIA

Tourism Tasmania is a demand generator and brand leader with clear objectives to attract leisure visitors to the state and grow air and sea access for travellers and the Tasmanian community. Its programs are a key pillar of the broader Tasmanian visitor economy strategy, partnering with industry and across government to deliver on T21 visitor economy goals.

Tourism Tasmania is also a leader and influencer, actively contributing knowledge and ideas to help shape policy on the development of a thriving and sustainable tourism industry now and into the future.

Tourism Tasmania is a State Authority that operates under the Tourism Tasmania Act 1996. It is governed by a board of seven members appointed by the Governor on the recommendation of the Minister. The board of directors hold strong expertise in tourism development, sustainability, marketing and commerce.



STATEMENT OF CORPORATE INTENT

While this publication looks back over the past twelve months, the *Tourism Tasmania Act 1996* states that the Annual Report is to include the Statement of Corporate Intent relating to the corporate plan that takes effect at the beginning of the next financial year. This statement of corporate intent is a summary of the Tourism Tasmania Corporate Plan 2021-2024.

The corporate plan recognises Tourism Tasmania's role as a demand generator and brand leader in Tasmania's visitor economy. It also outlines the Authority's role in leading and influencing the development of policy and planning for a future visitor economy.

Tourism Tasmania's purpose is to connect travellers culturally and emotionally with our island, drive visitation and lead a sustainable visitor economy that delivers social, environmental and economic value for all Tasmanians. It delivers its purpose by celebrating our unique place and way of life, through our brand platform and marketing program, to connect meaningfully with customers and encourage travel to Tasmania; leading the T21 Visitor Economy Strategy planning and implementation on behalf of government to enable a sustainable visitor economy for the benefit of all Tasmanians; and, advocating and securing air and sea capacity to support visitors and the community to travel in and out of Tasmania.

EXECUTIVE STATEMENT

CHAIR'S STATEMENT

Tasmania's tourism, hospitality, arts and events industries have been some of the hardest hit by the measures put in place to mitigate the spread of the COVID-19 virus. The health, safety and wellbeing of Tasmanians must always remain the number one priority, however there is no denying the last twelve months have been incredibly difficult for many Tasmanians who rely on visitors for their livelihood.

As a small island state in a competitive leisure travel market and challenging COVID-19 environment, the ability for all stakeholders to play to their strengths and utilise resources effectively and efficiently is key to Tasmania's ongoing success.

That's why, the enduring T21 partnership between government and industry has never been more important. The strong engagement between industry and government leaders throughout the pandemic has charted a pathway for industry recovery without losing sight of the destination management needs of the future.

The T21 Visitor Economy Action Plan 2020-2022 published in August 2020 set out an agreed strategy between government and industry for the recovery of Tasmania's visitor economy to rebuild its valuable contribution to Tasmania's economy, growing jobs for Tasmanians and benefits for regional communities.

The Action Plan includes government and industry priority actions that are focussed on restoring and maintaining air and sea access as restrictions ease; rebuilding demand particularly in our domestic tourism markets; as well as providing support for our tourism business operators.

Tourism Tasmania has been instrumental in driving demand as border restrictions have allowed including a new winter Off Season campaign to boost visitation over the traditionally quieter months and encouraging Tasmanians to holiday in the state through the Make Yourself at Home intrastate campaign.

The access team have been vital in re-establishing and retaining core routes, frequency and capacity

including direct air routes into Hobart from most major cities and direct services between Launceston and Melbourne, Sydney, and Brisbane.

Tourism Tasmania has also supported the introduction of Air New Zealand's direct service between Hobart and Auckland and new direct flights from Hobart to King and Flinders islands with Sharp Airlines.

Despite the impacts of the pandemic, the industry has not lost sight of its long-term commitment to building a sustainable tourism industry for the benefit of our visitors and community.

Tasmania's tourism industry has set the ambitious goal of becoming a carbon-neutral destination by 2025 which represents the very best of our people and their deep sense of responsibility to our stunning natural environment. With more travellers than ever proactively selecting climate positive destinations, Tasmania can be a global leader in sustainable destination management.

The resilience and professionalism shown by the industry in response to the significant challenges we are currently facing, gives me great hope and confidence that our destination is in good hands and well prepared for the future.

I'd like to thank the Premier and former Minister for Tourism, Peter Gutwein, for his government's ongoing support for the work of Tourism Tasmania and the important role it plays in supporting a strong state-wide economy. The Board looks forward to working with the new Minister for Tourism Sarah Courtney over the year ahead.

I would also like to acknowledge Tourism Tasmania's CEO, John Fitzgerald, his executive team and what I think, is the best destination marketing team in Australia for their hard work and commitment to achieving our goals for the benefit of all Tasmanians.



James Cretan
Chair

EXECUTIVE STATEMENT

CEO STATEMENT

Tourism Tasmania's commitment to rebuilding visitation to the state as quickly as possible has been its core priority over 2020-21. The Agency has rolled out the largest marketing program ever and has been closely monitoring market conditions, ensuring agility and flexibility in our program to respond to rapid shifts and market availability.

Tasmanians holidaying at home was the first market available. The Make Yourself at Home campaign encouraged Tasmanians to holiday in their home state, supported the government's voucher incentives and has been instrumental in supporting industry recovery while traditional interstate and international markets were not available.

Tourism Tasmania's Come Down for Air brand remains a strong platform differentiating the state from other destinations and communicating what is special about Tasmania. We have continued to implement our brand campaigns in the Australian domestic markets to drive demand awareness and drive conversion to the state. The campaigns are underpinned by research to ensure the right customers are targeted in the right channels at the right time to generate demand for visitation to the state and in 2020-21, reached almost 90 per cent of our target audiences.

In January 2021, Come Down for Air was launched in New Zealand to increase awareness of Tasmania in preparation for the opening of the trans-Tasman bubble and to support the new direct Air New Zealand flight route between Auckland and Hobart. We encouraged Kiwis to see Tasmania as a 'new' Australian destination with unique wildlife and natural environment, heritage, high quality food, a world-leading arts scene and a cheeky sense of humour.

In addition to taking a flexible approach to operating in domestic markets, we focussed on growing demand over the traditionally quieter cooler months to reduce the extremes of seasonal visitation and ensure a strong tourism offering year-round. Tourism Tasmania's new Off Season winter campaign showed Australians that Tasmania is a must-do winter holiday destination. We know it's the perfect time to slow down and enjoy blazing log fires,

slow-cooked feasts and snow-frosted forests. It's also a time when Tasmania's creative spirit comes to the fore. It was critical we invited our industry to partner with us to promote the Off Season with over 320 industry operators creating special and unique offers for visitors to enjoy across Tasmania over the winter period.

Industry connection through our campaigns, industry roadshows and board engagement opportunities throughout the year has been very strong. We have worked closely with the Regional Tourism Organisations, Business Events Tasmania, Brand Tasmania, Tourism Industry Council Tasmania and the Department of State Growth on developing priority projects to support industry recovery. This has included working collaboratively on a program of initiatives supported by the Australian Government's Recovery for Regional Tourism Program.

This has been the toughest period for our sector in the twenty plus years I have been involved and we at Tourism Tasmania have not lost sight of that fact. I would like to acknowledge and commend the hard work, passion and commitment of the Tourism Tasmania team in delivering a very large program of quality work to support the recovery of visitation to the state. The team has also played a lead role in rebuilding access (aviation) and growing new market opportunities for the future.

We are blessed to have a strong Board to guide and support us and the Premier and former Minister for Tourism, Peter Gutwein has shown strong ongoing support of our sector and the work of Tourism Tasmania. The Team looks forward to working with our new Minister, Sarah Courtney.



John Fitzgerald,
Chief Executive Officer,
Tourism Tasmania

TOURISM TASMANIA BOARD OF DIRECTORS

JAMES CRETAN

James is the chair of the Tourism Tasmania Board of Directors and a member of the Premier's Visitor Economy Advisory Council. He oversees the agency's strategic direction and plays a significant role in communication with government and industry. James is an executive director of Kriticos Nominees, a family company that owns and operates Cradle Mountain Wilderness Village, Swansea Beach Chalets, Shoreline Hotel and Tasmanian Collection Service. He is a director of the Plastic Fabrications Group, a manufacturer



and supplier of a wide range of plastic and related products to the aquaculture and marine industry. He was a director of TAFE Tasmania from 2004 and chair from January 2006 to May 2008 before becoming chair of the Tasmanian Skills Institute from 2008 to 2013. James is a Fellow of the Australian Institute of Company Directors.

BRETT TOROSI

Brett is the chair of Tourism Tasmania's Audit Finance and Risk Committee. She is a well-respected, inventive and successful businesswoman who holds a passion for great design and innovative ideas. She strives for excellence in development projects, creating communities along with experiences and destinations that both move and inspire. With more than 25 years of governance, advocacy and strategic experience Brett brings value to the wider community through her corporate advisory roles, extensive network and board positions across business, property development, arts, culture, and the heritage and tourism sectors.



Brett's other appointments include Chair, Trustees TMAG; Chair, Tasmanian Heritage Council; Member, Premier's Economic and Social Recovery Advisory Council; Director, Brand Tasmania; Nominations Committee Member, International Women's Forum Australia; Member of the Rhodes Scholarship Selection Panel, Director, Australian Pacific Airports Launceston Pty Ltd and is the Heritage representative on the Premier's Visitor Economy Advisory Council.



JOHN FITZGERALD

John has been Chief Executive Officer of Tourism Tasmania since early 2013. Since that time, John has led a team that has contributed to Tasmania becoming a leading destination brand in Australia and beyond. Under John's leadership, Tasmania has continued to evolve its brand and positioning in the domestic and international marketplace to become a highly desirable travel destination. Tasmania has enjoyed strong growth in visitation and visitor value during the period. John is leading the next phase of Tasmania's visitor economy evolution with a focus on driving yield, visitor dispersal and sustainability. Prior to joining Tourism Tasmania, John has had an extensive career in senior executive positions in the tourism sector in Australia, over 20 years. Previous to his appointment at Tourism Tasmania,



John was CEO at Tourism NT following senior appointments in his native Queensland. He was also a member of the Queensland Tourism Industry Council and he co-chaired the national Indigenous Tourism Working Group.

John's contribution in the sector has extended to numerous board memberships and directorships including currently as chair of the T21 Steering Committee, overseeing Tasmania's visitor economy strategy implementation and also as a director of Business Events Tasmania. John is a graduate of the Australian Institute of Company Directors.

IAN RANKINE

Ian has enjoyed an extensive career spanning over 40 years in the Australian and Tasmanian tourism industry. As Chief Executive of TasVacations and Innkeepers Tasmania, Ian oversees the strategic business planning and day to day operation of both organisations. He has a comprehensive understanding of all facets of the tourism industry ranging from the supply side issues of small to medium size businesses to the market driven demand challenges facing Tasmania. Ian is a former board member and Chair of Tasmania's South Regional Tourism Association (Totally South) and



has been a board member of Tourism Industry Council of Tasmania (TICT) since 2008. He has been acknowledged with a number of industry awards recognising his lengthy and dedicated commitment to Tasmania's tourism industry.

Ian is a Graduate of the Australian Institute of Company Directors. Ian is also a member of Tourism Tasmania's Audit and Risk Committee.

MICHELLE COX

Michelle Cox (AD AppSc, GAICD) is the founder and director of tourism marketing and consulting firm, The Linchpin Company and production company, The Wabi Sabi Series. She has over 25 years of executive experience and a demonstrated track record in growing returns across Australia, Asia Pacific and global markets. She also has multinational experience in marketing, communications, travel and tourism and acquisitions. Previous appointments include Executive Director, Mergers and Acquisitions for Bastion Collective; Managing Director, Asia Pacific for STA travel and General Manager Marketing for the APT Group. Michelle has held executive and



board appointments including executive director, Bastion Collective Global Board; chair of the Australian Tourism Export Council, Northern Territory; deputy chair, Central Australian Tourism Industry Association and director of

Asia Pacific, STA Global Leadership Board. Michelle is currently a Non-Executive Director on the board of tourism adventure company Experience Co (ASX:EXP); newly appointed to the board of BSA Limited (ASX:BSA) and is a graduate of the Australian Institute of Company Directors course.

ANNIE BEAULIEU

Annie Beaulieu (BSc MBA GAICD) brings a passion for sustainability, a global perspective and strong business, political and scientific acumen. As a dynamic executive and strategic board member with over 20 years' experience in four different countries, Annie has developed an entrepreneurial leadership style. Taking a collaborative approach to complex problem solving, Annie founded the Good Compass Group, a global venture recognised through a number of innovation awards, working at the intersection of sustainable development, behavioural science, technology and tourism. Annie is a member of the G20|G7 Research Group, the UN One Planet Network and was a Global Advisory Board member of the World Tourism Forum Lucerne in Switzerland. She



continues to operate as a board member of her family business in Canada. She holds a Bachelor of Science from McGill University, an MBA and is currently completing the University of Cambridge Institute of Sustainability Leadership executive program. She is also a graduate of the Future Directors Institute and of the Australian Institute of Company Directors. Annie is a relentless adventurer, avid diver, long distance cyclist, passionate downhill skier and mountaineer who loves exploring Tasmania's wilderness. Annie is also a member of Tourism Tasmania's Audit and Risk Committee.

CAROLYN MILLER

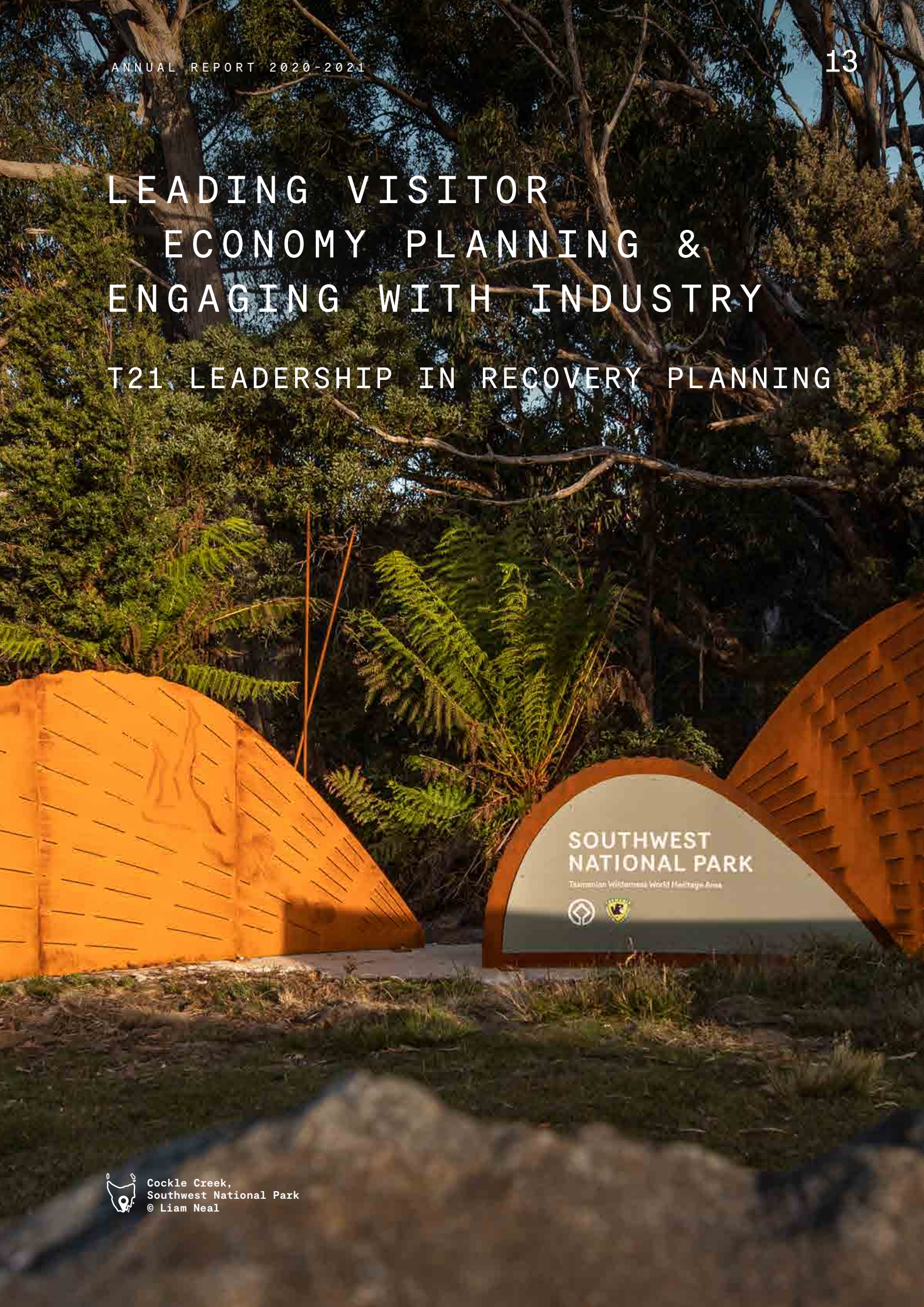
Carolyn Miller (BA Comms, MBA, GAICD) has been working in the marketing and advertising industry for over 20 years and has been a strategist at multiple award-winning agencies. She is seen as a Key Opinion Leader in the field, featuring as a regular panellist on the highly popular ABC Television Program 'Gruen', where advertising industry experts review and discuss marketing creative concepts and strategies. Carolyn has featured as a contributor in the best-selling 'The Gruen Transfer' book. Carolyn is the Founding Director of Communications Consultancy 'The Honeycomb Effect' where her client base includes high profile brands such as Nespresso, Yahoo!, Lend Lease and The Australian Institute of Sport among many others. She is also highly engaged



as a speaker in the events industry, and has spoken at numerous tourism and event organiser conferences. Carolyn has significant experience working alongside government, and was a Non-Executive Director of the Board at Family Planning NSW from 2012 to 2018 and was elected as Vice President in 2015. Her Board experience has been strengthened through her membership at the Australian Institute of Company Directors. She has also completed an Executive MBA from the University of Technology Sydney, and has a BA Communications from the University of Western Sydney.

LEADING VISITOR ECONOMY PLANNING & ENGAGING WITH INDUSTRY

T21 LEADERSHIP IN RECOVERY PLANNING



T21 VISITOR ECONOMY ACTION PLAN 2020-2022 + SIX MONTH PLANS

Tourism Tasmania is a lead partner in Tasmania's visitor economy, working with the tourism industry and across government to achieve the goals in the T21 strategy.

The T21 Tasmanian visitor economy framework provided Government and industry with a solid foundation to rapidly respond to the challenges of the COVID-19 pandemic and its impact on Tasmania's tourism and hospitality sectors.

The T21 Recovery Committee met on 17 occasions throughout the year – providing timely leadership to industry recovery issues as they emerged and proactive policy development and oversight of recovery programs to support the tourism and hospitality industry.

The Premier's Visitor Economy Advisory Council convened on five occasions to be updated on emerging issues as COVID-19 continued to impact the visitor economy, and council members provided industry intelligence and insights to shape and implement recovery strategies for the industry.

Both committees regularly monitored the effect of COVID-19 on tourism and hospitality businesses and their workforce and identified how they could be supported. The committees also monitored critical issues such as air access to the state and generating demand for travel in a disrupted market.

Following consultation with T21 partner organisations and the broader tourism network, the development and release of the [T21 Visitor Economy Action Plan 2020-2022](#) in August 2020 provided an agreed pathway for the recovery and rebuild of the tourism industry.

To guide implementation, the Plan has been broken down into targeted six-month action plans. As at June 2021, 50 of 90 recovery actions have been implemented or are ongoing. Progress reports were published in November 2020 and in February 2021, and an updated six-month plan was released at the end of June 2021. The reports are available on the T21 website at www.t21.net.au

Tourism Tasmania provides grant funding to several industry organisations to assist in the ongoing delivery of programs and services on behalf of the tourism industry. This includes assistance to:

- Tasmania's four regional tourism organisations – Destination Southern Tasmania, East Coast Tasmania Tourism, Visit Northern Tasmania and West By North West Tasmania
- Tourism Industry Council Tasmania for delivery of the 'Quality Tourism' accreditation program and Tasmanian Tourism Conference
- Tasmanian Visitor Information Network for coordination of accredited visitor information services, and to the gateway visitor information centres in Hobart and Launceston.

INDUSTRY INSIGHTS

Due to the uncertainty around border closures, the Tasmanian tourism industry continues to face challenges caused by reduced visitors and travel markets, competition from interstate destinations, ongoing business disruptions, loss of income; as well as the attraction and retention of staff across all skill levels.

Restrictions on interstate travel has seen more Tasmanians travelling intrastate, particularly with the stimulus provided by the Tasmanian Government's travel vouchers.

While some tourism and hospitality businesses have enjoyed strong demand, this is not consistent across all types of operations and across the regions, and this has posed a continuing challenge for sustainable business operation.

COVID-19 has contributed to a range of supply-side issues that continue to impact the industry including the reduction in the supply of hire cars and workforce and skill shortages.

AUSTRALIAN GOVERNMENT RECOVERY FOR REGIONAL TOURISM FUNDING

In September 2020, Tasmania was identified by the Australian Government as a region heavily impacted by the loss of international markets and therefore eligible for up to \$13.5 million funding support under its Recovery for Regional Tourism (RRT) program.

The program aims to support heavily impacted regions to retain and create jobs by driving visitation, stimulating demand and improving product diversity to attract visitors; to leverage the domestic tourism market to ensure businesses remain viable for when international visitation returns.



Kangaroos in the snow,
Bonorong Wildlife Sanctuary
© Bernadette Camus

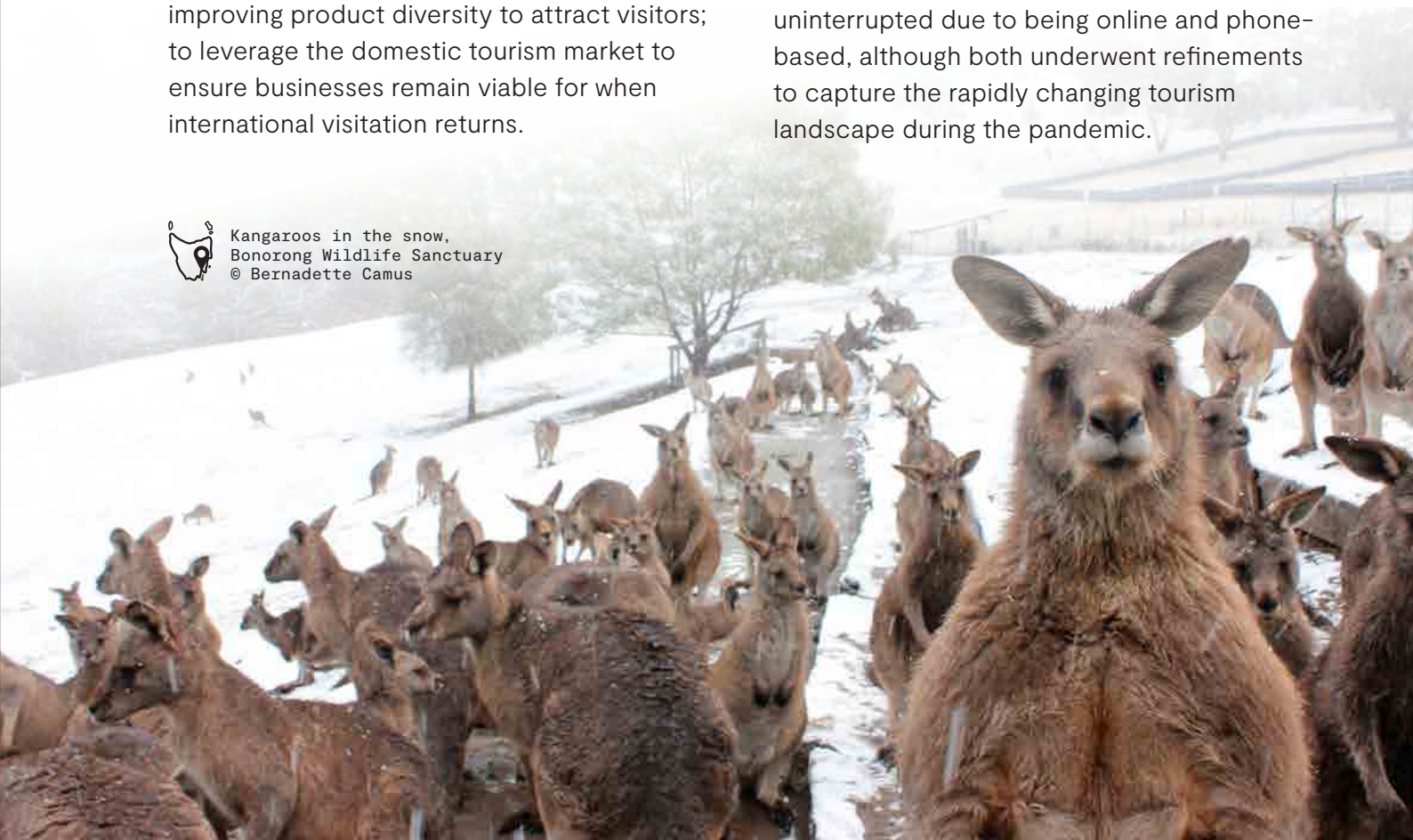
Project concepts that met the Australian Government's program criteria were scoped with T21 partner organisations, including Tasmania's four regional tourism organisations, and project proposals were reviewed by the T21 Recovery Committee to ensure that the projects also aligned with T21 strategic objectives.

RESEARCH AND INSIGHTS

Tourism Tasmania experienced significant disruption to its traditional and long-term visitor economy measurement tools and reporting including the Tasmanian Visitor Survey (TVS) which paused from March to November 2020.

An online version of the TVS was successfully trialled, tracking of visitors through the TRIG app recommenced and a new online 'TVS Analyser' dashboard for industry to access the latest key visitation data launched.

Tools including the Tourism Information Monitor (TIM) brand health tracking and the National Visitor Survey (NVS) were uninterrupted due to being online and phone-based, although both underwent refinements to capture the rapidly changing tourism landscape during the pandemic.



TRACKING THE VISITOR ECONOMY

In order to track tourism demand and industry recovery, several data sources were utilised to complement existing tools including:

- **AirDNA** short-stay accommodation data to assist in monitoring Tasmania's state and regional recovery through the pandemic across sixteen indicator regions.
- **STR Global** commercial accommodation data, including partnering with industry stakeholders to increase participation of industry, leading to obtaining forward-looking occupancy data for Hobart for the first time. It is anticipated that forward-booking data for Launceston City will be added in the 2021-22 financial year period, after sufficient recruitment of operators is reached.

- **STR Global's AM:PM platform**, providing access to aggregated data for commercial accommodation listings Tasmania-wide. This includes numbers listings and rooms, plus details of commercial developments in the pipeline.

The Tasmanian Visitor Survey (TVS) ceased interviews in late March 2020, in line with the closure of Tasmania's border. Visitor interviews recommenced in November 2020, in line with easing of travel restrictions from most interstate markets. Further COVID-19 outbreaks and associated lockdowns have continued to occur, particularly in Tasmania's two largest markets – New South Wales and Victoria.

TOTAL VISITORS ³			
Measure	12 months to June 2020 ¹	12 months to June 2021 ²	% change
Total visitors	1,025,600	574,600	-44%
Total expenditure (million)	\$1,999	\$1,456	-27%
Average spend per visitor in Tasmania	\$1,949	\$2,535	+30%

LEISURE VISITORS ³			
Measure	12 months to June 2020	12 months to June 2021	% change
Total leisure visitors	773,100	476,900	-38%
Total leisure expenditure (million)	\$1,641	\$1,237	-25%
Average spend per leisure visitor in Tasmania	\$2,124	\$2,596	+22%

Source: Tasmanian Visitor Survey (TVS)

¹ Data collected from July 2019 to March 2020

² Data collected from November 2020 to June 2021

³ This visitor data does not include intrastate travel

MARKETING RECOVERY PROGRAM 2020-21

MARKETING STRATEGY GENERATING DEMAND TO SUPPORT TASMANIA'S VISITOR ECONOMY REBUILD

Tourism Tasmania's primary role is to showcase the state by targeting visitors who are more likely to disperse further, stay longer and spend more in local communities.

The program is designed to ensure Tasmania stands-out from other states in a highly competitive environment.

The program is delivered in partnership with the Tasmanian tourism industry, air and sea access, travel trade, media, brand and event partners and supports the sustainable growth of Tasmania's visitor economy.

The destination marketing environment in 2020-21 remained highly disruptive and changeable with the continuing COVI-19 pandemic and significant and frequent lockdowns in key source markets.

Tasmanians were the first to be able to travel within the state followed by most domestic markets and New Zealand which became the first and only international market available.

Ongoing border restrictions in key domestic markets required the marketing program to be adjusted and a set of scenarios developed to aid decision making on creative and media choices.

With the domestic market being the largest and sometimes only market available, competition (and advertising spend) from other states increased to win back visitors to support in recovery.

Tourism Tasmania delivered the largest marketing program in its history to support recovery and ensure Tasmania remained front and centre.

The main tenets of the marketing strategy included:

- Maximising the market opportunity available by expanding into and investing in available markets
- Ensuring a nimble and responsive approach to media buy to enable media to be adjusted based on the changing market situation
- Delivering a range of programs that Tasmania could build on rather than simply one-off tactical campaigns delivering a greater efficiency over the medium term
- Developing a winter proposition that would help Tasmania stand-out and encourage visitation over what is normally our quieter season
- Re-entering the New Zealand market (planned prior to COVID-19) with timing adjusted to build brand equity prior to a likely direct flight announcement.

INTRASTATE MARKETING

With changing confidence in travel and border closures, the intrastate market has become a very important market to support industry recovery while the pandemic continues.

Two campaigns were launched to inspire and encourage Tasmanians to holiday at home, explore the state and support the local tourism and hospitality sector; 'Make Yourself at Home' and 'Welcome Back.'

MAKE YOURSELF AT HOME

The Make Yourself at Home campaign launched in June 2020 and was designed based on insights gained through the development of the Tasmanian brand and the connection Tasmanians have with their island home.

The creative expression was inspired by the Come down for Air platform and was designed to rebuild the confidence in Tasmanians to travel across the state, provide inspiration for Tasmanians to rediscover their home state and to support a range of government initiatives designed to stimulate visitation including the Drive Journeys, the Hobart to Bass Strait Islands flights and the Make Yourself at Home Travel Vouchers.

The campaign was showcased through a range of channels to capture the attention of Tasmanians and inspire travel within the state, including radio, television and print, as well as a range of activations.

The campaign also included advertising focussed on promoting Hobart and Launceston via staycation messaging.

The Make Yourself at Home campaign was developed in partnership with the four regional



tourism organisations, Brand Tasmania, Tourism Industry Council Tasmania, Department State Growth, and Tasmanian Industry Chamber Commerce.

WELCOME BACK

Tourism Tasmania worked in collaboration with the Tasmanian Hospitality Association to develop the Welcome Back campaign.

The campaign was in-market from July - October 2020 and designed to increase patronage and support for the hospitality industry after the challenges many venues faced due to operating restrictions.

Through television, radio and digital advertising, the campaign aimed to assure Tasmanians that their local hospitality venues were COVID-safe, open for business and ready to welcome customers.

AVAILABLE FOR A LIMITED TIME ONLY (CONDITIONS APPLY)

The conditions are perfect to breathe in some clean, fresh winter air. Maybe it's a previously unvisited corner that's just waiting for its first set of footprints. Its first snowman. Or the first of many snowballs pelted at the kids. Just don't wait too long – all that snow is here for a good time, not a long time...



Red Knoll Lookout
South West

TASMANIA

MAKE YOURSELF AT HOME

makeyourselfathome.com.au

INTERSTATE MARKETING

Australian interstate markets are central to recovery, therefore a multi-pronged approach was designed to ensure Tasmania was top of mind for domestic travellers looking for a break from the constraints and pressures of modern life.

Tourism Tasmania launched the latest iteration of its interstate brand campaign, Come Down For Air, in key domestic markets in October 2020. This occurred in the lead up to Tasmania's borders reopening, with the aim of boosting travel over the summer period.

The second burst of campaign activity took place in early 2021 targeting key domestic markets and encouraging Australians to keep Tasmania top of mind when considering their next holiday destination.

The advertising was designed to respond to the needs of our target audiences and show the breadth and depth of what's possible to experience across Tasmania.

Tasmania - Come Down For Air was showcased in NSW, ACT, VIC, QLD and SA through a range of channels including catch-up television, cinema, digital billboards, radio, print, social and digital advertisements. The campaign website included written articles telling longer stories about Tasmania's products and experiences to help audiences discover what they could see and do.

The campaign was designed to enable flexibility to respond to consumer sentiment or changes in border restrictions.

Come Down For Air advertisements aimed to differentiate Tasmania from other domestic travel destinations and deliver a moment of calm to audiences, providing a much-needed break from traditional forms of advertising.



Despite the challenges of the pandemic, research findings have shown that the Come Down For Air campaign resonated very well and had reached almost 90 per cent of target audiences, as well as the highest brand impacts in the past three years.

MIND THE NEIGHBOURS THEY POO ON THE LAWN



Honestly, you can't go anywhere on Maria Island without being surrounded by them. Wombats. Pademelons. Wallabies. It's ridiculous. They're everywhere. Suppose that's what happens when you turn an entire island into a wildlife sanctuary. You can hear them too, rustling about, singing to each other, munching away next to you, while you're just trying to take in the old historic convict buildings and the windswept landscapes.

It's very distracting.

TASMANIA

COME DOWN FOR AIR



Darlington
Maria Island National Park

discovertasmania.com.au/air

OFF SEASON WINTER CAMPAIGN

Traditionally, visitor numbers to Tasmania decrease during the cooler months of May–August when many Australians tend to avoid the cold and chase the sun.

To maximise demand over this period Tourism Tasmania delivered a program of activity aimed at positioning the state as a ‘must do’ winter experience.

‘The Off Season’ was launched in April 2021 enticing travellers to the state by highlighting the benefits of a Tasmanian winter holiday over other destinations.

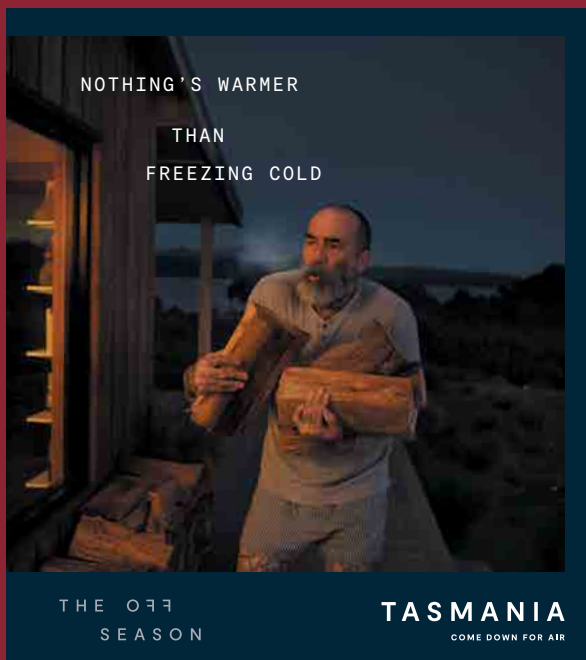
The campaign created awareness and positive word of mouth in owned, earned and paid media, cutting through a cluttered and competitive travel advertising landscape in key domestic markets and within Tasmania.

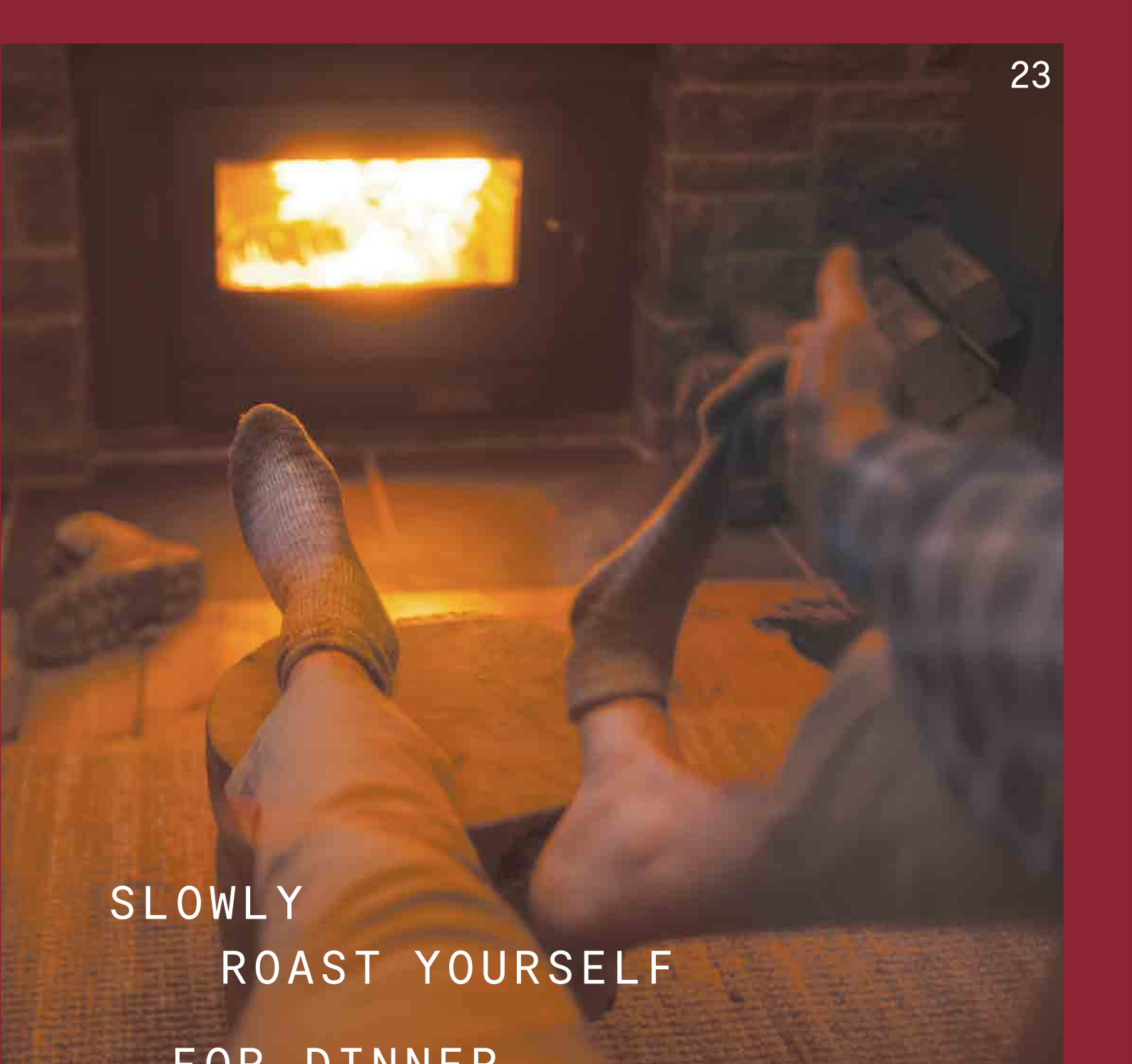
Marketing activity included advertisements on TV, out of home, radio, print, digital, and social media in addition to content partnerships and

public relations. Conversion activity also featured in the campaign to encourage travel bookings.

The Off Season campaign also enabled Tasmanian tourism operators to get involved and create unique experiences only available during the winter months. Around 320 businesses from around the state created special Off Season offers that were popular with both visitors and locals. Tourism Tasmania provided tourism and hospitality industry operators with resources to leverage the campaign including toolkits and digital and printed collateral.

In addition, a number of industry workshops were held across the state to support industry to develop unique Off Season offerings for their visitors.





SLOWLY ROAST YOURSELF FOR DINNER

The mercury is creeping down.
There's snow on the mountain.

Yesterday's splurge at the local markets
has left a few tempting tidbits in the pantry.

The smells of crackling logs and rich pot
roast fight for space in your nostrils.

Buttocks sink themselves deeper into
a warm armchair. Toes wriggle farther out
of woollen socks. A sigh breaks the silence.

After today's misty bushwalk, the only task
left is to pop the cork on something strong
and give yourself a good basting.

Tasmanian winters might be ideal for outdoor
adventures, but they're downright perfect
for indoor ones.

Come down and discover the real meaning
of cosy this Off Season.

→ Visit discovertasmania.com.au/off-season

THE OFF
SEASON

TASMANIA

COME DOWN FOR AIR



UNORDINARY ADVENTURES

The Unordinary Adventures program targets visitors who travel to pursue their passions and positions Tasmania as a leading destination for mountain biking, golf, walking and fly fishing enthusiasts. Tailored marketing programs were developed for each special interest area based on research that has been undertaken to learn more about these audiences and what drives them to travel.

Tourism Tasmania launched a fly fishing campaign in domestic markets from December 2020 to May 2021. The campaign was built on the insight that Tasmania is a destination where fly fishing enthusiasts feel like a local, wherever they're from.

The campaign invited fly fishers to experience the best Tasmania has to offer by sharing local knowledge of the top fly fishing spots and techniques. The campaign included advertisements in fly fishing platform, FlyLife, across its print and digital channels. This included content showcasing bespoke hand-made Tasmanian flies and fly fishing locations and experiences, to help fly fishing enthusiasts plan their next holiday in Tasmania.

The campaign advertisements received over 125,000 clicks during the campaign period and drove over 70,000 landings on the campaign website. These results were well above the

campaign KPIs, suggesting that the audience engaged strongly with the advertising and content. The campaign website has established a strong position in Google organic search, with the homepage currently sitting in the number one position for 'Fly Fishing Tasmania'.

Tourism Tasmania developed a new campaign inviting golfers to take up the challenge of testing their abilities on Tasmania's courses – and bring their mates along with them.

The golf campaign was in market from March to July 2021 with advertising highlighting the unique attributes of Tasmania's world-class golf courses, including the stunning but challenging coastal locations and high-ranking reputations.

The campaign aimed to capture the attention of golfing enthusiasts across Australia with advertising and content partnerships with leading Australian golf publications and websites, such as Golf Digest and Golf Australia. It also included digital advertising on content partner websites, GolfTV and PGATour.com, as well as geo-targeted digital advertising within a 2 km radius of select golf courses and driving ranges in metro areas. Special packages and deals with conversion partners also formed part of the campaign and were featured on the campaign website.

Tourism Tasmania also partnered with Flow Mountain Bike magazine to showcase Tasmanian

ROAD TRIPS IN TASMANIA

— A detour can be a mistake, a time-waster, an inconvenience. In Tasmania, a detour is an adventure. Self-drive journeys on this compact island offer your clients the freedom to find the things they need – natural wonders, inspiration, calm, great fish and chips – and much they never expected.

Choose a drive journey, use our itineraries for inspiration, and start making detours.

TASMANIA
COME DOWN FOR AIR

HEARTLANDS

THIS IS A ROAD TRIP OF HERITAGE AND HEART, RICH IN STORIES AND HISTORY

— The Heartlands is one of five drive journeys that span a network of roads and potential itineraries across Tasmania. Each drive journey is designed to showcase a diversity of travel experiences within that region, as a way to help travellers plan their road trips according to their interests and available time.

Head straight to the Heart of Tasmania, where living heritage and old-fashioned hospitality can be found at every turn along convict-built roads and country lanes lined by heather.

Take a meandering route through lands traditionally owned by Tasmanian Aboriginal nations, settled by Europeans in the early 1800s, and farmed, worked and loved by generations of Tasmanian souls. Stop among glorious Georgian-style facades and gardens in heritage towns that make you feel like you've stepped into a live set of a period drama.

Walk into the Central Highlands and up into the Great Western Tiers, a wild landscape of lakes, mountains and moors, and follow a "power trail" for inspiration in hydro industrial history.

TASMANIA
COME DOWN FOR AIR



SOUTHERN EDGE DRIVE JOURNEY

SWEAR AT THE SCENERY NOT AT THE TRAFFIC

TASMANIA
COME DOWN FOR AIR

TIME TO HIT THE ROAD

TAKE A DETOUR TO SOMEWHERE SPECIAL

Discover Tasmanian Drive Journeys

Count down empty streets, wild landscapes, hidden gems and an entire Tasmanian coastline. Now is the perfect time to take a road trip. Road closures, too many to list, are in place and make a few new memories. Get inspired with our top 10 drive journeys, with itineraries and trails for every interest. Pick a destination, research the journey and be there in time for the detours to somewhere special.

The journey continues at [discovertasmania.com.au/drive-journeys](#)

NORTHERN FORAGE

4 Days in the North West

Freestone comes naturally in the north west, where the rugged Orford and Strathgordon mountains are covered in lush green pastures and forests. Discover the best of Tasmania's natural beauty and scenic views.

TASMANIA
COME DOWN FOR AIR

ROAD TRIPS MEASURED IN MOMENTS NOT KILOMETRES

TASMANIA
MAKE YOURSELF AT HOME

mountain biking trails and position Tasmania as a world-class destination for mountain biking with our unique walking products and experiences showcased in the Come Down For Air campaign.

TASMANIAN DRIVE JOURNEYS LAUNCH AND ROAD TRIP CAMPAIGN

To capitalise on a growing road trip market and drive visitation to regional Tasmania a suite of five self-drive journeys were launched. The five Tasmania Drive Journeys are Great Eastern Drive, Heartlands, Northern Forage, Southern Edge and Western Wilds and were developed in partnership between the Department of State

Growth, Tourism Tasmania and Tasmania's regional tourism organisations.

In order to effectively market and leverage the Drive Journeys an overarching road trip proposition and campaign was launched to the Tasmanian market in November 2020 as part of the Make Yourself at Home campaign and to interstate markets in February 2021 under the Come Down for Air platform.

This program will play an important role in increasing awareness of Tasmania as a leading global, self-drive touring holiday destination with growing in appeal in a COVID-19 environment.

INTERNATIONAL ACTIVITY

During 2020–21, Australian borders have been closed to all international markets with the exception of a New Zealand bubble which opened in April 2021. In response to significantly changed market conditions, a revised approach was implemented internationally to maintain a scaled back presence in key markets and enable activity to be ramped up quickly in response to travel bubbles or changes in global travel.

A number of virtual media and live stream events were implemented to continue to engage with travel partners and consumers globally in innovative ways. An example of this activity includes a food and wine-focused virtual cooking event in North America with Tasmanian chef Analiese Gregory and New York food writer and critic Adam Sachs.

A series of training activities were held with the New Zealand travel trade via webinars and Tourism Tasmania provided resources such as itineraries and fact sheets to increase their knowledge of Tasmania's products and experiences.

Tourism Tasmania also partnered with Tourism Australia to deliver live stream events to connect tourism industry operators with global travel trade – including the Australian Tourism Exchange (both online and in live format).

Tourism Tasmania's global media and PR activity continued to resonate with international audiences and resulted in Tasmania being featured in several target media across international markets.

An international wine tourism marketing program supported through funding from the Australian Government's Export and Regional Wine Support Package was completed in March 2021.

The program was created to assist with the development of Tasmania's wine tourism experiences, and the promotion of wine tourism in international markets. The program focusses on targeting high value traveller audiences in North America and Hong

Kong with the aim of attracting a greater number of international visitors to Tasmania's key wine regions.

Tourism Tasmania produced a series of short destination videos for use in influencer social media channels in North America and Hong Kong to build awareness of Tasmania's wine tourism experiences and food and wine festivals such as Effervescence and Festivale.

A new brand aligned video featuring Tasmanian winemakers, was produced to be utilised by Tourism Tasmania and Wine Tasmania and its members.

NEW ZEALAND MARKETING CAMPAIGN

In January 2021 the Come Down For Air brand was launched in New Zealand to increase consumer awareness and understanding of what Tasmania has to offer as a holiday destination. It was also designed to support the introduction of the new direct flight between New Zealand and Tasmania.

The six month campaign incorporated a 36 hour media takeover in Auckland, including print, out of home and digital advertisements, a 12 page insert in the NZ Herald, together with the launch of a dedicated website to assist consumers in understanding what Tasmania has to offer.

To set Tasmania apart from other Australian states, the campaign showcased the state's unique offerings; including wildlife, natural environment, history and heritage, adventure experiences, food and beverage and vibrant arts scene.

To mark the inaugural Hobart to Auckland flight, launch activity included inviting a number of New Zealand travel trade and media to visit Tasmania, generating over 700 media articles around the world about the new service and the Tasmanian destination.

THE ARTS END
OF THE WORLD

TASMANIA

COME DOWN FOR AIR

MEDIA HOSTING + PR ACTIVITIES

Tourism Tasmania's public relations program supports and broadens the reach of brand messages through positive editorial and advocacy across a range of traditional, broadcast and digital channels.

The program also generates awareness of Tasmania and its tourism offering through engaging content and storytelling, distributed through third party sources that appeal to the target audience.

Tourism Tasmania proactively engages journalists to publish destination content on Tasmania. The program supported 63 journalists to visit the state and experience tourism products first-hand, resulting in positive coverage published or syndicated across print and digital.

In 2020-21, the program also engaged with television networks to produce content featuring Tasmania. Broadcast projects included working with Network 10 – The Living Room and Road Less Travelled and Channel Nine – Travel Guides.

Domestic media highlights included coverage in The Australian, The Guardian, The Australian Financial Review, Qantas The Australian Way, The Age/SMH, Gourmet Traveller, The Weekend Australian, Mind Food, Robb Report, Travel and Luxury, Signature Luxury Travel, Escape syndication, Vogue Living and Get Lost magazine.

SOCIAL MEDIA

Tourism Tasmania's social media program continued to play a key role in engaging with audiences throughout lockdown and during border opening and closing with many people turning to social media for information, entertainment and inspiration. The successful 'Moments of Calm' that launched during Tasmania's lockdown continued in key markets, increasing brand awareness in global markets with activity in New Zealand, Germany, the United States, United Kingdom and China.

MARKETING AND CONTENT PARTNERSHIPS

Tourism Tasmania partners with brands that have strong alignment to Tasmania to leverage the opportunity to communicate to their audiences through the brands' marketing channels.

In 2020-21, Tourism Tasmania partnered with a number of fashion brands to promote the Off Season and support their winter campaign shoots in Tasmania. These include ELK's winter campaign content shot in Stanley, Maatsuyker shooting content around Hobart and M.J. Bale featuring content shot in the Midlands, Freycinet Peninsula, Hobart waterfront, kunanyi/Mt Wellington, and Currawong Lakes.

The Maatsuyker activity resulted in a feature in Vogue Australia that highlighted the sourcing of high-quality Tasmanian wool. M.J.Bale commenced its The Lightest Footprint project which involves creating the world's first carbon neutral suit through a collaboration with Kingston Farm in the Tasmanian midlands, east coast seaweed producer Sea Forest and the University of Tasmania.

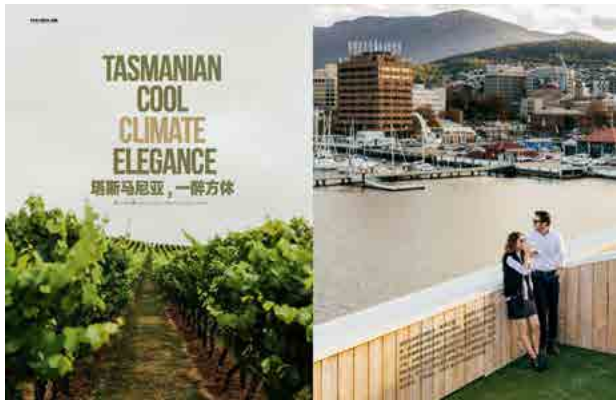
EVENT PARTNERSHIPS

Tourism Tasmania partners with events to help promote Tasmania and reinforce the state's destination appeal by working with event organisers to weave Tasmanian destination messaging into promotional activities, and to provide support for content generation and media visits.

Throughout COVID-19, Tourism Tasmania has continued to provide support to events to help navigate the changed operating environment, including supporting virtual events when in person events were unable to take place.

Tourism Tasmania partnered with winter events as part of the Off Season campaign and provided content production support and/or media support to Dark Mofo, Festival of Voices, Huon Valley Mid-Winter Fest, Beaker Street and agriCULTURED.

China Publicity



German Publicity



BT Lifestyle

The Business Times, Friday, April 3, 2021 11

What keeps Rolex ticking WATCHES/12 The art of Chloe Zhao THE ARTS/13 Omakase hideout at Araki DINING/OUT/14




Israel's David Sze (left) and Egypt's White Desert (above). Mike Hartley, general manager of luxury travel operator Scott Dunn, says there has been an uptick of interest in cultural destinations such as Egypt and Israel, as well as adult lodges in Africa for guests on bucket list trips. PHOTOS: SCOTT DUNN

The return of Wanderlust

With the increased likelihood of international leisure travel resuming, it's all hands on deck as industry players get ready to welcome visitors. BY TAY SIUAN CHIANG

DUST off your passport and get your vacation out of storage. After a year of unprecedented leisure travel, it now looks like recovery vacations can take place again. It is good news for those whose hand-drawn calendars for 2021 are filled with travel plans. According to Expedia's latest director of international travel, international travel is expected to rebound in a record timeframe, personal and leisure travel will more than recover half of this year as business trips to resume.

From July 1, Thailand will receive quarantine requirements for vaccinated visitors arriving from most states of Thailand.

Recent news from global media, equal and local operators are gearing up for the return of international travellers, even though the number of travellers is unlikely to be as high as in 2019, before the pandemic struck.

Strong demand
Hot gradual recovery
 From July 1, Thailand will receive quarantine requirements for vaccinated visitors arriving from most states of Thailand.

Recent news from global media, equal and local operators are gearing up for the return of international travellers, even though the number of travellers is unlikely to be as high as in 2019, before the pandemic struck.

More relaxed, less hurried
 While leisure travellers would not be as many as they could be on trip, the Commission's "recovery" means ready to welcome a year, "pared down experience". Having clean and safe and relaxing are on the menu.

While the Commission's regional director for South East Asia, "The impact of Covid-19 is such that we expect it will be years, not months before travel returns to pre-pandemic levels. Travel was one of the first industries to be hit and will likely be the last to recover, and Asia is no exception to this."

It is a trend that tourism boards are recognizing. Tourism operators were busy last year for travellers - sustainable holidays, communications, says that as the reopening of international leisure travel is expected to continue to see strong demand to destinations such as Hong Kong, Bangkok, Tokyo, Bali, Seoul, Shanghai, Guangzhou, Bali, London, Sydney, Melbourne, Perth, and other major cities.

But what are the most in-demand destinations on Expedia.com for the period of July to December 2020? Says the Region's director, "The most in-demand destinations in cultural destinations such as Egypt and Israel, as well as adult lodges in Africa for guests on bucket list trips."

The adult, "Recreational travel bubbles will definitely play a huge role in driving regional travel in the near term and the region's recovery will be faster than that of the rest of the world."

How long a vacation will be the future is still a topic for discussion. The Commission's director says that there is more travel plans, "I think it will be a gradual recovery. A further 24 per cent of the respondents wanting to take more than 14 days than they did in 2019 to ensure they do not have to travel for a long time."

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See looking
 See in Tasmania. "Travelers will want to be pampered and travel with a positive impact on supporting local communities, environment, and culture," says a spokesperson of Tourism Tasmania.

PHOTOS:
 SCOTT DUNN
 SCOTT DUNN
 JANE SAN RECOVERY WILL BE GRADUAL, SHE'S OPTIMISTIC THAT BY THE END OF 2021 THERE WILL BE SOME TRAVEL WITH ASIA.
 PHOTOS: TSP.COM

Business Times, Singapore

Tourism Tasmania also worked with and provided marketing support to the Festival of Voices, Mona Foma, ECHO Festival and Breath of Fresh Air Film Festival.

Tasmania's sponsorship of the Hawthorn Football Club allowed Tourism Tasmania to leverage promotional opportunities through the Club's marketing channels. A partnership with the Cruising Yacht Club of Australia provided content support to keep audiences engaged with the Rolex Sydney to Hobart Yacht Race and Tasmania despite the cancellation of the race in 2020.

EXPERIENCE PROGRAM

Tourism Tasmania's experience program hosts key media, influencers and travel trade guests to enable them to familiarise themselves with Tasmania. Itineraries are individually tailored to meet the specific needs of the visit, showcasing the best of the state's tourism and hospitality offerings.

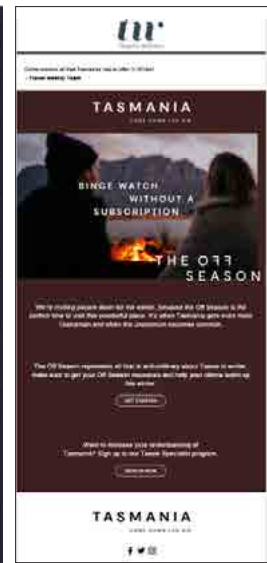
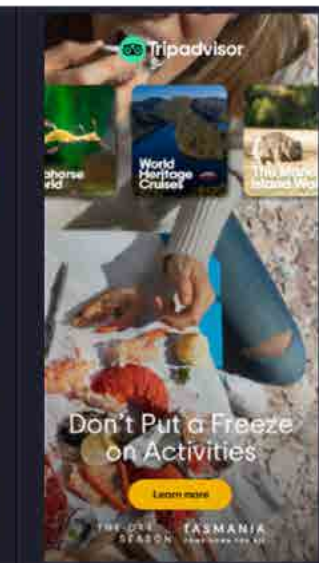
In 2020-21 the experience program delivered 50 familiarisation visits (families) and the program also provided an opportunity for 61 Tasmanian tourism operators to present information or updates to the Tourism Tasmania team on their tourism product or experience.

TRAVEL TRADE PARTNERSHIPS AND ENGAGEMENT

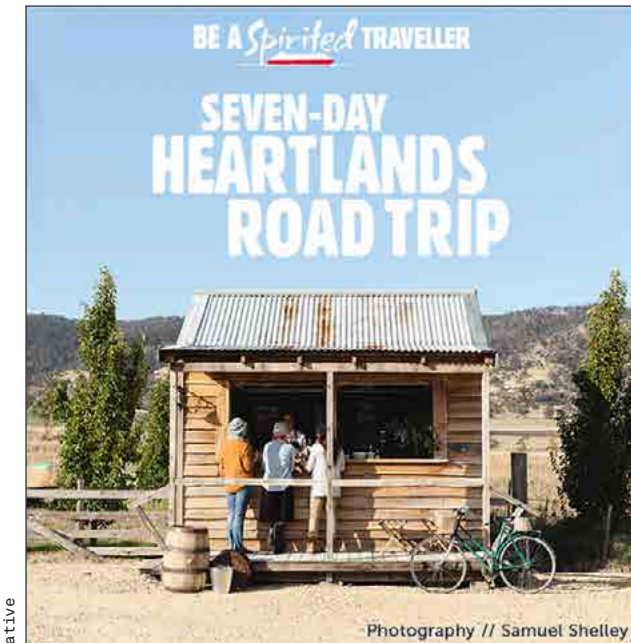
Tourism Tasmania undertakes a program of cooperative marketing campaigns with travel trade partners to boost flight, accommodation and holiday bookings to the state. In 2020-21, the program included cooperative marketing campaigns with 16 travel trade partners and targeted programs to promote the Off Season winter campaign with travel partners and educate travel sellers on Tasmania's winter offerings.



Virgin and Trip Advisor Off Season Creative



Tassie Trade Winter Campaign Creative



Spirit of Tasmania Road Trip Creative



Magazine flipbook with 40,000 copies delivered to Qantas Frequent Flyers.

Tourism Tasmania partnered with the Spirit of Tasmania (TT-Line) on a cooperative marketing campaign focussed on self-drive extended holidays, predominantly targeting interstate audiences in Victoria and New South Wales. The campaign promoted the new drive journey itineraries and encouraged audiences to bring their own car and tour Tasmania.

The Tassie Specialist program seeks to increase Australian based travel seller's knowledge of Tasmania, through training and development opportunities that increase their confidence and propensity to sell Tasmania as a holiday destination to their clients. In 2020-21, 240 travel agents completed the program and qualified as Tassie Specialists.

In June 2021, Tourism Australia held a hybrid version of the Australian Tourism Exchange event in Sydney. Tourism Tasmania and 32 Tasmanian tourism operators attended the event and met with travel buyers from across the country. The Tourism Tasmania team also met with overseas buyers virtually and the Access and Aviation team participated in the aviation hub, meeting with airlines and Tasmanian tourism operators.

To drive seat sales and bookings to the state, Tourism Tasmania partnered with Qantas, Jetstar, Virgin Australia and Link Airways. The program also included social media video content highlighting Tasmania's natural beauty, and a 16-page Tasmania focussed Qantas

ATE21 © Tourism Tasmania



North American Virtual Event



Tourism Tasmania undertakes a biennial trade event, TasTalk which includes a conference for travel trade and a state-wide famil program in Tasmania, supported by the Australian Tourism Export Council (ATEC).

Due to travel restrictions during 2020, the TasTalk event was unable to take place. To enable Tassie Specialists and ATEC member buyers to connect with Tasmanian tourism operators, Tourism Tasmania produced a 90-minute movie featuring 49 trade-ready tourism businesses presenting their products and experiences.

Tourism Tasmania launched an innovative alternative, TasTalk...The Movie which streamed live to an audience of 280 travel sellers in July 2020. The movie is also available on the Tassie Trade website for travel trade training and tourism operators that were featured have also used the video footage in their own marketing channels.



Tourism Australia, North America Consortia Partnership

TOURISM AUSTRALIA PARTNERSHIP

Tourism Tasmania's partnership with Tourism Australia remains a vital part of the state's domestic and global tourism recovery efforts. Tourism Australia's Holiday Here This Year marketing campaigns helped to drive domestic visitation to Tasmania. Co-branded campaigns were conducted between October 2020 and June 2021 with four travel trade distribution partners and three access partners.

Tourism Australia activated a national 'halo partnership' with Airbnb for a summer campaign that enabled Tourism Tasmania to feature five regional destinations on Airbnb, actively promoting summer travel to Tasmania.

In 2020-21 Tourism Tasmania continued to work with Tourism Australia on global marketing programs such as the Aussie Specialist Program, Signature Experiences of Australia, as well as online travel trade showcase events and webinars providing education, awareness and ongoing networking opportunities for international travel trade. Tourism Tasmania collaborated with Tourism Australia on its global social media campaign, *With Love from Aus*, as well as partnerships in North America and Germany.



A WARM RECEPTION,
WITH IFFY
PHONE COVERAGE

— The drive was long. The map got a little confused. And your playlist is limited to a couple of offline albums.

But the heater's cranking, and there's more blankets than you can throw a throw cushion at.

Suddenly, no bars sounds a lot like freedom.

No news. No notifications. The only feed is whatever's bubbling away in the oven.

If that sounds like your idea of a good time, come down to Tasmania this Off Season, and leave the world on silent.

→ Visit discovertasmania.com.au/off-season

THE OFF
SEASON

TASMANIA
COME DOWN FOR AIR

RECOVERING ACCESS TO TASMANIA

Recovering air and sea access to the state is a key priority of the T21 Visitor Economy Action Plan. In 2020-21, Tourism Tasmania worked closely with aviation partners to re-secure the state's domestic aviation network to meet the needs of visitors, businesses and Tasmanians.

Air capacity on the majority of routes to Tasmania recovered strongly, with Hobart and Launceston airport seeing strong return to near pre-COVID-19 capacity levels in the first quarter of 2021.

Direct international flights from Hobart Airport resumed for the first time in 20 years with the introduction of a direct trans-Tasman air service between Hobart and Auckland in April 2021. At the end of the first three months of operations in June 2021, Air New Zealand reported that the Hobart- Auckland service was its strongest performing Trans-Tasman route in an overall cautious market.

The establishment of an international terminal and associated border force arrangements at Hobart Airport provides an opportunity to pursue other international flights from priority markets as international travel restrictions are lifted.

A temporary ban currently exists on cruise shipping in Tasmania. As a member of the Access Working Group, Tourism Tasmania participated in national discussions around cruise shipping.

There will be significant changes in cruise operations in order to be successful in a COVID-19 world and the global cruise industry is developing new health driven protocols that will be introduced world-wide when cruising resumes.

In 2020-21, Tourism Tasmania engaged KPMG to deliver an evaluation of the overall value proposition for cruise shipping in Tasmania looking at the economic, social and environmental costs and benefits of each cruise segment. The final report outlining how to best position Tasmania for the most benefit from the cruise sector is anticipated in late 2021.

DOMESTIC AIR CAPACITY

Throughout 2020-21, Tourism Tasmania worked with airlines to maintain frequency and capacity on core air routes between Hobart and Launceston and Melbourne, Sydney and Brisbane; re-establish air routes between Hobart and Adelaide and Perth; introduce new routes between Hobart and Gold Coast and Canberra; and a new service between Launceston and Adelaide that Virgin will commence from September 2021.

Hobart Airport saw 1,034,000 passengers on scheduled interstate routes for 2020-21, representing 50 per cent of the same period for 2019-20 and 38 per cent of the same period for 2018-19.

Launceston Airport saw 516,642 passengers on scheduled interstate routes for 2020-21, representing 51 per cent of the same period of 2019-20 and 38 per cent of the same period for 2018-19.

INTRASTATE CAPACITY

– BASS STRAIT ISLANDS

In 2020-21, the Tasmanian Government supported the introduction of new direct air services from Hobart to King and Flinders islands with the aim of establishing a long-term sustainable service to support the islands' economies and connect communities throughout the state better than ever before. Sharp Airlines commenced direct passenger flights, three times a week between Hobart and the two islands on 30 September 2020.

Tourism Tasmania supported the introduction of the new direct Bass Strait Island flight services with intrastate demand generation through the Make Yourself at Home campaign and working with the relevant local government and tourism bodies on the islands.



Rocky Cape National Park
© Trent Mitchell

PEOPLE STRATEGY

Tourism Tasmania strives for a values based culture, aiming to create a positive and productive working environment, encouraging innovation, creativity and importantly the best connection with our customers and industry.

Tourism Tasmania continues to implement its people strategy to ensure we can be the best of its kind, focussing on our people through prioritising personal growth and wellbeing, building knowledge of our place and our industry and developing our capability.

This has included the successful delivery of our Unordinary Leaders program, ongoing focus on employee wellbeing, a significant change management implementation of new ways of working to support knowledge, build capability and re-designed recruitment and onboarding programs to support creative, efficient and autonomous ways of working.

We continue to build connection with our industry with all staff participating in the Destination Australia Conference, TICT and regional tourism forums, operator showcases and industry familiarisation programs. All staff and Board of Directors participated in cultural awareness training with the Tasmanian Aboriginal Centre.

Tourism Tasmania continues to embrace technology solutions that enhance efficiency and effectiveness and used the work from home period to trial and adapt new ways of collaborating across teams and the organisation. Adaptive practices required during COVID-19 continue to be applied to create an improved work environment and enhanced employee experience.

As part of the Agency's commitment to continuous improvement and efficiency, a major reform of the procurement and contracting program was delivered and a work prioritisation tool developed. Technology solutions for contract management, program management, forms and authorisations have commenced.

Working with the Agency's internal auditors, the board undertook a wholesale review of Tourism Tasmania's Risk Appetite and developed a new Strategic and Operational Risk Register that reflects the changed environment. The internal auditors also completed an audit of Agency travel and worked with the Board to develop an updated Conflict of Interest Policy and Procedure.

STATUTORY INFORMATION

TOURISM TASMANIA BOARD OF DIRECTORS – ATTENDANCE AT MEETINGS

MEETINGS	TOTAL 16
John Fitzgerald	16
James Cretan	15
Brett Torossi	15
Michelle Cox	16
Annie Beaulieu	16
Carolyn Miller	16
Ian Rankine	16

PUBLIC INTEREST DISCLOSURES ACT

The purpose of the *Public Interest Disclosures Act 2002* (the Act) is to encourage and facilitate the making of disclosures about improper conduct of public officers or public bodies. The Act provides protection to persons who make disclosures in accordance with the Act and establishes a system by which the matters disclosed can be investigated and action to rectify any deficiencies can be taken. The Agency is committed to the aims and objectives of the Act. It does not tolerate improper conduct or detrimental action by the Agency or its members, officers or employees. The procedures for reporting disclosures are available at www.tourismtasmania.com.au. The Agency did not receive any disclosures either directly or indirectly referred via the Ombudsman in the year to 30 June 2021.

AUDIT AND RISK COMMITTEE (ARC)

The primary role of the ARC is to assist the Tourism Tasmania board to fulfil its corporate governance responsibilities in overseeing and reviewing the Agency's internal controls, internal audit relationships, contract engagement, risk management and statutory financial reporting.

The committee comprises three board directors and a non-executive independent member with expertise in corporate governance, auditing and financial reporting. Tourism Tasmania's Chief Operating Officer and Manager Better Business and the Agency's internal auditors attend ARC meetings, along with representatives from the Tasmanian Audit Office where appropriate.

BOARD MEMBER	MEETINGS ATTENDED
Brett Torossi, Chair	5/5
Ian Rankine, Board Director and ARC Committee Member	5/5
Annie Beaulieu, Board Director and ARC Committee Member	5/5
Nicholas Burrows, Non-Executive Independent Audit Committee Member	5/5

RIGHT TO INFORMATION

Tourism Tasmania responds to request for information in accordance with the *Right to Information Act 2009*. The Act allows members of the public the right to access information held by the government and its agencies, with the exception of information deemed by the Act to be exempt. In 2020-21 there were two requests for information from Tourism Tasmania.

OUR STAFF – NUMBERS

As at 30 June 2021, Tourism Tasmania had 57 permanent employees and 12 employees on fixed term contracts plus one Head of Agency and one senior executive position. Of the staff 52 (73 per cent) were full-time and 19 (27 per cent) were part time, 13 employees (18 per cent) were male and 58 (82 per cent) were female. The Agency also employs seven experience guides on a casual basis.

WORKPLACE HEALTH AND SAFETY

The workplace health safety and wellbeing (WHSW) of our people is of paramount importance at Tourism Tasmania. During the year the focus was on the physical and mental health of staff as they transitioned from working from home back to working in the office environment. The Agency ran a number of wellbeing surveys with the results used to inform responsive action and staff were consulted to better understand the impact of hybrid work arrangements. The Agency's COVID-Safe Workplace Plan was also regularly reviewed and updated.

TASMANIAN GOVERNMENT'S DISABILITY FRAMEWORK FOR ACTION

The government's vision is for a fully inclusive society that values and respects all people with disability as equal and contributing members of the community.

Tourism Tasmania contributes to the *Accessible Island: Tasmania's Disability Framework for Action 2018-2021* by ensuring all of its websites are WCAG AA level accessibility compliant.

To support the T21 strategic vision of Tasmania being a leader in innovative and inclusive tourism experiences over the longer term, Tourism Tasmania has convened an Inclusive Tourism Reference Group that includes representatives of the disability community to provide expert input as initiatives are progressed.

Tourism Tasmania also hosted a UTAS intern in semester one of 2021, to research and develop content aimed at raising awareness of the inclusive tourism market, and to provide information that will assist operators to build capacity in delivering accessible and inclusive tourism experiences.



Freycinet Marine Farm
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GOVERNMENT PROCUREMENT

Tasmanian businesses are given every opportunity to compete for Agency business. The follow table details all contracts awarded and procurement processes undertaken in 2020-21 (excluding consultancies) with values in excess of \$50,000 ex GST in accordance with Treasurer's Instruction FR-4 Annual Reports.

PARTICIPATION BY LOCAL BUSINESSES – CONTRACTS OVER \$50,000	NO.
Total number of contracts awarded	61
Total number of contracts awarded to Tasmanian businesses	15
Value of contracts awarded	\$95,457,493*
Value of contracts awarded to Tasmanian businesses	\$4,228,550
Total number of tenders called and requests for quotation services processes undertaken	5
Total number of bids and/or written quotations received	27
Total number of bids and/or written quotations received from Tasmanian businesses	9

* Includes one contract for up to \$75,040,000 for media buying services for up to seven years including cost of potential media purchased through third parties.

CONTRACTS AND TENDERS

The following tables provide detailed information on Tourism Tasmania's contracts over \$50,000 awarded during 2020-21.

The agency did not engage any consultants for contracts valued over \$50,000.

CONTRACTOR	DESCRIPTION	PERIOD	\$ VALUE	EXEMPTION	TAS BUSINESS
AAT Kings Group	Marketing campaign	30/04/2021 to 31/07/2021	\$50,000		No
Andrew Bain	Content creation	21/08/2020 to 30/06/2021	\$70,000		Yes
BIG4 Holiday Parks of Australia Pty Ltd	Co-operative marketing campaign	05/10/2020 to 21/12/2020	\$50,000		No
Clemenger BBDO (Sydney) Pty Ltd	Digital Creative Agency services – variation	23/12/2020 to 25/06/2021	\$415,796		No
Dundonald Pty Ltd t/a TomTen Consulting	Business Transformation services	15/02/2021 to 24/12/2021	\$96,200		Yes
Flight Centre Travel Group Limited (Australia)	Marketing campaign	13/05/2021 to 31/08/2021	\$60,000		No
Genero Media Pty Ltd	Social media	01/04/2021 to 30/06/2021	\$80,000		No
Helloworld Services Pty Ltd	Co-operative marketing campaign	01/11/2020 to 19/12/2020	\$75,000		No
Helloworld Services Pty Ltd	Co-operative marketing campaign	15/05/2021 to 15/08/2021	\$75,000		No
Hopolla Group Pty Ltd	Marketing campaign	24/05/2021 to 31/10/2021	\$50,000		No
Intrepid Travel Pty Ltd	Co-operative marketing agreement	18/12/2020 to 30/06/2021	\$80,000		No
Jade Clark	Marketing services	30/11/2020 to 30/06/2021	\$80,000		No
Jason Charles Hill	Content creation	26/04/2021 to 10/06/2021	\$99,980		No
Jetstar Airways Pty Ltd	Co-operative marketing campaign	01/12/2020 to 30/06/2021	\$200,000	PP-2	No
Jetstar Airways Pty Ltd	Co-operative marketing campaign	09/04/2021 to 13/04/2021	\$100,000	PP-2	No
Julie Earle Levine	Media & PR services – North America	01/07/2021 to 30/06/2023	\$173,600	PP-2	No
Kerry Lotzof	Marketing services	15/03/2021 to 31/12/2021	\$70,000		Yes
Lux Productions	Television series production	01/07/2021 to 30/10/2021	\$50,000		No
Luxury Escapes	Marketing campaign	05/02/2021 to 30/04/2021	\$98,000		No

CONTRACTOR	DESCRIPTION	PERIOD	\$ VALUE	EXEMPTION	TAS BUSINESS
Brunnthaler & Geisler GmbH t/a Hansmann PR	Media & PR services - Germany	01/07/2021 to 30/06/2023	\$99,000		No
Mint PR	PR services	10/02/2021 to 31/08/2021	\$150,000	PP-2	No
Mint PR	PR services - variation	15/04/2021 to 30/06/2021	\$212,233	PP-2	No
Mint PR	PR services - variation	15/04/2021 to 30/06/2021	\$75,000		No
Newbale Clothing Pty Ltd	Marketing campaign	01/05/2021 to 30/06/2021	\$60,000		No
QANTAS	Co-operative marketing campaign	01/11/2020 to 31/12/2020	\$195,000	PP-2, C-1	No
QANTAS	Co-operative marketing campaign	01/12/2020 to 30/06/2021	\$50,000	C-1	Yes
QANTAS	Co-operative marketing campaign	15/02/2021 to 30/06/2021	\$100,000	PP-2, C-1	Yes
The Trustee for Vallentine Trust	Marketing services	19/04/2021 to 19/07/2021	\$70,000		Yes
Skyscanner Pte Ltd	Co-operative marketing agreement	15/12/2020 to 30/03/2021	\$76,320		No
Skyscanner Pte Ltd	Co-operative marketing agreement - variation	15/04/2021 to 30/09/2021	\$65,000	PP-2	No
Tasmanian Chamber of Commerce and Industry	Make Yourself at Home website	15/10/2020 to 30/06/2021	\$50,000		Yes
Tasvacations Pty Ltd	Co-operative marketing agreement	01/10/2020 to 30/06/2021	\$150,000	PF-7	Yes
Taylor Nelson Pty Ltd t/a Kantar	Research services - variation	30/03/2021 to 30/06/2021	\$89,000		No
Taylor Nelson Pty Ltd t/a Kantar	Research services - variation	19/04/2021 to 30/06/2021	\$100,000		No
The Trustee for the Carol Mason Family Trust t/a Smitten Merino	Procurement of goods	01/04/2021 to 31/05/2021	\$99,150		Yes
The20 Pty Ltd	Marketing campaign - variation	01/02/2021 to 30/06/2021	\$200,000	PP-2	Yes
The20 Pty Ltd	Media Buying Services - intrastate campaign	4/07/2020 to 27/12/2020	\$175,000	PP-2	Yes
Tourism Australia	Aussie Specialist Trade Training program	01/07/2020 to 30/06/2021	\$83,838		No
Tourism Australia	Bushfire Recovery - Tasmanian Drive Journeys	25/01/2021 to 15/06/2021	\$125,000	PP-2	No
Tourism Australia	Consumer Demand Project	01/07/2020 to 30/06/2025	\$357,500	PP-2, PF-2	No
Tourism Australia	Signature Experiences of Australia Program	01/07/2021 to 30/06/2024	\$180,000	PP-2	No
Tourism Australia	Television series production	01/03/2021 to 30/06/2022	\$130,000	PP-2	No
Tourism Research Australia	Service Level Agreement	01/07/2020 to 30/06/2021	\$127,933	PP-2	No

CONTRACTS AND TENDERS CONTINUED FROM PREVIOUS PAGE

CONTRACTOR	DESCRIPTION	PERIOD	\$ VALUE	EXEMPTION	TAS BUSINESS
Travelscape, LLC d/b/a Expedia Group Media Solutions	Marketing campaign	16/04/2021 to 12/04/2022	\$175,000	PP-2, C-1	No
Trinity P3	Marketing alignment	01/12/2020 to 28/02/2021	\$128,000		No
Vee H Aviation Pty Ltd trading as Link Airways	Cooperative Marketing Agreement	14/04/2021 to 30/09/2021	\$56,000		No
Virgin Australia	Co-operative marketing campaign	20/06/2021 to 27/06/2021	\$150,000	PP-2	No
Virgin Australia Airlines Pty Ltd	Co-operative marketing campaign	01/02/2021 to 30/06/2021	\$60,000		No
Virgin Australia Airlines Pty Ltd	Co-operative marketing campaign	15/11/2020 to 30/06/2021	\$180,000	PP-2	No
Wild Things Production	Television series production	01/04/2021 to 31/07/2021	\$80,000		No

Exemptions PP-2 Limited tendering PF-2 Disaggregation PF-7 COVID-19 Emergency Procurement C-1 Confidentiality

CONTRACTS BY QUOTES/TENDERS

CONTRACTOR	DESCRIPTION	PERIOD	\$ VALUE	EXEMPTION	TAS BUSINESS
Isentia Pty Ltd	Media monitoring services 2020-2024	01/11/2020 to 31/10/2024	\$116,880		No
Kantar Insights Australia Pty Ltd	Market research services 2021 to 2028	01/07/2021 to 30/06/2028	\$4,100,000	PF-2	No
KPMG Australia	Cruise Research	11/12/2020 to 26/02/2021	\$150,000		No
Starcom Australia, a division of Publicis Media Australia Pty Ltd	Media Buying Services 2021-2024	07/04/2021 to 06/04/2028	\$75,040,000*	PF-2	No
The Trustee for W.Hazell Family Trust t/a Optimum Standard	Agritourism development and activation	21/06/2021 to 30/06/2023	\$1,800,000	PF-2	Yes

* This contract is for up to \$75,040,000 for media buying services for up to seven years including cost of potential media purchased through third parties.

CONTRACT EXTENSIONS

CONTRACTOR	DESCRIPTION	PERIOD	\$ VALUE	EXEMPTION	TAS BUSINESS
Initiative Media Australia Pty Ltd	Media buying services	02/07/2020 to 30/06/2021	\$10,305,000	PP-2, PP-6	No
Marli Tapsall	Marketing support	01/01/2021 to 30/06/2021	\$75,660	PP-2	No
Squiz Australia Pty Ltd	Web design, development, publishing and hosting services	16/06/2021 to 15/06/2022	\$849,203	PP-6	No
The20 Pty Ltd	Marketing campaign	01/07/2021 to 31/08/2021	\$300,000	PP-2, PP-6	Yes
Tourism Research Technology Pty Ltd	Visitor tracking	01/05/2021 to 31/04/2022	\$298,200	PP-6	Yes

TOURISM TASMANIA FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2021



TOURISM TASMANIA FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2021

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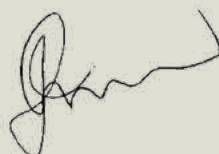
CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying Financial Statements of Tourism Tasmania are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016* and Part 7 of the *Tourism Tasmania Act 1996* to present fairly the financial transactions for the year ended 30 June 2021 and the financial position as at the end of the year.

At the date of signing we were not aware of any circumstances which would render the particulars included in the Financial Statements misleading or inaccurate.



John Fitzgerald
CHIEF EXECUTIVE OFFICER
15 September 2021



James Cretan
CHAIR OF THE BOARD
15 September 2021

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 Budget \$'000	2021 Actual \$'000	2020 Actual \$'000
Income from continuing operations				
Revenue from Government				
Appropriation revenue – operating	3.1	38 523	34 973	26 492
Appropriation revenue – other	3.1	900	900	...
Grants	3.2	...	595	100
Sales of goods and services		...	4	...
Recoveries	3.3	696	1 178	986
Total revenue from continuing operations		40 119	37 650	27 578
Net gain/(loss) on financial instrument and statutory receivables/payables	4.1	...	...	(10)
Total income from continuing operations		40 119	37 650	27 568
Expenses from continuing operations				
Employee benefits	5.1	8 118	7 448	7 543
Depreciation and amortisation	5.2	22	57	78
Supplies and consumables	5.3	4 589	3 777	3 501
Grants and subsidies	5.4	1 829	2 043	2 121
Advertising and promotion	5.5	25 513	24 774	14 241
Other expenses	5.6	70	244	245
Total expenses from continuing operations		40 141	38 343	27 729
Net result from continuing operations		(22)	(693)	(161)
Net result		(22)	(693)	(161)
Comprehensive result		(22)	(693)	(161)

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Notes	2021 Budget \$'000	2021 Actual \$'000	2020 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and cash equivalents	9.1	1	5 024	(135)
Receivables	6.1	...	852	271
<i>Non-financial assets</i>				
Leasehold improvements	6.2	...	233	281
Plant and equipment	6.2	358	34	43
Intangibles	6.3	...	...	...
Other assets	6.4	702	238	453
Total assets		1 061	6 381	913
Liabilities				
Payables	7.1	85	633	85
Employee benefits	7.2	1 667	1 577	1 635
Other liabilities	7.3	11	5 683	12
Total liabilities		1 763	7 893	1 732
Net assets/(liabilities)		(702)	(1 512)	(819)
Equity				
Accumulated funds/(deficit)		(702)	(1 512)	(819)
Total equity/(deficit)		(702)	(1 512)	(819)

This Statement of Financial Position should be read in conjunction with the accompanying notes.
Budget information refers to original estimates and has not been subject to audit.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 Budget \$'000	2021 Actual \$'000	2020 Actual \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities				
<i>Cash inflows</i>				
Appropriation receipts – operating	3.1	38 523	34 973	26 492
Appropriation receipts – other	3.1	900	900	...
Grants - Continuing operations		...	6 261	100
GST receipts		...	2 306	1 675
Sales of goods and services		...	4	...
Other cash receipts		696	1 185	981
Total cash inflows		40 119	45 629	29 248
<i>Cash outflows</i>				
Employee benefits		(8 118)	(7 689)	(7 515)
Supplies and consumables		(4 589)	(3 687)	(3 513)
Grants and subsidies		(1 829)	(2 043)	(2 121)
GST payments		...	(2 821)	(1 714)
Advertising and promotion		(25 513)	(24 162)	(14 273)
Other cash payments		(70)	(68)	(152)
Total cash outflows		(40 119)	(40 470)	(29 288)
Net cash from (used by) operating activities	9.2	...	5 159	(40)
Net increase / (decrease) in cash held and cash equivalents		...	5 159	(40)
Cash and deposits at the beginning of the reporting period		1	(135)	(95)
Cash and deposits at the end of the reporting period	9.1	1	5 024	(135)

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	Accumulated funds (deficit) \$'000	Total Equity (deficit) \$'000
Balance as at 1 July 2020	(819)	(819)
Total comprehensive result	(693)	(693)
Balance as at 30 June 2021	(1 512)	(1 512)

	Accumulated funds (deficit) \$'000	Total Equity (deficit) \$'000
Balance as at 1 July 2019	(658)	(658)
Total comprehensive result	(161)	(161)
Balance as at 30 June 2020	(819)	(819)

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2021

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NOTE 1

TOURISM TASMANIA

OUTPUT SCHEDULE

1.1 OUTPUT GROUP INFORMATION

Tourism Tasmania's role is to create demand for travel to the State by connecting people culturally and emotionally to Tasmania through domestic and international marketing programs that lead and activate the Tasmanian brand and grow economic and social value.

The summary of budgeted and actual revenues and expenses for this Output are the same as in the Statement of Comprehensive Income. Therefore, the inclusion of a separate Output Schedule is not necessary.

Explanations of material variances between budget and actual outcomes are provided in Note 2. A reconciliation of the net result of the Output Group to the net surplus on the Statement of Comprehensive Income is not necessary as Tourism Tasmania only has one output group. For the same reason there is no separate reconciliation between the total net assets deployed for the Output Group to net assets on the Statement of Financial Position.

NOTE 2

EXPLANATIONS OF MATERIAL
VARIANCES BETWEEN BUDGET
AND ACTUAL OUTCOMES

The following are brief explanations of material variances between Budget estimates and actual outcomes. Variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$50 000.

Tourism Tasmania has a focused Annual Operating Budget (AOB) that is overseen by a Board of Directors with the funding aligned to projects and performance is monitored against that budget. This differentiates from the original budget in the Financial Statements that is generated in Treasury's Budget Management Information System for inclusion in the specific year's Budget Papers.

2.1 STATEMENT OF COMPREHENSIVE INCOME

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Appropriation revenue - operating	(a)	38 523	34 973	(3 550)	(9%)
Grants revenue	(b)	...	595	595	100%
Recoveries	(c)	696	1 178	482	69%
Depreciation and amortisation	(d)	22	57	35	159%
Supplies and consumables	(e)	4 589	3 777	(812)	(18%)
Grants and subsidies expense	(f)	1 829	2,043	214	12%
Other Expenses	(g)	70	244	174	249%

NOTES TO STATEMENT OF COMPREHENSIVE INCOME VARIANCES

- (a) Budget variation due to cashflow change to Marketing activity (\$3.550M).
- (b) Australian Government Recovery for Regional Tourism Program (\$0.587M) and Wine Australia (\$0.008M).
- (c) Variance includes Holiday Here This Year (\$0.500M).
- (d) Depreciation/amortisation variance relates to no depreciation being recorded for ICT equipment that was fully depreciated in the prior year.
- (e) Variance due to lower supplies and consumables purchases than originally forecast.
- (f) Variation in timing of Regional Tourism Organisations grant payments in FY21 (\$0.321M); and payment under the Australian Government Recovery for Regional Tourism Program (\$0.500M).
- (g) The variation is due to the budget for Other Expenses did not include all relevant employee entitlement items. These have been classified in the budget for Employee Benefit Expenses.

2.2 STATEMENT OF FINANCIAL POSITION

	Note	Budget \$'000	2021 Actual \$'000	2020 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Cash and deposits	(a)	1	5 024	(135)	5 023	5 159
Receivables	(b)	...	852	271	852	581
Leasehold improvements	(c)	...	233	281	233	(48)
Plant and equipment	(d)	358	34	43	(324)	(9)
Other assets	(e)	702	238	453	(464)	(215)
Payables	(f)	85	633	85	548	548
Employee Benefits	(g)	1 667	1 577	1 635	(90)	(58)
Other liabilities	(h)	11	5 683	12	5 672	5 671

NOTES TO STATEMENT OF FINANCIAL POSITION VARIANCES

- (a) The cash balance predominantly reflects the Australian Government Recovery for Regional Tourism Program (\$5.673M).
- (b) Reflects the year end GST refund receivable. No budget set.
- (c) & (d) Variance reflects the actual classification of the assets, whereas budget classifies the assets as simply plant and equipment.
- (e) Variation is due to reduction in prepayment of contract commitments
- (f) Variance to budget primarily reflects a significant increase in creditors at year end relating to the winter media plan.
- (g) Variance is primarily due to reduced level of leave being taken. This is common in most businesses given Covid-19 travel restrictions.
- (h) The increase in other liabilities predominantly relates to funds received for the Australian Government Recovery for Regional Tourism Program (\$5.673M).

2.3 STATEMENT OF CASH FLOWS

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Appropriation receipts - operating	(a)	38 523	34 973	(3 550)	(9%)
Grants revenue	(b)	...	6 261	6 261	100%
GST receipts	(c)	...	2 306	2 306	100%
GST payments	(d)	...	(2 821)	(2 821)	(100%)
Other cash receipts	(e)	696	1 185	489	70%
Supplies and consumables	(f)	(4 589)	(3 687)	902	(20%)
Grants and subsidies expense	(g)	(1 829)	(2 043)	(214)	12%
Advertising and promotion	(h)	(25 513)	(24 162)	1 351	(5%)

NOTES TO STATEMENT OF CASH FLOWS VARIANCES

- (a) Budget variation due to cashflow change to Marketing activity (\$3.550M)
- (b) Australian Government Recovery for Regional Tourism Program (\$6.261M)
- (c) and (d) Net difference between GST receipts and payments. No budget set.
- (e) Variance includes Holiday Here This Year (\$0.500M).
- (f) Variance due to lower supplies and consumables purchases than originally forecast.
- (g) Variation in timing of Regional Tourism Organisations grant payments in FY21 (\$0.321M); and payment under the Australian Government Recovery for Regional Tourism Program (\$0.500M).
- (h) Budget variation due to cashflow change of Marketing activity (\$3.550M) and increase expenditure for Holiday Here This Year (\$0.500M)

NOTE 3

INCOME FROM TRANSACTIONS

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

3.1 Revenue from Government

Appropriations, whether operating or capital, are recognised as revenues in the period in which Tourism Tasmania gains control of the appropriated funds. Except for any amounts identified as carried forward in Note 3.1, control arises in the period of appropriation.

As a result of the commencement of the Financial Management Act, from 2020-21 Revenue from Government will include revenue from appropriations, unexpended appropriations rolled over under section 23 of the Financial Management Act 2016 and Items Reserved by Law.

Section 23 of the Financial Management Act allows for an unexpended appropriation at the end of the financial year, as determined by the Treasurer, to be issued and applied from the Public Account in the following financial year. The amount determined by the Treasurer must not exceed five per cent of an Agency's appropriation for the financial year. Rollover of unexpended appropriations under section 23 will be disclosed under the *Financial Management Act* for the first time in 2020-21.

The Budget information is based on original estimates and has not been subject to audit.

	2021 Budget \$'000	2021 Actual \$'000	2020 Budget \$'000
<i>Continuing Operations</i>			
Appropriation revenue – operating			
Current year	38 523	34 973	26 492
Other Revenue from Government			
Appropriation Rollover under section 23 of the <i>Financial Management Act 2016</i> ¹	900	900	...
Total revenue from Government	39 423	35 873	26 492

¹ Rollover of Holiday Local Campaign for Covid-19 response and recovery measures.

3.2 Grants

Grants revenue, where there is a sufficiently specific performance obligation attached, are recognised when Tourism Tasmania satisfies the performance obligation and transfers the promised goods or services. Grants received by Tourism Tasmania are bespoke and will specify when performance obligations are satisfied, allowing Tourism Tasmania to recognise revenue associated with performance obligations on a case-by-case basis.

Grants revenue without a sufficiently specific performance obligation are recognised when Tourism Tasmania gains control of the asset (typically Cash).

Grants to acquire/construct a recognisable non-financial asset to be controlled by Tourism Tasmania are recognised when Tourism Tasmania satisfies its obligations under the transfer. Tourism Tasmania satisfies its performance obligations over time as the non-financial assets are being constructed using the expenses incurred for the asset as the trigger for recognition of the grant.

	2021 \$'000	2020 \$'000
Grants from the Australian Government		
Australian Government Recovery for Regional Tourism Program	587	...
Wine Australia grant	8	100
Total revenue from Grants	595	100

3.3 Recoveries

Recoveries are received from a range of government and industry partners on a funding and/or reimbursement basis.

	2021 \$'000	2020 \$'000
Aviation and access	200	200
Grants and subsidies	265	260
Visitor economy	184	123
Bushfire recovery	...	300
Marketing activities	500	75
Other recoveries	29	28
Total Recoveries	1 178	986

NOTE 4

NET GAINS/(LOSSES)

4.1 Net Gain/(Loss) on Financial Instruments and Statutory Receivables/Payables

Financial assets are impaired under the expected credit loss approach required under AASB 9 *Financial Instruments*. The expected credit loss is recognised for all debt instruments not held at fair value through profit or loss.

An impairment loss using the expected credit loss method for all trade debtors uses a lifetime expected loss allowance. The expected loss rates are based upon historical observed loss rates that are adjusted to reflect forward looking macroeconomic factors.

	2021	2020
	\$'000	\$'000
Impairment of receivables	...	(10)
Total	...	(10)

NOTE 5

EXPENSES FROM TRANSACTIONS

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

5.1 Employee Benefits

Employee Benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

(A) EMPLOYEE EXPENSES

	2021 \$'000	2020 \$'000
Wages and salaries	5 831	5 750
Annual leave	391	440
Long service leave	(28)	104
Sick leave	125	198
Superannuation – defined benefit scheme	127	72
Superannuation – contribution schemes	662	730
Other post-employment benefits	158	86
Other employee expenses	182	163
Total	7 448	7 543

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. The amount of the payment is based on a department contribution rate determined by the Treasurer, on the advice of the State Actuary. The current agency contribution is 12.95 per cent (2020: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 9.5 per cent (2020: 9.5 per cent) of salary. In addition, agencies are also required to pay into the Public Account a “gap” payment equivalent to 3.45 per cent (2020: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

Normal leave patterns have been disrupted due to Covid-19.

(B) REMUNERATION OF KEY MANAGEMENT PERSONNEL 2021

	Short-term benefits		Long-term benefits		Termination benefits	Total
	Salary	Other Benefits	Superannuation	Other Benefits & Long-Service Leave		
	\$'000	\$'000	\$'000	\$'000		
2021					\$'000	\$'000
Board Members						
James Cretan, Chairperson	52	...	5	...	...	57
Brett Torossi	32	...	3	...	...	35
Michelle Cox	29	...	3	...	...	32
Ian Rankine	29	...	3	...	...	32
Annie Beaulieu	29	...	3	...	...	32
Carolyn Miller	29	...	3	...	...	32
Management personnel						
John Fitzgerald, CEO*	264	15	25	2	...	306
Mark Jones, Chief Operating Officer	164	4	16	(3)	...	181
Emma Terry, Chief Marketing Officer	230	8	22	11	...	271
Johan Van Pelt, Director Aviation & Access Development (to 14/8/20)	39	...	4	...	...	43
Stephen Farquer, Director Aviation & Access Development (from 3/8/20)	149	...	14	9	...	172
Amy Hills, Director Strategy, Government and Industry (to 7/8/20)	30	1	3	...	...	34
Edwina Morris, Director Strategy, Government and Industry (from 7/8/20)	131	3	12	50	...	196
Anne Greentree, Director Visitor Economy Strategy	164	5	16	7	...	192
Total	1 371	36	132	76	...	1 615

(B) REMUNERATION OF KEY MANAGEMENT PERSONNEL 2020

	Short-term benefits		Long-term benefits		Termination benefits	Total
	Salary	Other Benefits	Superannuation	Other Benefits & Long-Service Leave		
2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Board Members						
James Cretan, Chairperson	52	...	5	...	...	57
Brett Torossi	33	...	3	...	...	36
Michelle Cox	29	...	3	...	...	32
Rebecca King (to 14/9/2019)	6	...	1	...	...	7
Ian Rankine	29	...	3	...	...	32
Annie Beaulieu	30	...	3	...	...	33
Carolyn Miller (from 30/3/2020)	7	...	1	...	...	8
Management personnel						
John Fitzgerald, CEO*	258	19	24	12	...	313
Mark Jones, Chief Operating Officer	162	6	15	3	...	186
Emma Terry, Chief Marketing Officer	226	11	21	15	...	273
Johan Van Pelt, Director Aviation & Access Development	177	...	17	11	...	205
Amy Hills, Director Strategy, Government and Industry (from 1/7/2019)	153	3	15	9	...	180
Anne Greentree, Director Visitor Economy Strategy (from 8/7/2019)	156	4	15	...	...	175
Total	1 318	43	126	50	...	1 537

*The CEO is also a Board Director as provided by section 8, part 3 of the Tourism Tasmania Act 1996.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Tourism Tasmania, directly or indirectly.

Remuneration during 2020-21 for key personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Short-term benefits include motor vehicle and car parking fringe benefits in addition to annual leave and any other short-term benefits. Fringe benefits have been reported at the grossed up reportable fringe benefits amount. The Fringe Benefits Tax (FBT) year runs from 1 April to 31 March each year, and FBT attributable to key management personnel is reported on that basis. Long term employee expenses include long service leave, superannuation obligations and termination payments.

ACTING ARRANGEMENTS

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

(C) RELATED PARTY TRANSACTIONS

AASB 124 *Related Party Disclosures* requires related party disclosures to ensure that the financial statements contain disclosures necessary to draw attention to the possibility that Tourism Tasmania financial results may have been affected by the existence of related parties and by transactions with such parties.

This note is not intended to disclose conflicts of interest for which there are administrative procedures in place.

The extent of information disclosed about related party transactions and balances is subject to the application of professional judgement by Tourism Tasmania. It is important to understand that the disclosures included in this note will vary depending on factors such as the nature of the transactions, the relationships between the parties to the transaction and the materiality of each transaction. Those transactions which are not materially significant by their nature, impact or value, in relation to the Tourism Tasmania normal activities, are not included in this note.

The aggregate value of related party transactions and outstanding balances (if any) is as follows:

	2021 Aggregate value of transactions \$'000	30 June 2021 Total Amount Outstanding or Committed \$'000
Purchase of services (on commercial arm's length terms)	122	...

The related party transactions relate solely to Tas Vacations Pty Ltd who were contracted to provide services through a Co-Marketing Agreement (Board Director Ian Rankine – is Chief Executive and a Director of Tas Vacations Pty Ltd). Amounts shown are inclusive of GST.

5.2 Depreciation and amortisation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements once the asset is held ready for use.

Leasehold improvements 10 years

Depreciation is provided for on a straight-line basis using rates which are reviewed annually. The major depreciation period is:

Plant and equipment 3-25 years

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by Tourism Tasmania. The major amortisation period is:

Software 5 years

(A) DEPRECIATION

	2021 \$'000	2020 \$'000
Plant and equipment	9	30
Total	9	30

(B) AMORTISATION

Leasehold Improvements	48	48
Total	48	48
Total depreciation and amortisation	57	78

5.3 Supplies and Consumables

Supplies and consumables, including audit fees, communications, information technology, operating lease costs, property expenses, purchase of goods and services, travel and transport, and legal expenses, are recognised when it is probable that the consumption or loss of future economic benefits resulting in a reduction in assets and/or an increase in liabilities has occurred and the consumption or loss of future economic benefits can be measured reliably.

	2021 \$'000	2020 \$'000
Audit fees – financial audit	45	44
Audit fees – internal audit	51	56
Office accommodation and vehicles rental	450	434
Consultants	15	29
Contracted services	877	332
Corporate overhead fee	904	904
Property expenses	60	55
Maintenance	1	12
Communications	63	100
Information technology	877	808
Travel and transport	184	357
Other supplies and consumables	250	370
Total	3 777	3 501

5.4 Grants and Subsidies

Grant and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant eligibility criteria have been satisfied.

A liability is recorded when Tourism Tasmania has a binding agreement to make the grants but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2021 \$'000	2020 \$'000
Regional Tourism Organisations support (RTO's) *	1 003	1 581
Contribution to Tasmanian Visitor Information Network (TVIN)	340	340
Contribution to Tourism Industry Council Tasmania (TICT) *	200	200
Australian Government Recovery for Regional Tourism Program – Recipient	500	...
Total	2 043	2 121

Variation in timing of Regional Tourism Organisations grant payments in FY21 (\$0.321M).

* Department of State Growth contributes \$0.230M towards the RTO's and \$0.030M towards TICT grant deeds.

5.5 Advertising and Promotion

Advertising and promotion are recognised as expenses when a decrease in future economic benefits related to a decrease in assets or an increase in a liability has arisen that can be measured reliably.

	2021 \$'000	2020 \$'000
On-line advertising	7 070	2 875
Media advertising	6 013	3 207
Co-operative/partnership marketing	3 192	2 057
Industry trade promotions	391	342
Visitor Joint Promotion (VJP) expenses	240	457
Other advertising/promotional expenses	3 812	1 327
Contracted Services – Marketing	3 996	3 817
Non-staff travel expenses	60	159
Total	24 774	14 241

Marketing spend was significantly reduced in FY20 due to impacts from the Australian bushfire crisis and the COVID-19 pandemic.

5.6 Other Expenses

Other expenses are recognised when it is probable that the consumption or loss of future economic benefits resulting in a reduction in assets and/or an increase in liabilities has occurred and the consumption or loss of future economic benefits can be measured reliably.

	2021 \$'000	2020 \$'000
Salary on costs	59	53
Training seminars and conferences	165	132
Workplace health, safety and wellbeing	5	8
Other	15	52
Total	244	245

NOTE 6

ASSETS

Assets are recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to Tourism Tasmania and the asset has a cost or value that can be measured reliably.

6.1 Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An allowance for expected credit losses is recognised for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, a simplified approach in calculating expected credit losses is applied, with a loss allowance based on lifetime expected credit losses recognised at each reporting date. Tourism Tasmania has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2021 \$'000	2020 \$'000
Receivables ¹	862	281
Less: Provision for impairment ²	(10)	(10)
Total	852	271
Sale of goods and services (inclusive of GST)	16	...
Tax assets	836	271
Total	852	271
Settled within 12 months	852	271
Settled in more than 12 months	...	...
Total	852	271

¹ Includes the year end GST on payments made in June (\$0.836M). All receivables except Virgin Australia have been received post 30 June 2021.

² The trade receivable balance includes a receivable from Virgin Australia, which is in voluntary administration. A claim has been lodged with Deloitte the administrators for Tourism Tasmania's receivable amount and a provision has been raised for the full debtor balance.

6.2 Leasehold Improvements and Plant and Equipment

(i) VALUATION BASIS

Non-current physical assets are recorded at historic cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components).

(ii) SUBSEQUENT COSTS

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to Tourism Tasmania and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day to day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) ASSET RECOGNITION THRESHOLD

The asset capitalisation threshold adopted by Tourism Tasmania is \$10 000 for all assets. Assets valued at less than \$10 000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

LEASEHOLD IMPROVEMENTS

(A) CARRYING AMOUNT

	2021 \$'000	2020 \$'000
Leasehold improvements		
At cost	480	480
Less: Accumulated amortisation	(247)	(199)
Total leasehold improvements	233	281

(B) RECONCILIATION OF MOVEMENTS

	2021 \$'000	2020 \$'000
Carrying amount at 1 July	281	329
Amortisation expense	(48)	(48)
Carrying amount at 30 June	233	281

PLANT AND EQUIPMENT**(C) CARRYING AMOUNT**

	2021 \$'000	2020 \$'000
Plant and equipment		
At cost	123	123
Less: Accumulated depreciation	(89)	(80)
Total plant and equipment	34	43

Plant and Equipment costs are for Public Art and office collaborative technology devices.

(D) RECONCILIATION OF MOVEMENTS

	2021 \$'000	2020 \$'000
Carrying amount at 1 July	43	73
Depreciation expense	(9)	(30)
Carrying amount at 30 June	34	43

6.3 Intangibles

An intangible asset is recognised where:

- it is probable that an expected future benefit attributable to the asset will flow to Tourism Tasmania; and
- the cost of the asset can be reliably measured.

Intangible assets held by Tourism Tasmania are valued at cost less any subsequent accumulated amortisation and any subsequent accumulated impairment losses where an active market exists. Where no active market exists, intangibles are valued at cost less any accumulated amortisation and any accumulated impairment losses.

(A) CARRYING AMOUNT

	2021 \$'000	2020 \$'000
Intangibles with a finite useful life		
Software at cost	776	776
Less: Accumulated amortisation	(776)	(776)
Total	...	...

6.4 Other Assets

Other assets are recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to Tourism Tasmania and the asset has a cost or value that can be measured reliably.

	2021 \$'000	2020 \$'000
Other assets		
Prepayments	238	453
Total	238	453
Utilised within 12 months	238	453
Utilised in more than 12 months	...	...
Total	238	453

Prepayments are for contracted commitments or annual subscriptions that are all to be expended over a 12-month period.

NOTE 7

LIABILITIES

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

7.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Tourism Tasmania becomes obliged to make future payments as a result of a purchase of assets or services.

	2021 \$'000	2020 \$'000
Creditors	627	73
Accrued expenses	6	12
Total	633	85
Settled within 12 months	633	85
Settled in more than 12 months	...	...
Total	633	85

Settlement is usually made within 30 days.

7.2 Employee Benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

	2021 \$'000	2020 \$'000
Accrued salaries	149	113
Annual leave	547	552
Long service leave	881	970
Total	1 577	1 635
Expected to settle wholly within 12 months	766	763
Expected to settle wholly within 12 months	811	872
Total	1 577	1 635

7.3 Other Liabilities

Other liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

	2021 \$'000	2020 \$'000
Revenue received in advance		
Australian Government Recovery for Regional Tourism Program	5 673	...
Other liabilities		
Employee benefits – on-costs	10	12
Total	5 683	12
Expected to settle wholly within 12 months	5 677	5
Expected to settle wholly after 12 months	6	7
Total	5 683	12

NOTE 8

COMMITMENTS AND CONTINGENCIES

8.1 Schedule of Commitments

Commitments represent those contractual arrangements entered by Tourism Tasmania that are not reflected in the Statement of Financial Position.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

	2021 \$'000	2020 \$'000
By type		
<i>Lease Commitments</i>		
Other leases	1 944	2 472
Total lease commitments	1 944	2 472
<i>Other Commitments</i>		
Program commitments	8 743	12 844
Total other commitments	8 743	12 844
Total	10 687	15 316

By maturity

<i>Operating lease commitments</i>		
One year or less	480	508
From one to five years	1 464	1 964
More than five years	...	...
Total lease commitments	1 944	2 472
<i>Other commitments</i>		
One year or less	6 147	7 915
From one to five years	2 596	4 929
More than five years	...	...
Total other commitments	8 743	12 844
Total	10 687	15 316

Lease commitments shows amounts payable for major office accommodation and government motor vehicle fleet, payable over a period of one year or greater for which it has been deemed are excluded from the application of AASB 16.

The Program commitments shows amounts approved to clients payable over a period of one year or greater on which the actual amount payable is dependent upon expenditure being incurred and certain conditions being met by these clients and a claim submitted and approved for payment.

8.2 Contingent Assets and Liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding the amount or timing of the underlying claim or obligation.

As at 30 June 2021, Tourism Tasmania did not have any contingent assets or liabilities.

NOTE 9

CASH FLOW RECONCILIATION

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Specific Purpose Account. Deposits are recognised at amortised cost, being their face value.

9.1 Cash and Cash Equivalents

Cash and cash equivalents includes the balance of the Specific Purpose Accounts held by Tourism Tasmania, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2021 \$'000	2020 \$'000
Specific Purpose Account balance		
S535 Tourism Tasmania Financial Management Account	(649)	(136)
Australian Government Recovery for Regional Tourism Program	5 673	...
Total S535	5 024	(136)
Other cash held		
Petty cash float	...	1
Total	...	1
Total cash and deposits	5 024	(135)

9.2 Reconciliation of Net Result to Net Cash from (used by) Operating Activities

	2021 \$'000	2020 \$'000
Net result	(693)	(161)
Depreciation and amortisation	57	78
Decrease (increase) in Receivables	(581)	(32)
Decrease (increase) in Other assets	215	9
Increase (decrease) in Employee benefits	548	123
Increase (decrease) in Payables	(58)	(58)
Increase (decrease) in Other liabilities	5 671	1
Net cash from (used by) operating activities	5 159	(40)

NOTE 10

FINANCIAL INSTRUMENTS

10.1 Risk Exposures

(A) RISK MANAGEMENT POLICIES

Tourism Tasmania has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk.

The Tourism Tasmania Board of Directors has overall responsibility for the establishment and oversight of Tourism Tasmania's risk management framework. Risk management policies are established to identify and analyse risks faced by Tourism Tasmania, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(B) CREDIT RISK EXPOSURES

Credit risk is the risk of financial loss to Tourism Tasmania if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The credit risk on financial assets of Tourism Tasmania which have been recognised in the Statement of Financial Position is the carrying amount, net of any provision for doubtful debts. Tourism Tasmania extends 30 day credit terms for sundry receivables.

Tourism Tasmania is not materially exposed to any individual overseas country or individual customer. Concentrations of credit risk by industry on Account Receivables are 100%.

Financial Instrument	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Assets		
Receivables	Receivables are recognised at amortised cost, less any impairment losses.	The general term of trade for receivables is 30 days.
Cash and cash equivalents	Deposits are recognised at the nominal amounts.	Cash means notes, coins and any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund. Tourism Tasmania does not earn any interest on funds held.

EXPECTED CREDIT LOSS ANALYSIS OF RECEIVABLES

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June are as follows:

	Not past due \$'000	Past due 1-30 days \$'000	Past due 31-60 days \$'000	Past due 61-90 days \$'000	Past due 91+ days \$'000	Total \$'000
2021						
Expected credit loss rate (A)	...	0.2%	...	...	...	...
Total gross carrying amount (B)	...	15	...	...	10	25
Expected credit loss (A x B)

Amount receivable of \$0.015M was received post 30 June 2021.

Carrying amount of debtor at past due 91+ days does not have an expected credit loss as the full amount of this debtor has been allocated as a specific provision. The Debtor is Virgin Australia which was placed in liquidation in 2020.

	Not past due \$'000	Past due 1-30 days \$'000	Past due 31-60 days \$'000	Past due 61-90 days \$'000	Past due 91+ days \$'000	Total \$'000
2020						
Expected credit loss rate (A)
Total gross carrying amount (B)	10	...	...	10
Expected credit loss (A x B)

Carrying amount of debtor at past due 31-60 days does not have an expected credit loss as the full amount of this debtor has been allocated as a specific provision. The Debtor is Virgin Australia which was placed in liquidation in 2020.

(C) LIQUIDITY RISK

Liquidity risk is the risk that Tourism Tasmania will not be able to meet its financial obligations as they fall due. Tourism Tasmania's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due on the basis of continued funding from the Government.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Assets		
Payables	Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when Tourism Tasmania becomes obliged to make future payments as a result of a purchase of assets or services.	Settled within 30 days.

MATURITY ANALYSIS FOR FINANCIAL LIABILITIES

The following tables detail the undiscounted cash flows payable by Tourism Tasmania by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2021 Maturity analysis for financial liabilities								
	1 Year \$'000	2 Years \$'000	3 Years \$'000	4 Years \$'000	5 Years \$'000	More than 5 Years \$'000	Un- discounted Total \$'000	Carrying Amount \$'000
Financial liabilities								
Payables	633	...	...	...	...	...	633	633
Total	633	...	...	...	...	...	633	633

2020 Maturity analysis for financial liabilities								
	1 Year \$'000	2 Years \$'000	3 Years \$'000	4 Years \$'000	5 Years \$'000	More than 5 Years \$'000	Un- discounted Total \$'000	Carrying Amount \$'000
Financial liabilities								
Payables	85	...	...	...	...	...	85	85
Total	85	...	...	...	...	...	85	85

10.2 Categories of Financial Assets and Liabilities

	2021 \$'000	2020 \$'000
Financial assets		
Amortised cost	5 040	10
Total	5 040	10
Financial Liabilities		
Financial liabilities measured at amortised cost	633	85
Total	633	85

NOTE 11 EVENTS OCCURRING AFTER BALANCE DATE

There have been no events subsequent to balance date which would have a material effect on Tourism Tasmania's Financial Statements as at 30 June 2021.

NOTE 12

OTHER SIGNIFICANT ACCOUNTING POLICIES AND JUDGEMENTS

12.1 Objectives and Funding

Tourism Tasmania's role is as a demand generator and brand leader in Tasmania's visitor economy by leading and influencing the development of policy and planning for a future visitor economy.

This is actioned by

- Celebrating Tasmania's uniqueness through our marketing program which entices customers who are aligned to our brand to travel to Tasmania;
- Advocating and securing air and sea capacity to support visitor travel to Tasmania and to support the community to travel in and out of Tasmania;
- Leading the T21 Visitor Economy Strategy Implementation on behalf of government to enable a sustainable visitor economy for the benefit of all Tasmanians.

Tasmania's visitor economy has been hit hard by the recent Australian bushfires and the COVID-19 pandemic. In this changed environment the Agency's focus is on rebuilding Tasmania's tourism and hospitality industry through demand generation and access advocacy work, leading and coordinating industry specific recovery planning, through our role chairing the T21 Visitor Economy Steering Committee and supporting the Premier's Visitor Economy Advisory Council.

This will mean Tourism Tasmania will operate in the intrastate market, which is not normally within its remit – in addition to interstate and international, collaborating with the regional tourism organisations to uncover a breadth and depth of experiences that will showcase Tasmania.

Tourism Tasmania activities are classified as controlled. Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by Tourism Tasmania in its own right.

The activities of Tourism Tasmania are predominantly funded through Parliamentary appropriations. The Financial Statements encompass all funds through which Tourism Tasmania controls resources to carry on its functions.

12.2 Basis of Accounting

The Financial Statements are general purpose Financial Statements and have been prepared in accordance with:

Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and the Treasurer's Instructions issued under the provisions of the Financial Management Act 2016.

Compliance with the Australian Accounting Standards (AASBs and AASs) may not result in compliance with International Financial Reporting Standards (IFRS), as the AASBs and AASs include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. Tourism Tasmania is considered to be a not-for-profit and has adopted some accounting policies under AASBs and AASs that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 12.5 below.

The Financial Statements have been prepared on the basis that Tourism Tasmania is a going concern as the 2020–21 State Budget Papers disclose that Tourism Tasmania is fully funded by appropriation in 2020–21 and over the forward estimates. The continued existence of Tourism Tasmania in its present form and undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for Tourism Tasmania’s administration and activities. Tourism Tasmania has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities in the next reporting period.

12.3 Reporting Entity

The Financial Statements include all the controlled activities of Tourism Tasmania. The Financial Statements consolidate material transactions and balances of Tourism Tasmania’s output group.

12.4 Functional and Presentation Currency

These Financial Statements are presented in Australian dollars, which is Tourism Tasmania’s functional currency.

12.5 Changes in Accounting Policies

IMPACT OF NEW AND REVISED ACCOUNTING STANDARDS

In the current year, Tourism Tasmania has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- *AASB 1059 Service Concession Arrangements: Grantors* – The objective of this Standard is to prescribe the accounting for a service concession arrangement by a grantor that is a public sector entity. This Standard applies on or after 1 January 2020. The impact of this Standard is enhanced disclosure in relation to service concession arrangements for grantors that are public sector entities. There is no financial impact.

12.6 Foreign Currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date. Associated gains and losses are not material.

12.7 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of any changes in accounting policy on comparative figures are at Note 12.5.

12.8 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. Consequently, rounded figures may not add to totals. Amounts less than \$500 are rounded to zero and are indicated by the symbol "...".

12.9 Taxation

Tourism Tasmania is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

12.10 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the ATO is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

12.11 Non traded investments

In June 2001 Tourism Tasmania along with all the other State tourism authorities, and Tourism Australia contributed share capital in the establishment of Australian Tourism Data Warehouse Pty Ltd (ATDW). ATDW is a company limited by share, incorporated in NSW. The company is a central content and distribution platform for the Australian tourism industry.

Tourism Tasmania believes that because of the nature of ATDW and its shareholders and restrictions in the shareholder agreement, the shares have nominal value using the definition in AASB 13 of fair value. The standard defines 'fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'.



Independent Auditor's Report
To the Members of Parliament
Tourism Tasmania
Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Tourism Tasmania (the Authority), which comprises the statement of financial position as at 30 June 2021 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the Chair of the Board and the Chief Executive Officer (the Directors).

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, the Authority's financial position as at 30 June 2021 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Tourism Tasmania Act 1996*, *Financial Management Act 2016* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Authority's financial statements.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 42 (1) of the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority is to be dissolved by an Act of Parliament, or the Authority intends to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material

uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in black ink, appearing to read 'D Bond', with a stylized flourish at the end.

David Bond
Assistant Auditor-General
Delegate of the Auditor-General
Tasmanian Audit Office

15 September 2021
Hobart



Aerial of road
into Queenstown
© Jess Bonde

THE OFF SEASON

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