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MEDIA RELEASE

HOBART CITY COUNCIL ENDORSES WHOLLY OWNED SUBSIDIARY TO MANAGE AND OPERATE SALAMANCA MARKET

The Hobart City Council today announced two significant initiatives that seek to address some of the key issues and concerns relating to the future viability of Salamanca Market, and which will set the direction of the Market for the next decade and beyond.

General Manager Nick Heath said that past research undertaken by Enterprise Marketing and Research Services (EMRS) had highlighted some important fundamental business sustainability and stallholder concerns, that now needed to be addressed to ensure the Market remains an iconic Tasmanian visitor attraction and a key element of Hobart community life.

“After considering the best way in which Salamanca Market should be structured, managed and resourced, the Council has decided to establish a corporatised entity to operate the Market into the future. This governance structure would involve the establishment of a wholly owned subsidiary, with the Council being the sole shareholder.”

“In making this decision, the Council sees that a new, more independent and single business focussed governance model is now required to secure the long term health, sustainability and growth of Salamanca Market.”

Mr Heath said he would like to stress that this would not in any way be a ‘privatised’ model, but a new arrangement that would see the Council maintaining its ‘ownership’ of the Market, but at ‘arms length’.

“It should be pointed out that this new business entity would focus only on the operation of Salamanca Market, with its financial operations being separate to that of the Council.”

“Of course, further work is now required to establish the exact governance structure, composition, legal requirements, the relationship with the Hobart City Council, as well as the role and composition of the board or over-sighting authority,” said Mr Heath.

“There have been questions for some time, some raised by stallholders, as to what would be the best structure to support the operation of the Market.”

“The question was also posed in the EMRS Report as to whether a Council that has many claims on its resources and its activities was best equipped to operate a business such as Salamanca Market, when these requirements and limitations may affect its ability to give the Market the priority consideration it required.”

“Another initiative highlighted by the EMRS Report and sought by the Salamanca Market Stallholders Association Inc., and agreed to by the Council, is a review of the Salamanca Market Stallholder Licence Agreement that would also include the evaluation of methodologies for the variation to site rental fees, and the management of product lines at the Market. This decision follows stallholder concerns and comes at the request of the Salamanca Market Stallholders Association Inc.”

“A wide ranging consultation process has been adopted to allow all stallholders a say in what they would like to see in any new Licence Agreement. The Council has also provided opportunities for stallholders to submit their ideas. They can provide written submissions directly to the Council, or they can submit their ideas and issues for a workshop with the Salamanca Market Stallholders Association Inc and the Council.”

Mr Heath said the Council’s sole objective in endorsing these new initiatives was to ensure the future of Salamanca Market.

“We want the Market to become stronger and more capable of facing the challenges ahead, particularly as a new entity focussed solely and without distraction on the ongoing success of a significant visitor attraction with a national reputation as the best market of its kind in Australia.”

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