

16 June 2020

COSBOA Communiqué

The Long & Winding Road that is COVID-19

SYNOPSIS

COSBOA's COVID-19 Roundtable has been re-tasked to focus on the nature of specific initiatives that could aid economic recovery and support job creation from an SME perspective. The first of these re-tasked meetings was convened on Friday 22 May 2020 and successive meetings continue to canvass the nature of specific policy and legislative opportunities in this regard.

This latest roundtable meeting was held on **Friday, 10 July 2020**. The meeting opened with a discussion of the launch of the Go Local First Campaign. Funded by the Australian Government and delivered by COSBOA, this national program seeks to encourage greater patronage of local businesses in Australia in the wake of the COVID-19 economic downturn.

With the recent decision of the Victorian Government to put large parts of that state into lockdown for the next 6 weeks, including Greater Melbourne, there was considerable discussion about the impact of this lockdown on small businesses in Victoria and the potential flow-on consequences for SME owner sentiment across Australia.

KEY THEMES

The following key themes were discussed at this latest meeting:

1. Go Local First is a "GO".

- Earlier this year, COSBOA received \$5M from the Federal Government to conduct a national campaign promoting increased patronage of local businesses around Australia. The subsequent campaign, called Go Local First, was informed by the findings of comprehensive community and marketing research conducted for COSBOA by the CT Group. The campaign is essentially delivered *by small business for small business*.
- The campaign utilises a multi-format media strategy (i.e. TV, radio and social media) to promote key messages around the benefits of Australians supporting the local businesses in their own community. The architecture of the campaign utilises a delivery model that provides for messages to be tailored to specific local communities and includes a website that provides an exposé of local businesses around the country (see <https://golocalfirst.com.au/>) and businesses will be progressively added to this website as the campaign progresses.

- The campaign was formally launched by the Federal Small Business Minister, the Hon. Michaelia Cash and COSBOA CEO Peter Strong in Canberra on 10 July 2020 and received extensive media coverage.
- COSBOA members and partner organisations have been issued with a “toolkit” to be used to grow the use of the campaign within their own membership ranks, thereby building a national momentum on a cascade basis. The COSBOA secretariat has undertaken to conduct a webinar with COSBOA member organisations and partner organisations to promote effective use of these resources in coming weeks.

2. The road out of COVID-19 is likely to be a long and winding road with blind curves and hairpin bends.

- Roundtable participants engaged in an extensive conversation about member business reactions to the 6-week lockdown announced for Greater Melbourne and some surrounding regions. The key messages being received point to a strong message of emotional exhaustion amongst SME owners and an anxiety that the developments in Victoria may signal the commencement of a second wave of health and economic impacts in Australia.
- There was a strong sense that part of the strong negative reaction was likely linked to the fact that many Australians appeared to believe that the nation had moved past the worst and was on the straight road out of COVID-19 – only to learn that was not the case as a result of the Victorian outbreak and business closures.
- It was suggested that there was an urgent need to change the messaging to explain that, until such time as a vaccine is readily accessible, the Australian economy will not return to business as usual and Australian businesses (and the wider community) should be prepared for a long and winding road ahead.
- Within this context, and the need to guard against the very damaging impacts of ‘stop-go-stop-go’ lockdowns, SMEs should fully adhere to COVID-safe operating procedures in the year ahead, and support state/territory governments with COVID tracking protocols as far as practicable.

3. COVID-19 should not be used as an excuse to remove competition safeguards that cause damage to SMEs.

- All roundtable participants noted reports that consideration was being given to the removal or lessening of long-standing competition regulations to accelerate economic recovery, with rumours that the government was considering a change to the Community Pharmacy Agreement in this regard.
- Roundtable participants were unanimously of the view that no changes should be made to competition laws on the grounds of COVID-19 unless it can be demonstrated beyond doubt that such changes do not create unintended adverse consequences for the nation’s 2M small businesses.

-ends-