

8 July 2020

COSBOA Communique

Technology, Competition and (as always) Workplace Relations

SYNOPSIS

This latest roundtable meeting was held on **Friday, 3 July 2020**.

The early part of the meeting was focused on the need to support small businesses who are going through change. Particularly those who will need to close. We want these businesses to close in a coherent way to help protect their health and their homes. These business people, when ready, will be able to start another business as the economy improves.

The meeting then received a presentation from Judy O’Connell (Victorian Small Business Commissioner) on issues impacting small business as we journey out of the COVID-19 downturn. There are a lot of support processes available through Judy’s office and we will continue to promote these services.

KEY THEMES

The following key themes were discussed at this latest meeting:

- 1. Business closure – this theme continued from the previous round table held on 3 July and shows the issues will be on-going.**
 - Whilst most mediation of rental issues has been successful and small businesses “relieved” to be able to talk to someone there is concern about what impact the second lockdown will have on rent relief. Businesses will need to renegotiate with their landlords as some thought they would be able to pay rent by July. Judy O’Connell will be watching the space to assess progress. The Victorian Government also holds regular round tables with key groups, including COSBOA members, on leasing issues.
 - There was discussion on the need to offer vouchers to access financial advice for businesses who are going through change. These would provide access to supporters such as accountants and bookkeepers.

- 2. Mental Well-Being of Small Business People**
 - This is a growing concern. Small business people are naturally robust and resilient; however, the biblical proportions of drought, fire and disease are too much for even a resilient business with cash reserves to weather.
 - There will be many businesses that need tapered, targeted, and continued support to survive, to reform and maybe, to close. The resources to support the mental well-being of businesses people who are choosing to close must be put in place urgently. The stigma around failure must be addressed as it paralyses the good early decisions that help alleviate

the stress of closing a business. An increase in the need for mental health support is predicted from September for at least 12 months.

- The mental well-being of small business people is inherently connected to the health of their business, so mental health support must be delivered through an understanding of the business, a fact often ignored in workplace wellness programs.

3. Trade diversification is seen as an important issue for the overall economy and for individual businesses.

- There is an emerging and important discussion developing on the need for Australian businesses to have less reliance on one source of imports for products and materials. There will be a continued need to import from China, and we need to diversify our market access as well as broaden our manufacturing base to ensure we can manage future crises.

4. Sole trader JobKeeper dealings with the ATO

- We discussed the media stories around the ATO telling certain sole traders they had to pay back JobKeeper and the stress this causes people.
- No participant had heard of this happening in their industries.
- The general opinion was that the ATO is providing the right support and any business who feels pressured should contact their business association or the ATO directly.

5. Digitising the economy continues to be a major and necessary focus of governments. The voice of small business needs to continue to be heard.

- Australia led the way on e-invoicing due to the vision of key managers in the ATO but the support has now diminished and we should consider the re-forming of the Digital Business Council, or some other mechanism to give a strong voice to small business associations.
- Many if not most policy makers in this area do not “get” small business and the different ways it operates. As a result, without proper consultation, the policies and processes will end up focusing on the needs of big business.

6. Digitising workplace relations depends on simplifying awards.

- It is essential that workplace relations processes, awards, and regulations be designed so that payroll software developers can offer products to the small business community to streamline employment processes.

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