

The Small Business Perspective

A survey and review of the events, responses & impact of COVID-19 over 12 months from leaders representing ~800k Australian small businesses.

February 2021



**SMALL BUSINESS
ORGANISATIONS
AUSTRALIA**

Contributors

John Grace (Policy)
Jennifer Gulbransen (Project Lead)
Castaly Haddon (Policy)
Alan Hay (Project)
Tara Highet (Secretariat)
Peter Strong (CEO)

Contents

A Note from the Chairman	3
A note from the CEO	4
Executive Summary	6
Why small business matters.....	6
Why should you read this report?	6
How did we conduct this research?	6
What's in the report?	6
The Timeline	11
The Survey	15
Summary methodology	16
Questionnaire results.....	17
Other issues raised by survey respondents	35
The Critical Impact Analysis	39
Border closures	41
Quarantine	46
Enforced closure of non-essential businesses	51
Industrial relations	57
Work from home.....	60
Small business online	63
JobKeeper program	65
JobSeeker program – Coronavirus Supplement.....	69
Cash Flow Boost	71
Taxation initiatives for small business	73
Coronavirus SME Guarantee Scheme	77
Commercial leases and retail rent issues.....	79
Business assistance	81
JobMaker Hiring Credit	83
Competition.....	88
Insolvency.....	91
Appendices	94
Appendix I – Full Timeline	95
Appendix II – Industry Associations Surveyed	95
Appendix III – Questionnaire.....	104
Appendix IV – List of survey questions for which fewer than 38 responses were received.....	111
Appendix V – Quote Index from Industry Associations	114
Appendix VI – COSBOA Team	143
References	144

A NOTE FROM THE CHAIRMAN

The Council of Small Business Organisations of Australia (COSBOA) is just that – a council of organisations. The capability, representation and reach of the organisation is defined by its national association members – many of whom have substantial resources in advocacy and influence in their own right. These organisations essentially work behind the COSBOA Secretariat and COSBOA Board and do the heavy lifting on policy development, policy research and small business engagement.

COSBOA was set up in 1979 to be an unambiguous advocate for small businesses. The founders of COSBOA had noted that various organisations who claimed to represent small business also represented big business. This created a conflict and the needs of small business often came second to the needs of big business or economic theorists. COSBOA's constitution highlights that the organisation exists not necessarily for its members but for the whole small business community. Members receive support in advocacy and with development of their own policies if needed. Members join COSBOA because it is solely about small business people.

Unlike other business advocates who operate models that are built on geographic hierarchies, the COSBOA model advances and encompasses discrete national industry representation (e.g. pharmacy, hairdressing, butchers, newsagents and servos). It is harnessed to caucus policy issues that are of common concern across multiple industries – and provide national reach to small business owners by utilising the peer-to-peer communication mechanisms of COSBOA's industry association members.

Many people wrongly judge COSBOA as a small Canberra-based secretariat, led by its high-profile CEO and media advocate, Mr Peter Strong. But the association is a cooperative of national industry bodies that do much of the heavy lifting for the COSBOA Secretariat in terms of policy development and small business engagement.

Mark McKenzie,
Chairman, COSBOA

A NOTE FROM THE CEO

The last twelve months, and prior, has been a special and difficult time. Much of this has been and continues to be documented and will remain part of history.

What are the lessons that have been learnt? What can we do better now and into the future?

COSBOA has a membership of 39 business organisations and a Memorandum of Understanding with the Australian Council of Professions. Between them they have a reach of over 1.2 million small businesses and together they represent the broader Australian society and community. Most of these associations were surveyed as part of this review, for a full list please see [Appendix II – Industry Associations Surveyed](#).

These associations are led by experienced, skilled, accountable individuals who report to boards and provide the specialised support needed for their industry sector.

What do these leaders think of the last twelve months? What do they believe was good, bad and indifferent? What lessons did they learn? These things are important to know and has provided the motivation for COSBOA to undertake this research project. What can we do better now and for future similar events?

Small business people know well the value of consultation in a crisis. For our part we held video meetings with COSBOA members and stakeholders every week from March through to October and then fortnightly up until the year's end. These meetings were well attended and became compelling for everyone. This is where we shared information, confronted, and dealt with confusion, and prepared for another week of change and COVID-19. The meetings were regularly attended by senior representatives from the Australian Small Business and Family Enterprise Ombudsman (ASBFEO), the Australian Taxation Office (ATO), the Fair Work Ombudsman, The Treasury, the Australian Bankers Association (ABA), and various political offices of all sides.

We released a communique after most of these weekly meetings. A review of these communiqués shows that at the beginning of the COVID-19 crisis we were focused on the health impacts of the virus itself, and then as time progressed and we saw the results of good health management, we started focusing on the economy. Eight of the communiqués included the word 'recovery' in the heading, and we certainly developed a good range of papers and recommendations for the road to recovery.

Other major themes in the meetings were workplace relations and the confusion it caused, access to finance (particularly for financing the first JobKeeper payments and being able to afford commercial rent), mental health, inconsistencies between state, federal and local management of the crisis, and how best to give small business owners the assistance and advice they need to recover.

JobKeeper was the key response. It saved jobs, businesses, local economies and whole sectors. It also helped manage health, particularly mental health, issues.

Without a doubt the biggest lesson was that, in a crisis, we must consult and consult often. We must be inclusive in that consultation. As a result of what we have learned we can now focus on specific industry sectors and develop actions that can take place at the local community level to manage unemployment, to provide the necessary training and skills for workers and businesses as well as the development of value adding businesses and our manufacturing base. It is imperative to build upon what we have learnt and manage the negative impacts while constructing positive outcomes with export development and where necessary, or possible, import replacement.

The great majority of industry associations delivered - their leaders and staff and directors worked tirelessly for the good of their business sectors. They met constantly, were always available to discuss

policy and process, kept in constant touch with their members, developed industry specific safety plans, provided essential information to small business people, offered help lines, and worked effortlessly with government and government agencies, with other industry associations and with health officials. **We learnt just how important industry and their associations are to the welfare of the country.**

One important observation is how these industry leaders in the main showed care and concern for other association leaders. The stress was obvious and the support within the small business community was profound.

This research report is based on a broad base of information, experience, and humanity. I commend it to you.

Peter Strong,

COSBOA CEO

EXECUTIVE SUMMARY

COVID-19 presented enormous challenges to government and business alike. Government decisions had to be made quickly to protect public health and these decisions had profound implications for people, communities, economies at all levels, and businesses of all sizes.

Why small business matters

The small business sector employs more than half of all Australians (as compared with 29% in big business and 20% in the public sector). In all, there are more than 2 million small businesses employing over 6.5m Australians.

It therefore follows that the wealth and well-being of the Australian community is enhanced when small business friendly policy and regulatory settings are advanced by all Australian governments.

Why should you read this report?

The COSBOA research report is different from any other research documents you will read about the COVID-19 pandemic in Australia.

First and foremost, this research draws together a series of small business perspectives from a diverse range of business and industry sectors. The research findings are supported by attributed statements provided from COSBOA's members who have been working closely with their small business members over the past 12 months. Many of these comments are raw and direct. They provide first-hand insights into the COVID-19 experience from a diverse small business perspective.

These insights point to a series of lessons that can help prepare for any future crises.

How did we conduct this research?

The decision was made, by the COSBOA team, to undertake a research project to identify crucial lessons learned from the pandemic and put forward a small business perspective from a wide range of industry and business types.

As a peak organisation representing small business associations around Australia, and recognising the reality of resource and time constraints, COSBOA decided to approach this question by asking its member organisations to participate in a detailed, interview-based survey.

COSBOA has unparalleled access to national representatives of Australian small business communities with its 39 strong organisational memberships, representing an estimated 800k Australian small businesses in aggregate. It seemed obvious that we should ask those representatives to report on their members' experiences of government decision-making during the pandemic.

What's in the report?

Our research is presented in three distinct sections;

1. The Timeline of COVID-19,
2. A Survey - a small business perspective of how we viewed the Government response, and
3. An Analysis of the impact on small business and the lessons learned.

The Timeline.

A detailed timeline of key events was compiled. This depicts the rapid spread of the virus across Australia's borders and records periods of intense activity by governments attempting to respond to this unprecedented public health emergency.

The timeline records a remarkable period in Australian history. Like all sections of Australian society, small businesses confronted a period of sudden, massive, and widespread change. 2020 was a blur for most people, as they sought to navigate a once in a lifetime crisis that turned life as we knew it on its head. The timeline puts context around what happened. It is an extraordinary and critical piece to read before the survey and analysis.

The Survey - how did small business view government responses?

The structured survey of COSBOA members sought responses on a range of key issues relating to government decisions about the COVID-19 pandemic, including:

- Measures considered to have the most beneficial effects in suppressing the spread of COVID-19.
- Types of small businesses most affected by government-imposed restrictions.
- Government decisions which from the perspective of those surveyed appeared to have the most negative and/or positive effects on small business.
- Small business organisations' experience of direct government consultation during the pandemic (federal, state and territory).
- How much notice were small businesses given in relation to COVID-19 restrictions (federal, state and territory)?

The arrival of the COVID-19 virus in January 2020 placed enormous pressure on the Federal, State and Territory Governments to act quickly to prevent the pandemic getting out of control in the broader Australian community. After some initial missteps, unprecedented, and so far, highly successful, public health interventions were implemented across all Australian jurisdictions with many of these curtailing individual freedoms and business activity.

- The primary goal of these interventions was to protect the health of the Australian population by preventing the spread of the virus.
- A secondary goal was to prevent the Australian economy suffering massive damage because of extensive public health restrictions which had to be imposed.

Closures and social distancing restrictions imposed on businesses and their customers inevitably resulted in a loss of trade. The enforced business closures in some sectors were highly destructive of many small businesses.

The Federal Government sought to mitigate against the damage caused by public health measures with macroeconomic interventions. Similarly, state and territory governments attempted to protect their economies through various measures.

The survey canvasses a range of government decisions, including public health measures, business assistance programs and income support. This provided opportunities for member organisations to comment on government decision-making during the pandemic. These real and raw comments are cited throughout the report and provide meaningful commentary for the survey data.

The Critical Impact Analysis

Why government decisions impacted small business

Driven by the interview-based survey results, the COSBOA team identified critical issues. The Critical Impact Analysis is a deep dive into these subject specific details. This examined policy, legislation, regulations, and reforms – as seen through the lens of issues identified in the member survey. The scope of the desktop analysis included a review of media commentary, preliminary academic research, think-tank commentary, data and analysis sourced from government agencies as well as consideration of a year of weekly consultation with leaders and representatives of business associations (who collectively represent around 1.2 million small businesses).

So what?

In broad terms the COSBOA research pointed to vital lessons that need to be implemented about key small business issues. A brief summary of these issues is provided below.

National Cabinet

The National Cabinet initiative was broadly supported by stakeholders. This new forum provided an agile mechanism for the consideration and coordination of policy responses on a nationally consistent level, albeit that stakeholders perceived that this mechanism failed with respect of coordination of border closures.

The National Cabinet was considered to be a mechanism that was preferable to the former Council of Australian Governments (COAG) mechanism in that it was less bureaucratic and provided an quick mechanism for the consideration of policy challenges with a view to nationally consistent policies and decisions.

The National Cabinet also appears to have rightly challenged past economic approaches with the previous ‘back in black’ economic focus on surplus abandoned in favour of more Keynesian economics, enabled by low interest rates. This allowed a compassionate response to the unemployed and small businesses.

Clearly, there is a strong desire to either maintain the national cabinet mechanism beyond the pandemic or replace it with a mechanism that operates with the same attributes in terms of advancing agile and flexible policy responses that are considerate of the economic uncertainty created by future crises.

Unintended consequences for small businesses

Government interventions focused on issues that continually impact on the small business sector including taxation complexity, workplace relations, the treatment of commercial tenants, insolvency, government fees and charges and the disproportionate regulatory burden.

Crisis responses should be carefully considered, and the long term consequences identified and resolved for long term economic recovery to be balanced across the complex small business environment. Care also needs to be taken in relation to the pandemic to ensure that small businesses are not bearing the economic burden of government decisions without due compensation, as such a situation is inequitable.

The role of the public service bodies

At all levels, the public service, in coping with a major crisis, showed its understanding of small business issues. The relationship changed during the crisis with increased levels of consultation. There are many examples throughout the year of good and bad practice that can inform deeper relationships and lead to better outcomes for all.

The dialogue between industry and government agencies resulted in a renewed respect for each other and produced meaningful and timely consultation. This should be continued - to provide better outcomes for small business.

Preparing for future uncertainty

Our nation needs to be better prepared for the economic uncertainty created by natural disasters, climate change and pandemics. Small business is particularly vulnerable to the impacts of this uncertainty.

We need to reimagine how small business can survive and thrive in an era of increased risk and less certainty. That will take policy makers into new territory and require new ways of thinking.

Adversity offered opportunity for some

COVID-19 focused the minds of business owners, peak bodies, corporations, and government agencies in a way that few events have ever done before. This presented the opportunity (and necessity) for some businesses to reconfigure, enter new markets or adopt new practices. We realised we can change, and it is less painful when it's done without a crisis. What has this taught us about taking new approaches to our markets? What have been the costs of this 'opportunity', including the cost to the mental health of small business owners?

Addressing change and uncertainty in a planned and progressive way is critical to create opportunities and economic growth for small businesses and the Australian economy.

Border closures

While the closure of Australia's international borders was supported by most commentators as an essential step, opinions were very mixed about the value of state and territory border closures, and the inconsistent, often unpredictable approaches of governments.

Small businesses need arrangements for a national border agreement during a future pandemic, or similar national crisis, to alleviate the negative impacts.

Quarantine

Public commentary and analysis appear quite consistent on this topic, especially in relation to hotel quarantine. Most commentators argue for:

- Better national coordination and control of quarantine during a pandemic.
- Purpose-built quarantine facilities.
- Improvements in the training and equipping of quarantine workers.

There is an urgent need for nationally agreed arrangements for quarantine for COVID-19, and any future pandemics, so small business can be spared from continuing and unpredictable lockdowns.

Enforced closure of non-essential businesses

Key themes relating to this important topic are:

- The need for national consistency in decisions about government mandated lockdowns and business closures – informed by public health research and deep consultation with business.
- Genuine, responsive consultation and knowledge-sharing between political leaders, government agencies and small business. During the pandemic, different governments have exhibited both best practice and worst practice in this space. It was obvious that states did not share their learnings from the decisions they made.
- Acting on a balanced spectrum of public health, scientific and economic advice.

Nationally agreed arrangements based on evidence that accommodate consultation and provide consistency (and certainty of timing) are required so that small businesses can be prepared.

JobKeeper program ('wage replacement' intervention)

This program was widely acclaimed for the speed of implementation and its broad success in mitigating against the adverse business and employment impacts. As with any program implemented quickly, there was some valid criticism about the design and implementation with respect to the provision of all businesses and employees that were worthy of support (e.g. sole traders and casuals working less than 12 months).

Future programs would benefit from greater consultation in respect of the design and implementation of these programs before they are ever required again.

JobSeeker – Coronavirus Supplement

This was an important intervention, both as a supporting mechanism for people who had lost their jobs and as a 'fiscal multiplier'. Increasing services and financial assistance to the unemployed benefits those individuals and the communities in which they live. It also provides some personal comfort for business people who need to immediately dismiss employees, to remain viable in the crisis, but have some solace, as they know their newly retrenched employees are able to survive and be mentally sound. Such assistance, however, should avoid incentivising unemployment with rates that are too high.

JobMaker Hiring Credit

This has been broadly supported in principle by many commentators but with significant improvements needed for the scheme to achieve its intended outcomes.

There is a need to design labour market programs that seek to unite job type with workforce skills at a local level (and if necessary, deliver targeted training programs that reduce any skills gaps).

THE TIMELINE

Key dates in Australia's
response to the
COVID-19 pandemic.

COVID-19 Response Timeline (Abridged)

MARCH

There are 65 days between the first confirmed case of COVID-19 in Australia and the JobSeeker scheme announcement and implementation. Prior to the announcement of JobSeeker, economic, employment and health system stimulus packages totalling more than \$95 billion are announced by Australian governments, most of which are in the 16 days between 11-27 March. COVID-19 cases in Australia reach 3000 by 27 March.

- **1 MARCH**, first death from COVID-19 in Australia
- **2 MARCH**, first case reported in TAS. QLD Government defers payroll tax for SMBs.
- **4 MARCH**, first case reported in NT.
- **11 MARCH**, SA Government announces \$350m stimulus package.
- **12 MARCH**, \$17.6bn national stimulus package announced by Australian Government. First reported case in ACT.
- **15 MARCH**, gatherings of more than 500 people cancelled/forbidden (Australia wide).
- **16 MARCH**, VIC & ACT declare State of Public Emergency. WA announces \$607m package to support households and SMBs.
- **17 MARCH**, NSW announces \$2.3bn health/economic stimulus package. QLD announces \$500m loan facility and extension of payroll tax waiver to all businesses. TAS announces \$420m business support package.
- **18 MARCH**, indoor gatherings of more than 100 people 'recommended to be banned'. NT announces \$65m Jobs Rescue and Recovery Plan.
- **19 MARCH**, Australian border closure announced. QANTAS suspends 60% of domestic flights, places two-thirds of staff on leave. VIC announces \$437m boost to health system.
- **20 MARCH**, Australian border closes to all non-citizens/residents. TAS border closes. Newstart Allowance renamed to JobSeeker Payment. ACT announces \$137m economic survival package.
- **21 MARCH**, VIC announces \$1.7bn economic survival and jobs package. National 'social distancing rules' implemented.
- **22-23 MARCH**, all states announce shutdown of all non-essential activity within 48 hours. Australian Government announces second economic stimulus package (\$66.1bn).
- **24 MARCH**, SA closes its borders. QLD announces \$4bn economic support package.
- **25 MARCH**, QLD restricts border access, announces first COVID-19 death.
- **27 MARCH**, hotel quarantine scheme announced. \$1bn 'Working for NSW' scheme announced.
- **30 MARCH**, JobKeeper scheme announced and starts immediately. VIC stage 3 restrictions announced. NT \$5m 'Working & Wellbeing Fund' introduced.

January & February

COVID-19 is detected in Australia for the first time, 44 days since the first case is detected in Wuhan, China. The restriction on arrivals from mainland China has an instant impact as the QLD Government provides \$30m+ in support for businesses reliant on tourism.

- **25 JANUARY**, first confirmed case of COVID-19 in Australia (VIC). First case in NSW reported.
- **29 JANUARY**, first reported case in QLD.
- **30 JANUARY**, 9 cases in Australia, 98 cases now declared in 18 countries.
- **1 FEBRUARY**, foreign arrivals from mainland China not allowed entry into Australia (except citizens or residents). First reported case in SA.
- **4 FEBRUARY**, QLD Government announces \$3.67m relief package for tourism operators at Cairns Marina.
- **18 FEBRUARY**, QLD Government announces \$27.25m aid package for international tourism promotion.

APRIL

April sees a marked increase in spending for mental health support as pandemic/lockdown impacts are felt, with VIC and NSW governments announcing \$136m+ in funding to support mental health and wellbeing services. VIC also announces funding to support the creative arts. The COVIDSafe app is launched.

- **1 APRIL**, VIC announces \$50m Agricultural Workforce Plan and \$1.3bn health system boost.
- **2 APRIL**, QLD further tightens border restrictions.
- **3 APRIL**, NSW adds \$750m to Small Business Support Fund.
- **5 APRIL**, VIC announces \$45m support for kindergarten providers.
- **8 APRIL**, NT announces additional \$180m for Rescue and Recovery Plan.
- **9 APRIL**, QLD introduces series of rent support measures, underpinned by \$400m in land tax relief.
- **12 APRIL**, VIC extends state of emergency by four weeks, provides \$59.4m boost for mental health services.
- **16 APRIL**, ATO publishes JobSeeker guidance for sole traders. NT announces second state of Small Business Survival Fund, including \$20m to help cover businesses operational costs.
- **17 APRIL**, Australian Government announces nbn assistance for families and SMBs, worth \$150m.
- **20-21 APRIL**, NSW announces additional \$14m for 'Business Connect' and \$95.7m to keep casual and temporary school staff engaged during pandemic.
- **22 APRIL**, economic impact modelling released by VIC Government suggests unemployment may reach 11% by September 2020, 270k jobs lost. Property prices could fall by 9% by Dec 2020.
- **24 APRIL**, NSW confirm \$73m funding package to support mental health and wellbeing services.
- **26 APRIL**, COVIDSafe app launched. \$16.8m package to support the creative arts (VIC) and \$395m stimulus package to support local councils (NSW) announced.
- **27-28 APRIL**, Coronavirus Supplement of \$550 for those on income support commences. First cash flow boost payments delivered to eligible businesses.

MAY

Notable government spending to support the badly affected arts and cultural areas, with \$200m allocated by VIC and NSW alone. Encouraging signs across ACT, NSW and NT as restrictions continue to be eased throughout the month (and into early June).

- **1-3 MAY**, some easing of movement and visiting restrictions in ACT, NSW and NT.
- **6 MAY**, ACT confirms additional \$4.5m in support for mental health services.
- **11-13 MAY**, VIC announces easing of some COVID-19 restrictions, \$150m 'Experience Economy Survival Package' and \$3.7m in support for people experiencing hardship managing energy bills.
- **15 MAY**, further easing of restrictions in ACT, NSW and NT.
- **22 MAY**, \$60bn JobSeeker miscalculation announced.
- **25 MAY**, NSW announces \$50m 'Rescue and Restart' package for not-for-profit arts and cultural organisations.
- **26 MAY**, JobMaker plan announced by Federal Government.
- **27 MAY**, Rydges on Swanston 'hotel outbreak' identified by DHSS, cluster of 17 people.
- **29 MAY**, Canberra's 'Recovery Plan' commences with a further easing of capacity restrictions in cafés and similar.
- **31 MAY**, Stage of Emergency in VIC extended by further three weeks. 7195 total cases in Australia with 103 deaths.

JULY

The JobKeeper scheme is extended. Parts of Melbourne enter a second lockdown, with cases per day in Australia peaking on 30 July (VIC provided 694 of the 721 cases). By end of July there have been 1.62m recipients of JobSeeker.

- **1 JULY**, ten postcode areas in Melbourne locked down and return to Stage 3 Stay at Home restrictions. NSW announces further payroll tax reduction. JobMaker plan starts.
- **6 JULY**, NSW and VIC announce interstate border closure.
- **9 JULY**, Melbourne and Mitchell Shire re-enter lockdown for six weeks.
- **21 JULY**, JobKeeper extension announced.

JUNE

Support for the arts continues including a Federal Government rescue package. The Melbourne hotel quarantine fallout continues, including confirmation of an enquiry into the control breach on 30 June.

- **1 JUNE**, easing of restrictions in NSW with more to follow on 10th, 13th, 15th June.
- **9 JUNE**, 'Jobs for Canberrans' fund expanded to \$28m, NSW announces \$750m loan guarantee scheme for universities.
- **10 JUNE**, IR working groups membership announced.
- **15 JUNE**, NSW announces \$27.3m recovery package for local sporting clubs and organisations.
- **16 JUNE**, VIC confirms \$23m support to help develop culturally safe responses to COVID-19.
- **17 JUNE**, DHSS confirms Stamford Plaza hotel outbreak cluster now 46 people.
- **19 JUNE**, minimum wage(s) increased by 1.75%
- **21 JUNE**, VIC State of Emergency extended for further four weeks.
- **22 JUNE**, NT and Australian Government announce joint investment of \$53m to support infrastructure construction jobs.
- **24 JUNE**, ACT confirm \$1m support for nine arts organisations, Australian Government confirms \$250m rescue package for the arts.

AUGUST

Melbourne enters its second lockdown and State of Disaster declared in Victoria; Premier Andrews continues to poll well. Further creative industry support announced at a Federal level.

- **2 AUGUST**, Victoria enters a State of Disaster, Melbourne moves to Stage 4 restrictions and an overnight curfew is introduced for at least six weeks.
- **6 AUGUST**, Federal Childcare Support Package begins.
- **12 AUGUST**, a Herald Sun poll shows that 68% of respondents think Premier Andrews has "done a good job during the pandemic". A Guardian poll shows 72% of respondents support the restrictions in place.
- **31 AUGUST**, 'RISE' fund grant opportunity commences, for companies in arts and entertainment sectors (via Australian Government).

SEPTEMBER

JobKeeper to continue but at lower rates in both Tiers 1 and 2. The Melbourne lockdown and curfew continue but 'Roadmap to Recovery' announcement presents a path to normality.

- **2 SEPTEMBER**, JobKeeper extension announced.
- **6 SEPTEMBER**, VIC 'Roadmap to Recovery' announced, Melbourne lockdown to continue throughout September.
- **18 SEPTEMBER**, IR formal working group meetings conclude. Third round of VIC Business Support Fund opens (offering grants to SMBs).
- **28 SEPTEMBER**, JobKeeper extension 2 commences, payments now at the lower rate.

NOVEMBER

A positive start to the month with no locally acquired cases in the country, a small outbreak in Adelaide however results in a 'circuit breaker' lockdown imposed at short notice. JobKeeper extension 2 is announced.

- **1 NOVEMBER**, no newly acquired cases in Australia.
- **8 NOVEMBER**, the VIC 'ring of steel' is lifted with assorted other restrictions lifted.
- **16-21 NOVEMBER**, 17 cases in Adelaide results in the introduction of significant restrictions which are subsequently lifted early when contact tracing clarifies the situation.
- **22 NOVEMBER**, VIC moves to 'Last Step' of road to recovery.
- **30 NOVEMBER**, JobKeeper extension announced (covering 4 Jan to 28 March).

JANUARY 2021

The Australian Government vaccine information campaign is launched on the back of the TGA's approval of the Pfizer vaccine, with Perth entering a 5-day circuit breaker lockdown a couple of days later. The reduction in JobKeeper payments as part of extension 2 kicks in.

- **4 JANUARY**, JobKeeper extension 2 commences (at decreased payment rates for both tiers)
- **8 JANUARY**, Greater Brisbane enters 3-day lockdown.
- **10-11 JANUARY**, Northern Beaches restrictions lifted, most Greater Brisbane restrictions lifted.
- **25 JANUARY**, TGA provisionally approves Pfizer vaccine.
- **31 JANUARY**, 5-day lockdown announced for Perth and some surrounding areas.

OCTOBER

Signs of a way out of the pandemic appear in the provisional determinations of two potential vaccines, and Victoria recording zero new cases. Federal Government introduces support for apprentice/trainee schemes, commercial rent relief and a hold on commercial and residential for those unable to meet their commitments due to the impact of COVID-19.

- **1 OCTOBER**, apprentice/trainee wage subsidy scheme for medium size business opens, phase two of SME Guarantee Scheme commences (both Australian Government).
- **9 & 14 OCTOBER**, TGA grants provisional determination for AstraZeneca and Pfizer vaccines.
- **19 OCTOBER**, Australian Government announces relief for commercial tenants (including a hold on evictions).
- **26 OCTOBER**, VIC records zero new COVID-19 cases or deaths.
- **28 OCTOBER**, Melbourne moves up to Stage 3 restrictions.

DECEMBER

The Northern Beaches outbreak results in a lockdown that lasts until the second week of January. Melbourne 61-straight days of zero locally acquired cases. JobMaker Hiring Credit scheme registration opens, but claims can't be made until February. The 909th death from COVID-19 occurs, the last to-date in Australia.

- **6 DECEMBER**, registration for the JobMaker Hiring Credit scheme opens to employers.
- **9 DECEMBER**, IR Reforms and Fair Work Act Bill are introduced to Parliament.
- **12-14 DECEMBER**, QLD opens its borders to NZ. NZ announces plans are approved for quarantine free travel bubble with Australia in first quarter of 2021.
- **16 DECEMBER**, ABS publishes 'Business Indicators, Business Impacts of COVID-19'.
- **19 DECEMBER**, NSW public health order locks down the Northern Beaches area of Sydney.
- **30 DECEMBER**, Melbourne records 61 days of zero locally acquired cases.
- **31 DECEMBER**, additional Coronavirus Supplement ceases.

THE SURVEY

How did small business
view government responses?
Compiled into Industry
Association Survey
Questionnaire results.

Summary methodology

An eleven-question survey was conducted one-on-one via MS Teams or telephone with 38 senior management representatives of 33 industry associations between 19 January and 9 February 2021.

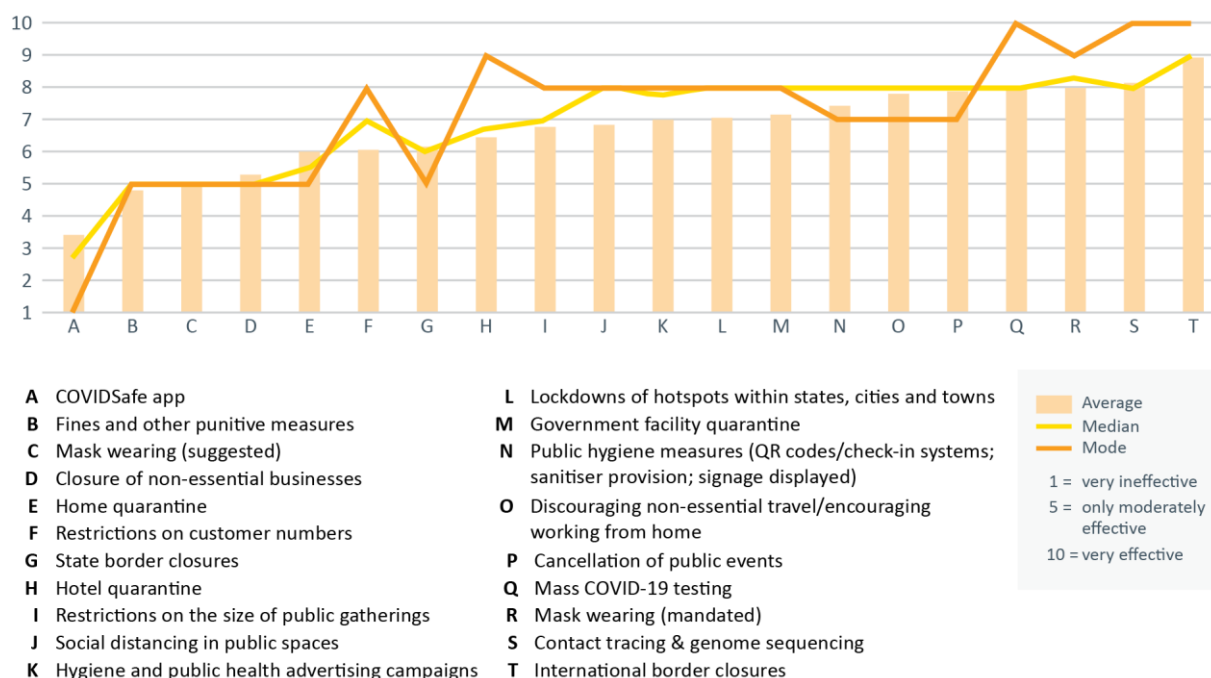
The survey was comprised of standardised questions with responses to be supplied on a rating scale. The first four questions required numerical ratings between 1-10, the remaining seven questions required ratings on a semantic differential scale. The full survey is included in [Appendix III - Questionnaire](#).

Some survey respondents provided comments to accompany their ratings – some extensive and detailed, others short and succinct. Some provided only ratings as their responses. Quotes from many survey respondents have been included in this report to accompany the survey results and illustrate the experiences of small business.

Survey respondents were not required to record a rating for all questions if they felt unable to do so. A table listing survey items which received fewer than 38 responses is included in [Appendix IV – List of survey questions for which fewer than 38 responses were received](#).

Questionnaire results

Q1: In the experience of your business association, which government actions do you believe were the most effective at suppressing the spread of COVID-19 (rate from 1 to 10)?



The following four government actions were rated the most effective at suppressing the spread of COVID-19: **International border closures**; **Contact tracing & genome sequencing**; **Mask wearing (mandated)**; and **Mass COVID-19 testing**.

"A lot of my members have said that they were comfortable with the fact that the virus wasn't brought in from overseas... They felt that international border closures were an effective way of controlling the virus."

DOMINIC SCHIPANO, ADTIA

Of these actions, only **Contact tracing & genome sequencing** was commented on regularly by respondents. Many respondents qualified their score by singling out and commending NSW highly. Many noted variations in effectiveness of contact tracing between other states and territories. Several respondents were critical of Victoria, particularly Victoria's initial capacity to contact trace effectively but noted they now believed its capacity to be up to expected standards.

"That one depends which state you're talking about. NSW has been a 10. I don't think other states have been as effective with that, particularly Victoria."

DAVID GILL, CEO, CAFBA

The following four government actions were rated the least effective at suppressing the spread of COVID-19: **COVIDSafe app**; **Fines and other punitive measures**; **Mask wearing (suggested)**; and **Closure of non-essential businesses**. Many respondents were dismissive or critical of the COVIDSafe app stating that it has “done nothing”, was a “wasted effort”, or they “don’t know if it works.”

A couple of respondents noted the COVIDSafe app was a good idea that didn’t work and had a lower rate of up-take than hoped.

Australian Business Software Industry Association President, Simon Foster commented:

“The actual process of consultation of the COVIDSafe app was actually very good. The Government should be commended for how they approached that process. It’s unfortunate that implementation didn’t live up to it, but there was also possibly an element of it not being needed.”

Several respondents stated that **Fines and other punitive measures** were weakly, inconsistently or haphazardly implemented and poorly enforced. Two respondents commented: “you’ve got to have a stick.” Regular comments were also recorded by respondents regarding **Closure of non-essential businesses**. Several respondents commented on inconsistency in the definition of what constitutes a non-essential business.

Institute of Certified Bookkeepers Chairman, Matthew Addison, explained his answer by qualifying:

“As an instant, knee-jerk reaction, it had to happen... Today I’m going ‘totally unnecessary and ineffective because you should contact trace and close down those that need closing down.’”

Another respondent commented:

“There’s probably been a slightly lazy approach by saying ‘you can go to Woolies and Coles and get everything.’”

BEN KEARNEY, ALNA

Two other government actions received regular comments from respondents: **Hotel quarantine**; and **State border closures**. Many respondents commented on breaches of hotel quarantine and variation in effectiveness of hotel quarantine between the states and territories.

“I’m a Victorian, does that answer your question?”

joked one respondent. Several respondents singled out Victoria’s hotel quarantine as ineffective and several noted that **State border closures** were inconsistent, had a lot of downsides, were a blunt instrument, and generated confusion.

Q2: Among your members, which categories of small businesses were the most affected by government imposed COVID-19 restrictions?

10 HEAVILY AFFECTED	Booksellers (new books)	Festivals, arts, recreation and events industry businesses, hirers and service providers	Remedial massage	Pharmacies (CBD based)	Venues	Taxi drivers, fleet owners & booking companies	Retail	Business brokers
	Meat wholesalers		Myotherapists (VIC)	Convenience stores (CBD based)	Agents & artists	Hospitality & tourism (including accommodation)	Beauty (TAS)	
9	Tourism (TAS)	Training organisations - international students only	Caterer Function/event centre	Specialist insolvency practices	Hairdressers (TAS)	Commercial finance brokers	Small supermarkets, convenience stores and liquor stores (CBD based)	
	Hospitality (TAS)							
8	Fuel retail (VIC)	Suppliers	Booksellers (2nd-hand)	(Live action) Medium sized - Australian owned (50 employees)		Entertainment & events	Myotherapists (QLD)	Health care/social assistance (physios, dentistry) (SA)
	RTOs	Horticulture (TAS)	Antiquarians	SME Meat Processing	Red meat /SME Small goods Wholesalers	Newsagents (TAS)	IFD commercial suppliers	
	Hairdressers	Retail (TAS)				Medical manufacturers & distributors		
7	Fishing (TAS)	Naturopaths Nutritionists Herbalists	Training organisations - mixed domestic & international students	Accom food service Restaurants Cafés Small bars		Retail general (excluding grocery) (TAS)	Education & training (SA)	Independent insolvency practitioners
	Bookkeepers			Contractors working for national companies (e.g. Telstra or nbn)		IFD suppliers to institutions (e.g. hospitals; prisons) & commercial		
	Small retail							
6	Vegetable farmers (TAS)		Small live action film industry operators/partnerships		Small accounting practices	Primary industries (SA)		
	Independent delis		Manufacturing					
	Training organisations - domestic students only							
5 MODERATELY AFFECTED	Fuel retail (excluding VIC)	Finance brokers	Osteopaths and Acupuncture	Small livestock transport companies	ICT Contractors working locally (within 5km VIC/10-20km all other states/territories)		Timber and hardware merchants	
	Wholesale Fuel	Abattoirs	Pharmacies	Owner drivers	Service industry (e.g. advisors including lawyers and accountants)		Professional services	

4	Fuel contractors	Animal husbandry (TAS)	Lottery kiosks	Warehousing/transport Agriculture	Manufacturing (SA)
3	Fuel importers	Independent butchers	Film industry service providers (e.g. SFX, computer work)	Accountants (TAS)	General and construction industry hire companies
		Tobacconists and mixed businesses	Butchers	Small supermarkets, convenience stores and liquor stores (suburban, regional)	
2	Cereal growers (TAS)	Newsagents	Mechanical repairs (TAS) Chemists/pharmacies (TAS) Plumbers (TAS) Retail grocery (TAS)	Small software developers	Construction (SA) Professional, scientific & technical services (SA)
				Myotherapists (excluding VIC & QLD based)	
1 RELATIVELY UNAFFECTED	Pharmacies (suburban, regional)		Animation studios		

Survey respondents were asked to list the categories of small business within their membership and rate how heavily affected each category of small business was by government imposed COVID-19 restrictions. Several categories of small business were within the membership of multiple survey respondents which is why they appear multiple times and with different ratings in the table above.

“Affected” is a broad term that was interpreted in different ways by survey respondents. Some survey respondents reported that a particular category of business was highly affected because they had to work from home and change the way they did business, even if revenue remained good (this is the case for booksellers and commercial finance brokers). Others gave a rating of 10 to a particular category of business because it was deemed non-essential and required to close (venues, for example).

Based on reasonings and comments received during this section, the following themes emerge:

Businesses involved in the events industry suffered disproportionately, reporting zero or near zero income since March 2020. This included live music venues, festivals, event and function caterers, artists and their agents, and the various businesses that hire marquees, fencing and other equipment to use at public and private events. *“It’s been a wipe out”* said Craig Spann, Executive General Manager of the Australian Live Music Business Council. Another respondent was even more pessimistic, saying:

"I think it's all pretty clear that the venues and hospitality industry has been ruined."

Restaurant and Catering Association CEO, Wes Lambert, observed:

"Almost all of these [COVID-19 restrictions] are directed at accommodation and food services."

By contrast, some industries reported record sales. The panic buying phenomenon gave a financial boost to supermarkets, butchers, service stations, pharmacies and even bookshops as people prepared their lockdown entertainment. CEO of the Australian Booksellers Association, Robbie Egan, said that he wasn't aware of a single bookshop that was even contemplating closing its doors.

"[We were lucky] that books are an ideal companion during times of stress or lockdown. Book sales have been extraordinary."

However, the most common answer was: *"it depends."* Most industries were not impacted uniformly – there were differences within industries depending on business location, customer base, and digital capability. As David Gandolfo from CAFBA said:

"We've got a lot of members who have sailed through this... and are sitting on more cash than they've ever had... And then there's others that have absolutely been smashed."

CBD businesses lost trade. This was reported by industry associations representing pharmacies, supermarkets, convenience stores, newsagencies, and hair salons. Businesses along travel routes also lost trade; this included service stations along major highways and commuter freeways, as well as pharmacies in airports. However, businesses in suburbs and regions often increased trade, including pharmacies, supermarkets, convenience stores, newsagencies, and service stations.

For B2B businesses (e.g. software developers, food distributors, accountants, brokers, and advisory boards), the impact depended on who their customers were. Accountants and bookkeepers may have had business customers that were asking them to do more work (such as implement JobKeeper) but could not afford to pay the full fee. CPA Australia's Gavan Ord said:

"We saw significant increase in workload on our members. At the same time, because of the economic circumstances, they were working harder than ever but being paid less. Their business clients weren't able to pay them, or they were paying them at a reduced fee."

Payroll software companies servicing hospitality businesses lost money, particularly if they were charging per employee and the business customer had to stand staff down. However, 2020 proved to be a good time for Australian software companies to sell their products overseas. Australian Business Software Industry Association President, Simon Foster, said:

“Doing a lot of business in South-East Asia, these are cultures where previously you would have to visit them in person. It’s actually quite hard to sell to them remotely... They’re in lockdown as well, so business activities occurred over Zoom that just weren’t possible before.”

Food distributors that service restaurants and cafes were adversely affected but were still able to supply places like hospitals and prisons, which remained open. Brokers with clients in Victoria were affected more than brokers with clients in Queensland. Hire and rental companies servicing construction sites (and COVID-19 testing centres that required items such as fencing and generators) continued to trade as normal, whereas those servicing events such as music festivals and weddings suffered enormously, HRIA CEO James Oxenham said:

“Whereas some industries could pivot, we’ve got people still running at 85-90% down on revenue because of restrictions.”

The capacity of the business to innovative and/or digitise also affected its performance. This was mentioned in relation to traditional medicine, pharmacy, accountancy, and software development. Scott Harris from the Pharmacy Guild said:

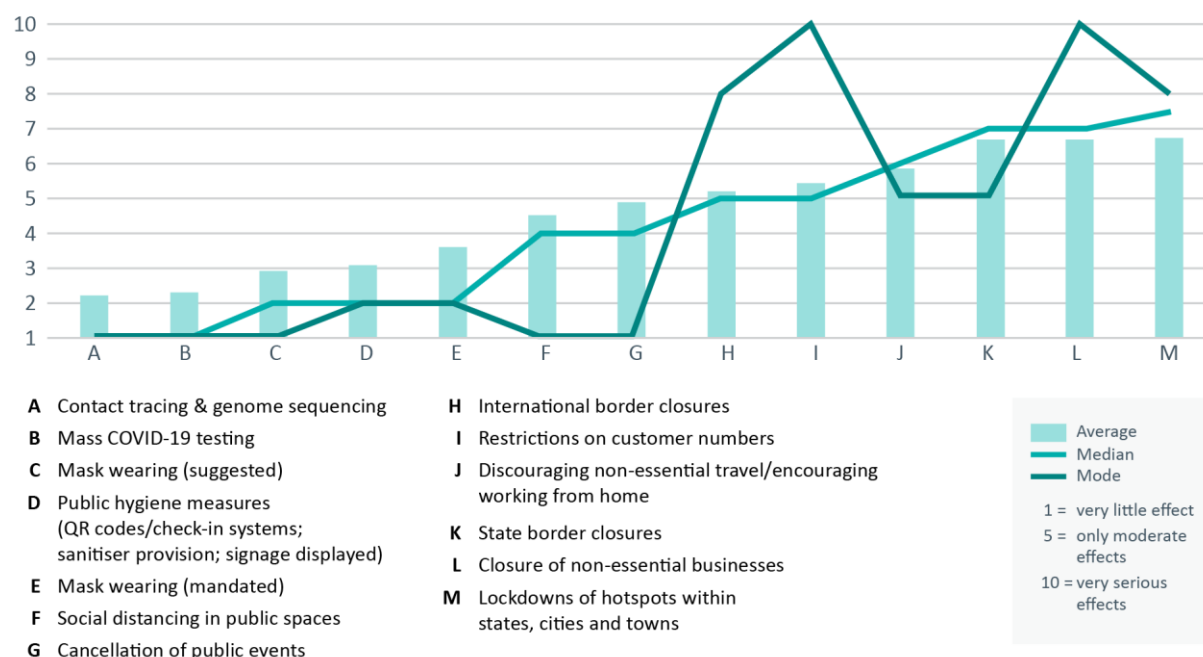
“It all came down to how innovative the business owner was in looking for new work or providing new services. The ones who embraced the digital environment, including doing home delivery, went gangbusters. The ones that stayed with the business-as-usual model struggled.”

Some industries experienced an *increase* in workload and subsequent fatigue. This was often the case for those who provide advice or services to businesses. HR professionals were working excessive hours and were involved in standing staff down, making others redundant, leading the wholesale shift to working from home and looking after employee wellbeing. Accountants and bookkeepers were signing their customers up to JobKeeper, and software developers were incorporating JobKeeper into payroll software. Pharmacies, though B2C, also reported workforce fatigue.

CEO of the Australian HR Institute, Sarah McCann-Bartlett, recalled:

“We surveyed our members asking about the impact of COVID-19 on them and their role, and their response was overwhelming. They were grateful that we’d asked – they were so busy looking after everyone else, and this was the first time they’d been asked how they were. Most said they were working excessive hours and were exhausted.”

Q3: In your experience, which government decisions had the most negative effects on small business (rate from 1 to 10)?



Respondents rated that the following three government decisions had the most negative effects on small business: **Lockdowns of hotspots within states, cities and towns**; **Closure of non-essential businesses**; and **State border closures**. Several respondents noted the high negative effects of a lockdown were felt by businesses within a specific hotspot in a state, city or town. For example, Restaurant and Catering CEO, Wes Lambert, commented:

"In Brisbane, with 9 hours' notice, our industry had to throw away \$8 million worth of produce," adding "lobsters don't keep."

Many respondents noted that the negative effect depended upon a business's customer base. The negative effects of **closure of non-essential businesses** were often also felt by essential businesses who experienced a sharp decline in demand or whose clients were required to closed. For example, though payroll software companies could work from home, if their clients were hospitality businesses their revenue was also impacted. Australian Business Software Industry Association President, Simon Foster, reported that his association did a survey in May 2020 which showed:

"The majority of members saw a significant decrease in revenue."

The confusion caused by different definitions of non-essential businesses was again raised by many respondents. For example, Australian Hairdressing Council CEO, Sandy Chong, said:

"As much as they keep putting hairdressing up there as essential, we can't physically social distance... Not being given a government direction... created a lot of angst for our industry and we also couldn't negotiate with landlords because we became an essential business, but we also had a lot of staff who did not want to go to work."

Several respondents noted the uneven impact felt by small businesses within the same sector noting that those in CBD or shopping centre locations were most negatively affected by closure of non-essential businesses. The negative effects of state border closures were often commented on by respondents including: **the higher impact on industries that require a mobile workforce; the higher impact on regional or border-town areas; confusion caused by changing border restrictions; and the effect on business and consumer confidence.** Screen Producers Australia CEO, Matthew Deaner, explained:

“Our workforce is moving from gig to gig to gig for maybe a 3-week shoot or a 6-week shoot or a 6-month shoot. That necessitates the free flow of crew around the country to fill the gaps in productions.”

Australian Livestock and Rural Transporters Association Executive Director, Mathew Munro, said:

“While it did seem effective [at stopping the spreading the spread of the virus] it threw up a lot of problems for my members who regularly cross borders, particularly in regional areas.” Other respondents described them as “hideous” and “dysfunctional.”

The negative effects of two further government decisions in particular were commented upon by respondents: **International border closures**; and **Discouraging non-essential travel/encourage working from home**. The impact of international border closures on migrant workers was raised by several respondents particularly with reference to overseas students and backpackers. Negative effects on tourism businesses including but not limited to, retail, restaurants, accommodation, and transport were highlighted by several respondents. Several respondents noted the negative impact of discouraging non-essential travel and encouraging working from home felt by CBD-based businesses and the impact on the client base of essential businesses caused by this government directive.

The following three government decisions were rated to have had the least negative effects on small business according to survey respondents: **Contact tracing & genome sequencing; Mass COVID-19 testing; and Mask wearing (suggested).**

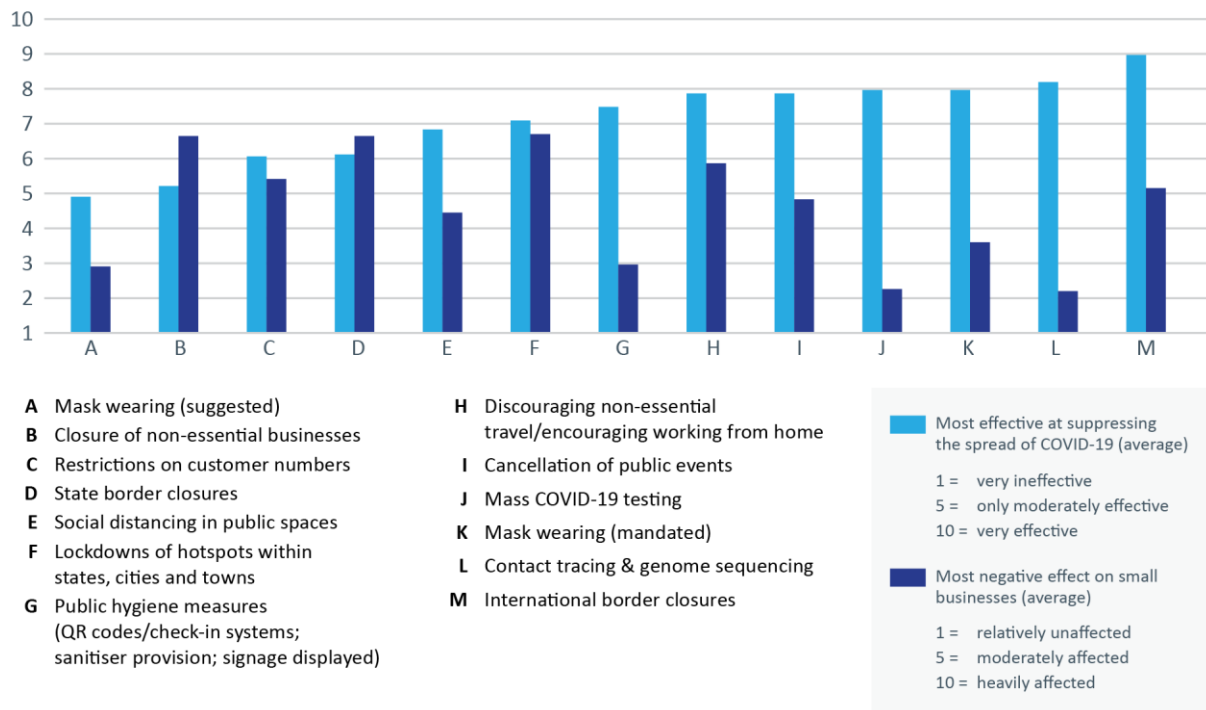
“[Mask wearing] didn’t really have any effect on our businesses. It was only a positive effect if anything.”

MARK KAGAN
FAMILY BUSINESS AUSTRALIA, CHAIR

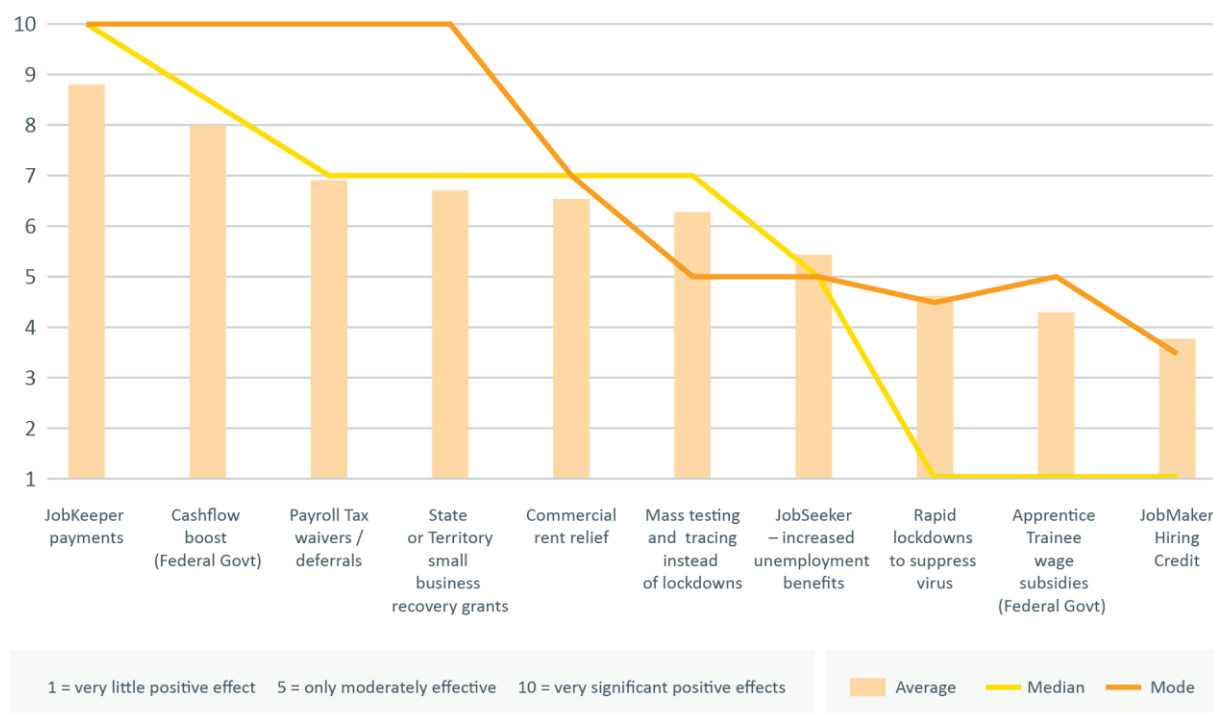
Several of the same government actions were included in questions 1 and 3 of the survey. The results are compared below:

Q1: In the experience of your business association, which government actions do you believe were the most effective at suppressing the spread of COVID-19?

Q3: In your experience, which government decisions had the most negative effects on small business?



Q4: In your experience, which government decisions had the most positive effects on small business (rate from 1 to 10)?



Respondents rated that the following three government decisions had the most positive effects on small business according to survey respondents: **JobKeeper payments**; **Cashflow boost**; and **Payroll Tax waivers/deferrals**. Many respondents commented positively on **JobKeeper payments**, saying the measure was very important, significant and effective, particularly for struggling CBD-based businesses. A number used language around life and survival to describe the program, saying, for example, “*it kept my members alive*” and that it was “*a lifeline*.” Several respondents also noted, however, that JobKeeper was now a problem as they believed it was impacting employees’ incentive to return to work. Another problem raised by a few respondents was the ineligibility of visa workers. For example, although she rated JobKeeper 10/10 for its overall positive effect, Australian Hairdressing Council CEO, Sandy Chong, added:

“There are nuances about JobKeeper that I think everyone would agree are not great, like your casual worker who worked 3 hours a week for the last 12 months [and] got JobKeeper but your visa workers got zero... We’ve lost some really good, key people.”

Comments on the **Cashflow boost** were overwhelmingly positive. For example, MGA Independent Retailers CEO, Jos de Bruin, described it as “*such a welcome boost to allow further investment into our businesses being able to be COVID safe*.”

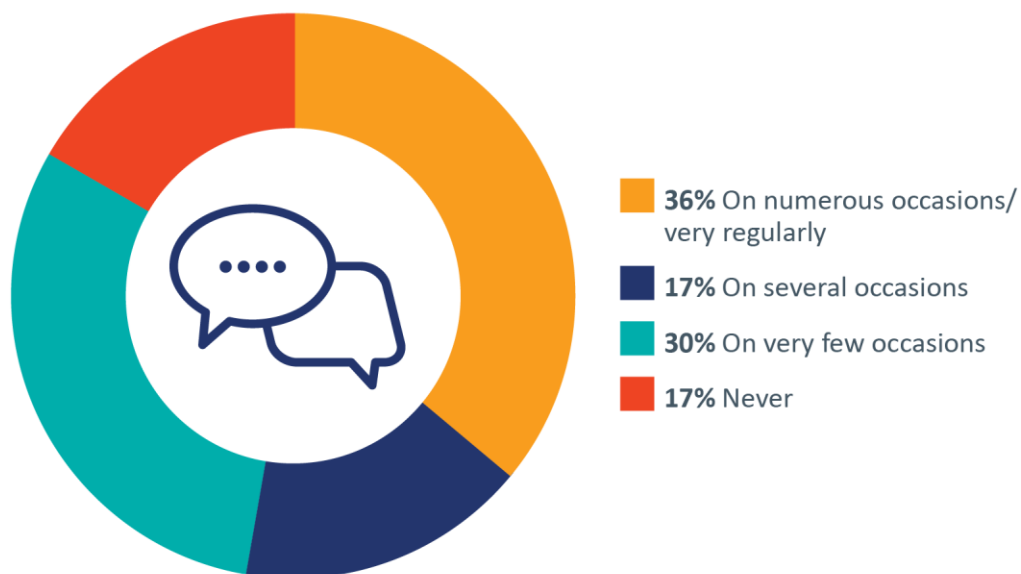
Despite being rated highly, a number of respondents commented that **Payroll tax waivers/deferrals** weren’t relevant to their industry or many small businesses in their state or territory.

Three mid-rated government decisions drew regular comments with regard to their positive effects on small business:

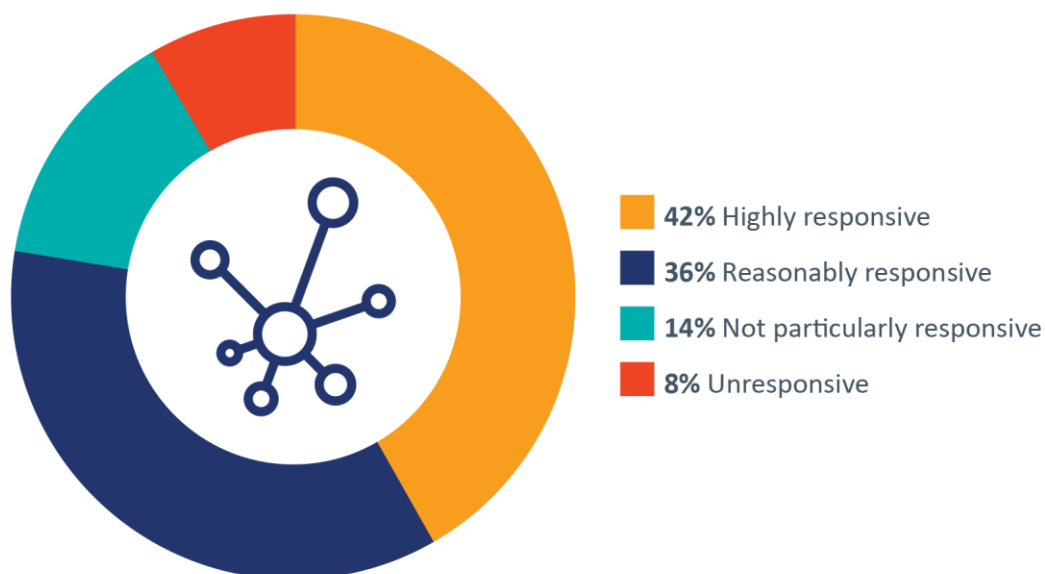
- **State or Territory small business grants:** Many respondents commented that these grants were too cumbersome, confusing, inconsistent between states and territories, and offered very small sums for business relief.
- **Commercial rent relief:** Several respondents noted that CBD businesses wouldn't have survived without this relief, and that it was invaluable and positive for those who were eligible. Several respondents commented, however, that enforcement and implementation was inconsistent between the states and territories, and that the relief didn't go far enough. Newsagents NSW and ACT CEO, Ian Booth, summarised it as *"it all gets back to how belligerent the landlord is going to be."*
- **JobSeeker increased unemployment benefits:** Many respondents noted that this government decision put liquidity into the market, helped people who lost their jobs, reduced the overall negative effect on the economy and encouraged consumer spending. Several respondents noted, however, that this decision resulted in a disincentive to work, has delayed people returning to work and caused difficulties recruiting. For example, one respondent reported that his industry *"saw a wholesale resignation of staff who were happy to go sit on the couch for \$100 a week or less."*

The following three government decisions were rated to have had the least positive effects on small business according to survey respondents: **JobMaker Hiring Credit**; **Apprentice Trainee wage subsidies**; and **Rapid lockdowns to suppress virus**. Many respondents commented on current low take-up of both **JobMaker Hiring Credit** and **Apprentice Trainee wage subsidies** but were interested to see whether take-up would increase in 2021. There was, however, some scepticism: *"It's another one of those two words pushed together,"* commented one respondent. **Rapid lockdowns to suppress virus** was also rated low for positive effects on small business with several respondents noting the severe impacts for businesses within a lockdown region, questionable implementation of various lockdowns and the panic buying inspired by this decision. However, many respondents also noted this approach was far preferable to a whole state or territory lockdown, that decisive action could lead to shorter duration in lockdown and that people outside a lockdown hotspot draw confidence from this approach.

Q5: Was your organisation directly consulted by federal government representatives / departments / agencies in relation to decisions that affected your members?



Q7: How responsive were federal government agencies in their direct consultations with your organisation?



Over a third of respondents were consulted by federal government representatives, departments or agencies **on numerous occasions** and 42% of respondents indicated that those federal government agencies were **highly responsive** in their direct consultations. Several respondents noted that their industry association had initiated contact with a federal government representative to begin a consultation. One respondent commented “*we had to almost lead and then government came in and engaged us and learnt from us.*” The former CEO of the Australasian Association of Convenience Stores was happy with the consultation he received from the Federal Government but qualified that his association “*had to be very proactive in pushing [its] case with the governments.*”

Federal government representatives, agencies, and departments which were commended by several respondents include:

- Australian Taxation Office
- Treasury
- Minister for Employment, Skills, Small and Family Business
- Australian Small Business and Family Enterprise Ombudsman

MGA Independent Retailers CEO, Jos de Bruin, said the ACCC, ATO and ASBFEO were,

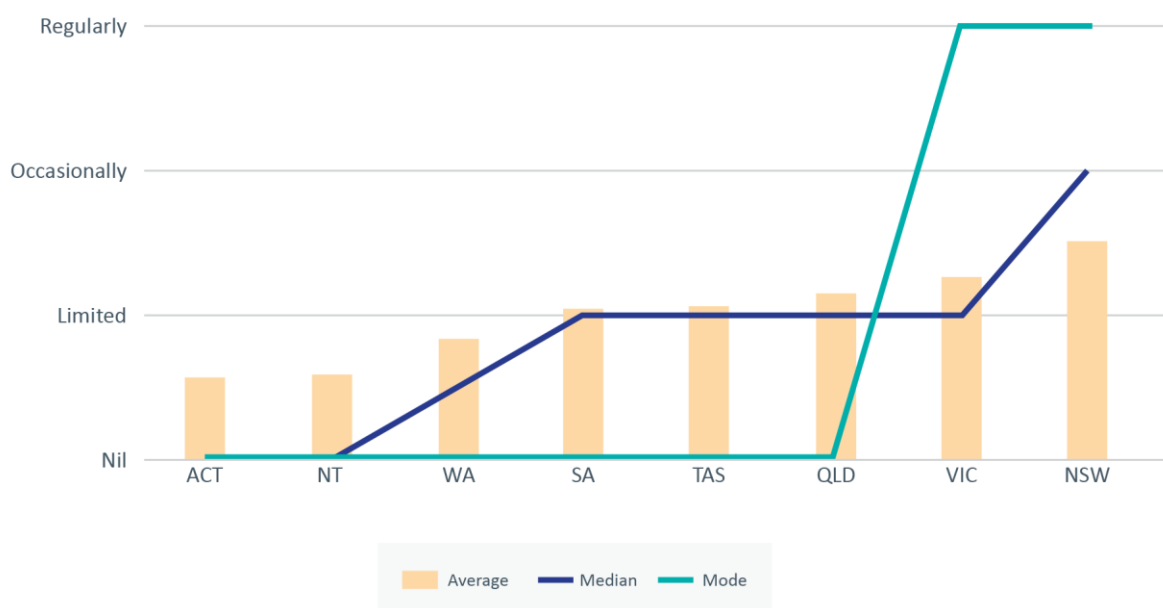
“all highly responsive to the needs of small business,”

adding *“they acted immediately, and I think that was the key to the success of getting through a lot of this.”* Dominic Schipano, CEO of ADTIA, singled out the ATO as *“brilliant,”* adding *“to do something like JobKeeper, it took a lot, a lot of work. What they came up with and how they handled it – I thought it was brilliant.”*

By contrast, a few respondents felt that their interactions with federal government representatives, departments or agencies were tokenistic, patronising, or ordinary. In the words of one respondent, *“it was a little bit patronising and kind of ‘we’ll tell you what your situation is’ rather than truly listening.”* Another respondent said, *“we were consulting... but they weren’t getting the messages right.”* Another respondent described the difficulty their industry association had engaging with federal government agencies:

“Because we don’t have deep pockets and we don’t have a big profile, it’s been a real challenge trying to get through to people.”

Q6: Was your organisation directly consulted by state or territory government representatives / departments / agencies in relation to decisions that affected your members?



Q8: How responsive were state or territory government agencies in their direct consultations with your organisation?



Survey respondents indicated that the average frequency of their direct consultation with state or territory government representatives was **limited** for all states and territories except Victoria and NSW whose average frequency of consultation was rated between **limited** and **occasionally**.

All states and territories were rated on average between **not particularly responsive** to **reasonably responsive** except NSW which was rated as having the highest level of responsiveness on average.

Several respondents commented that the low level of consultation was understandable due to the number of different bodies which needed to be consulted. A few respondents noted that state Small Business Commissioners in Victoria and NSW were particularly responsive.

Several respondents praised NSW and criticised Victoria's approach to consultation. For example, Jos de Bruin, CEO of MGA commented:

"NSW were really a great example of consulting and working out what businesses needed, and then you got a state like Victoria which was the opposite."

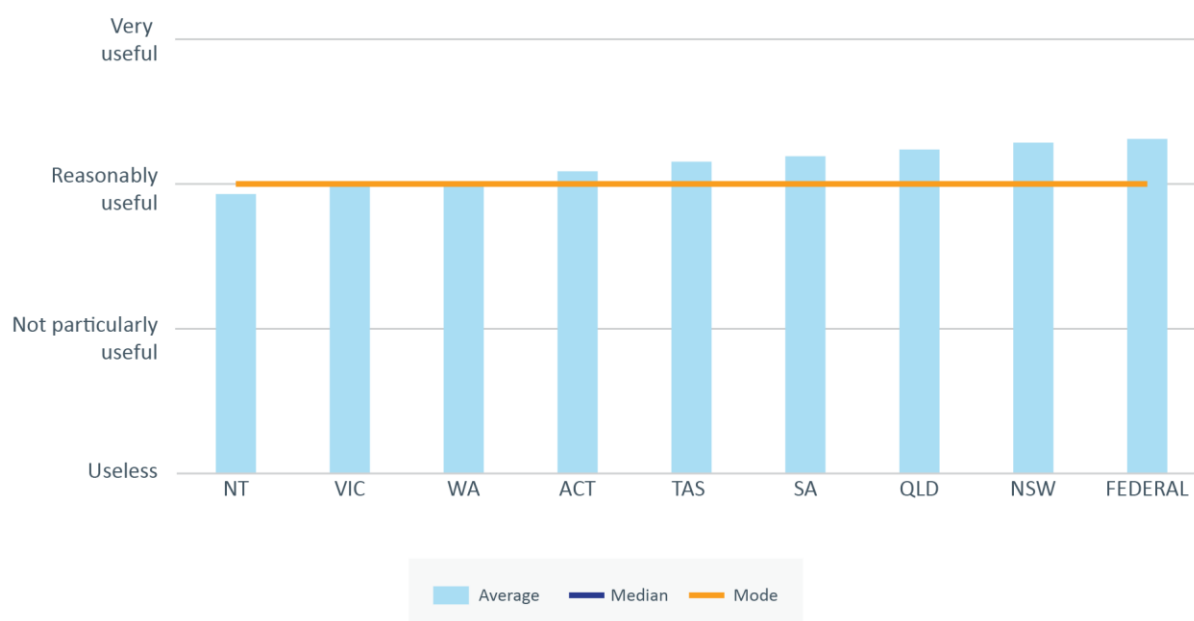
Other respondents were more positive about their interactions with the Victorian Government:

"The people in the Premier's office were very good and very responsive when issues were raised... But there was no proactive consultation."

AUSTRALASIAN ASSOCIATION OF CONVENIENCE STORES, REPRESENTATIVE

Most respondents indicated they were satisfied with their level of engagement with state and territory governments: *"Everyone was very uniformly pretty good."* – Matthew Deaner, Screen Producers Australia.

Q9: How useful were federal, state or territory government online resources for your organisation?

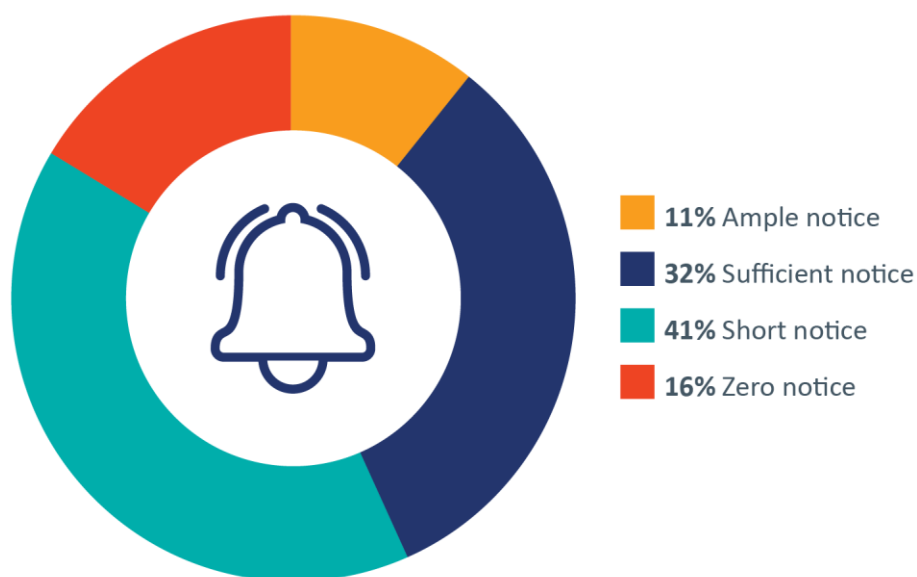


All federal, state and territory government online resources were rated on average to be **reasonably useful** by survey respondents. A number of respondents, however, commented on timeliness issues with the updating of online resources but that these issues became less frequent over time. Australian Livestock and Rural Transporters Association Executive Director, Mathew Munro, also raised the issue of border crossing permits: “Some of those New South Wales - Victoria border closures happened so quickly that they would announce that there would be a permit but the site where you had to go to get a permit wouldn’t actually work until after the period had commenced. Those sort of things were very frustrating for members... The phone just rings off the hook saying ‘what’s going on?’ and we can only say ‘they tell us it’ll be up soon.’”

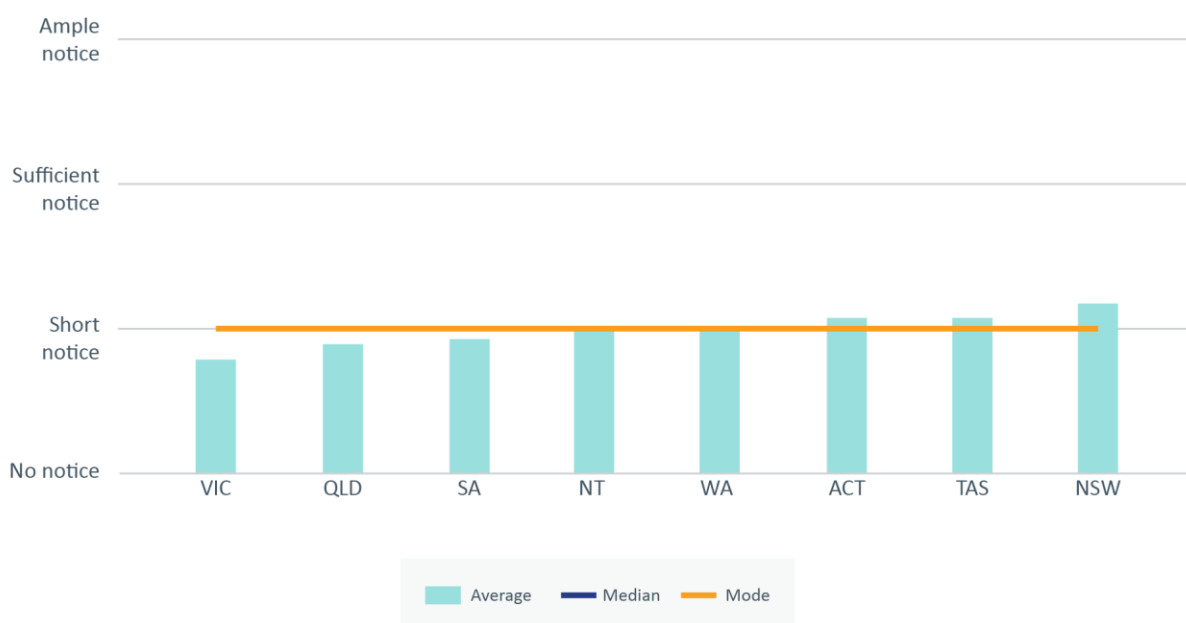
A few respondents commented on issues with inconsistency and differences between various federal, state and territory definitions and directions. Colm Maguire from the Pharmacy Guild said, “the inconsistency of a federation obviously creates conflict when you’re trying to manage something from a national organisation... If one state government is doing things slightly differently it becomes difficult to manage or support your members consistently... The beauty of the federation is coupled with the complexity of a federation, that we can’t always agree on how things should be.”

Many respondents also reported that their association created its own industry-specific online resources. ACAPMA, for example, produced its own daily COVID-19 update.

Q10: How much notice were your members given (in a majority of instances) in relation to federal government health measures?



Q11: How much notice were your members given (in a majority of instances) in relation to state or territory government health measures?



Over half of respondents indicated that they were given **short notice** or **zero notice** in relation to federal government health measures which impacted business operations. 32% of respondents, however, indicated that their members received **sufficient notice** of federal government health measures. Respondents rated average notice given by all state and territory governments for health measures which impacted business operations to be **short notice**.

A few respondents commented that short notice on border closures was particularly problematic for their members. Mark McKenzie, CEO ACAPMA, said:

“Businesses in cross border regions were not given sufficient notice... we had situations where rosters were thrown into disarray by border closures.”

ALRTA Executive Director, Mathew Munro, recounted a story of trucks transporting cattle across outback Queensland from Brisbane to the Northern Territory:

“They’re loaded, they’re on the way from a Brisbane hotspot and the border has closed before they’ve got there and they’re out of contact in between so they just present at the border and it’s closed.”

This was a common problem for his industry:

“If something changes while you’re out on the road, what do you do? If you’re the one who owns the business and you’re in the truck, you have no support out there.”

Robert Mallett from the Tasmanian Small Business Council qualified his rating of **sufficient notice** with:

“[The notice] was sufficient because the Government were paying JobKeeper. And if the Government weren’t paying JobKeeper and the IR system hadn’t been adjusted to meet the needs of small businesses having to alter things at short notice, it would’ve been a complete nightmare.”

Many respondents commented that short notice from any level of government was understandable under the circumstances which required quick reactions from government. An Australasian Association of Convenience Stores representative said:

“Obviously we’d like as much notice as possible, but we understand that it’s not always feasible. We just have to adapt.” Australian Booksellers Association CEO, Robbie Egan, said, “in the end we’ll be thankful that we all went really hard. We’ve erred on the side of caution and it will prove to be the best approach.”

Other issues raised by survey respondents

Throughout the survey interviews, respondents often commented on impacts experienced by small business which weren't captured within the survey questionnaire. A summary of the themes which emerged from these comments is included below.

Inconsistency, confusion and uncertainty

The impact of inconsistent and constantly changing levels of restrictions and public health measures caused great difficulty for many small businesses and for industry associations trying to support their members. Sandy Chong, CEO of the Australian Hairdressing Council, described the difficulties hairdressers experienced:

"It's like we hover around in this grey space – we never know whether we're open or closed. They always tended to announce something without all of the details behind that announcement and it would be a few days before you would get a response. We would be slammed with queries and not be able to answer it... I think overall the Government does communicate well, but I think unfortunately a lot of people don't look at government sites and they would see a lot of false information elsewhere. I think that's where a lot of the confusion came from. Social media had a lot to do with this."

Even for categories of small business which were uniformly deemed essential such as pharmacies there were problems caused by inflexible definitions of an essential worker. *"We had problems with the definition of who was an essential healthcare provider. The pharmacists and pharmacy assistants weren't dedicated healthcare providers, so we struggled with getting them COVID-19 tested if we needed to."* (Scott Harris, The Pharmacy Guild) Many respondents praised the amount of information made available by federal, state and territory governments, but the method and timing of delivering information did cause problems for many: *"Government by PR briefing on Sundays [caused problems] because we would get swamped with phone calls every Monday morning and we had no detail and it kept happening and it's still happening... People want to know that they're doing the right thing."* (Christine Pope, Australian Traditional-Medicine Society) Many respondents pointed to a lack of consultation with state and territory governments causing their small business members unnecessary complication and confusion:

"Some of the impacts were more severe than they should have been because of how they were decided and communicated. In particular, in states like Victoria, there was no consultation; the decision was just made. We were always behind, trying to get the decisions that had been made to be more workable. It wasn't so much about the decisions – they all had a reasoning behind it – it was how the decisions were made."

GAVAN ORD, CPA AUSTRALIA

The general uncertainty caused by a constantly changing landscape of restrictions across the country particularly impacted small businesses which rely on appointments: *"The uncertainty and the fear for the general public as to whether or not they should leave their home, even if it wasn't necessarily a public health order, a Stay at Home order. People who were vulnerable would've chosen just to cancel any appointments and stay at home – that certainly had an impact on business."* (Anna Yerondais,

Myotherapy Association Australia) Dips in consumer confidence and certainty had a regular negative impact on small business confidence and those businesses' ability to plan for the future.

Decisions which impacted specific industries

Specific measures, industry networks, or government decisions which affected a particular industry sector or geographical area were described by survey respondents. Some examples of those where negative impacts were felt are included below.

Trade tensions with China – impact on agricultural sector

"The political fallout of the trade wars that are primarily COVID-19 related because of the inquiry into where it started has had quite a significant impact, particularly on the agricultural sector. And a fear of what that might do in the longer term, and some additional work in finding alternative markets, uncertainty into whether or not they will be accepted, loss of produce transit."

ELIZABETH SKIRVING, CEO, RURAL BUSINESS TASMANIA

Regulation changes in the screen industry

"The Government suspended the regulatory framework for content on the commercial broadcasters. One of our big chunks of work is normally commissions from Seven, Nine and Ten and they suspended that quota and then conducted a review of it and introduced a reduced quota which started on 1 January this year... It was very damaging for business confidence and created incredible uncertainty for the sector... It paralysed businesses that were directly affected by it... So that's been a bad set of decisions from the Government, very problematic actually... there was no consultation on the final decision."

MATT DEANER, SCREEN PRODUCERS AUSTRALIA

Management of relief funds for the arts sector

"The management of funding relief through grants was sketchy to say the least. Very limited accountability, the way the application process was managed, communication to the sector... just not effective at all. That funding really hasn't got to where it's needed."

CRAIG SPANN, AUSTRALIAN LIVE MUSIC BUSINESS COUNCIL

Ongoing impact of social distancing requirements for private events on the events hire industry

"You can very easily trace everyone who has gone to your wedding; they're on a guest list, you can put a lot of safety measures in place... But if you're only allowed 30 people and they're enforcing a 4 square metre rule on private events, it's just unfeasible so people postpone and cancel. And there just doesn't seem to be an end... We're 12 months into zero traditional revenue – that's tough."

JAMES OXENHAM, HIRE AND RENTAL INDUSTRY ASSOCIATION

Impact of the Victorian lockdown

"The Victorian lockdown was devastating, and not just for Victorian brokers but brokers in other states have clients in Victoria, and brokers in Victoria have clients in other states who can't access the services of those Victorian brokers."

DAVID GANDOLFO, CAFBA

"It was not being able to trade... Melbourne was an economic disaster across the board. Luckily we've all bounced back really quickly."

ROBBIE EGAN, AUSTRALIAN BOOKSELLERS ASSOCIATION

Employer liability laws

"Something that wasn't very useful was that the SA Government determined that anyone contracting COVID-19 in the workplace, the employer was liable. And that also became a law in WA, and I think in VIC. They're not very useful initiatives."

JOS DE BRUIN, MGA INDEPENDENT RETAILERS

There were also positive impacts experienced by particular categories of small business as a result of government decisions or actions. For example:

Instant asset write-off

"The Federal Government was very intent on providing stimulus to the economy and that came through in the instant asset write-off, and that kept a lot of us going. Some had a very good June as a result of the instant asset write-off."

DAVID GILL, CAFBA

NOSEC – negotiating for the fuel industry

“In our industry there’s a group called NOSEC. It’s the National Oil Supplies Emergency Committee. This was where there were some policy changes made as well as a provision negotiated with the ACCC to actually allow coordination of wholesale fuel supply to businesses.”

MARK MCKENZIE, ACAPMA

Initial industrial relations flexibility

“Some of the agreements that government and the unions came to around changing particular provisions in awards to allow for more flexible working. It was only minor, but it allowed employers and employees to deal with work/life balance.”

SARAH MCCANN-BARTLETT, AUSTRALIAN HUMAN RESOURCES INSTITUTE

The Temporary Interruption Fund for screen producers

“There was the TIF, The Temporary Interruption Fund, \$50 million that could be allocated against production in the absence of getting full coverage from insurance should a COVID-19 outbreak happen and the production go into a fair bit of delay or other expense because of that. It gave everyone confidence that we could keep going. It was very valuable.”

MATT DEANER, SCREEN PRODUCERS AUSTRALIA

THE CRITICAL IMPACT ANALYSIS

Driven by the survey results and research, COSBOA's Critical Impact Analysis provides a synopsis of the actions and outcomes that mattered to Australian small businesses in response to the COVID-19 crisis.

In the survey, COSBOA members raised the issues that were most important to them during the worst of the pandemic. This section examines in detail those issues in chronological order. What government, business and public responses were successful and which initiatives were, are still, or could be, challenging for small business? What do publicly available reports say? What is the potential for further investigation and research? This is a deep dive into the subject specific details and a critical impact analysis of policy, legislation, regulations, and reforms. Informed by a year of weekly consultation with leaders of business associations representing millions of small businesses, this analysis provides an ongoing small business perspective.

Keeping it real, the analysis is punctuated by the voice of small business industry leaders and their experiences, at the pointy end of change. It is backed up with all the most relevant research. This section includes what was learned and ideas about what still needs to be done.

Border closures

"I think our international borders have to be closed, have to be tight. Despite its consequence, which is devastation to a whole tourism industry, I think it's effective."

MATTHEW ADDISON, INSTITUTE OF CERTIFIED BOOKKEEPERS

"I think [state] border closures were dysfunctional and unnecessarily disruptive. I think it was a blanket approach, not a measured approach."

JOS DE BRUIN, MGA INDEPENDENT RETAILERS

The subject of border closures is very broad and multi-faceted. There are two main dimensions to border closures during the COVID-19 pandemic:

- Australia's international borders
- State and territory borders

The history of COVID-19 border closures began on 21 January 2020 with *"additional proportionate border measures"* put in place for flights from Wuhan to Sydney. In the two months that follow this action, decisions about Australia's international borders were characterised by hesitancy and mixed messages.

On 23 January PM Scott Morrison noted that the Department of Health:

"Does not currently recommend mass screening of passengers at airports, including thermal scanning, due to the limited evidence of effectiveness of those measures".

On 27 January the Australian Government announced that there was:

"Insufficient evidence to support quarantining passengers as they arrive (in Australia, from China)".

Finally, on 1 February, the decision was made that foreign arrivals from mainland China were not to be allowed entry into Australia (Australian citizens and permanent residents excepted). A recommendation was made that no Australian travel to mainland China.

The first COVID-19 death of an Australian citizen occurred on 1 March. The man had been airlifted to Darwin and then Perth, having been a passenger on the *Ruby Princess* cruise ship.

On 19 March the *Ruby Princess* docked at Circular Quay in Sydney.

It was not until 20 March that Australia's borders were closed.

Ultimately, the closure of Australia's international borders has been a vital tactic in Australia's successful COVID-19 response and received the highest average rating (9) for effectiveness in stopping the spread of COVID-19 from COSBOA's industry association survey questionnaire respondents (see page 17). However, for the purposes of this analysis we have focussed primarily on state and territory border closures. The reason for this is the more direct impact that state border closures have had on small business. This is reflected in COSBOA's survey results with state border closures receiving the equal highest rating for negative effects on small business (see page 23).

On 24 March several states and territories either closed their borders or imposed restrictions on cross-border travel.

State border restrictions continued in various forms including the closure of the Victoria-NSW border on 6 July.

State and territory borders have re-opened and then closed again as COVID-19 outbreaks have re-merged and then been suppressed. As late as 10 February 2021 South Australia closed its border to residents of Greater Melbourne.

Key observations

“Our success has been built on draconian border closures and sudden lock downs, some of them absolutely necessary with others demonstrably and damagingly less so, especially to tourism. Premiers and chief ministers may yet come to regret their disregard for an industry that is looking worryingly fragile.”

(DENNIS, 2021)

Border closures are damaging many types of businesses

Peak business organisations have argued that prolonged border closures within Australia have had a severe impact on the economy and on businesses. Speaking about Queensland’s very lengthy border closure Jennifer Westacott AO, Business Council of Australia, stated that:

“The impact has been particularly acute in Queensland’s tourism and hospitality industries. Arbitrary border closures were a blunt weapon we needed to keep people safe in the early stages of the pandemic, but they are unsustainable job killers.”

(BUSINESS COUNCIL OF AUSTRALIA, 2020)

While tourism and hospitality businesses are not the only businesses damaged by border closures it is important to recognise the value of that sector to the Australian economy. Tourism usually accounts for about 6.6 per cent of Australia’s total exports and contributes 2.5 per cent of Australia’s GDP.

The Tourism and Transport Forum Australia has warned that “....state border closures had cost tourism operators nearly \$7 billion in lost business between Christmas Eve and the end of January”. It is important to note that international border closures have also contributed in a significant way to the damage caused to tourism and hospitality businesses. (McIlroy, T. Carruthers, F., 2021)

Although COSBOA does not have any members representing the tourism industry, representatives of newsagencies, pharmacies, and booksellers identified the absence of domestic and international tourists as negatively impacting trade. For example, Ian Booth stated in his interview *“the border closures have had an impact on trade, particularly in rural and regional areas. There’s normally a high flow of grey nomads, particularly on the Newell highway between Victoria and Queensland, and businesses which traditionally rely upon that custom have been impacted when the borders have closed.”*

Survey respondents also identified that businesses reliant on a mobile workforce were particularly damaged by border closures. These included businesses involved in the transport of livestock, in screen production, in live music, and in hiring equipment to events.

Politicisation of state and territory border measures

Arguably, state border closures are more prone to political manipulation for electoral advantage than international border restrictions (Keane, 2020).

The application of state border closure rules has been described as, at times, arbitrary and cruel.

“While governments have promised to show compassion in granting exemptions to border closures, cases continue to emerge where pleas for help have been met with a wall of bureaucracy..... The inconsistency of border closures imposed by different states is also confusing..... If the reason for the patchwork approach is the difficulty of co-ordinating contact tracing and other inconsistencies between the different health systems, it could be solved by closer co-operation between the states.”

(THE AGE EDITORIAL, 2021)

Survey respondents expressed similar criticisms, sometimes giving examples. One striking example was provided by Mathew Munro, Executive Director of the Australian Livestock and Rural Transporters Association. He recounted that, during Victoria’s strict lockdown, truck drivers crossing the border into South Australia were required to present a negative COVID-19 test result obtained no more than five days before crossing the border. However, Victoria was only providing COVID-19 tests to people experiencing symptoms. When truck drivers crossed the border without a negative test, they were instructed to take a test in South Australia, but the nearest testing centre was a 400km round trip from the border, which meant that people rarely complied. As Mr Munro said, “Both states did what was in their own best interest, but without that national co-ordination it just did not work.”

Restriction of harvest workers’ travel

Australia has become heavily reliant on foreign guest workers and overseas backpackers to harvest vegetable and fruit crops. Both international and state border closures have severely hindered the movement of harvest workers into the country and across state boundaries. In specific instances the Federal Government has made arrangements for Pacific Island guest workers to enter the country under the Pacific Labour Scheme and Seasonal Worker Program but not all state governments have fully cooperated to facilitate the travel of these workers to harvest areas. (Minister for Agriculture, 2020)

State border closures have also restricted the movement of experienced machinery operators for Australia’s valuable grain harvests. (Bennett & Kelly, 2020)

Difficulty obtaining visa workers was referenced by survey respondents representing not only agriculture but hairdressing, petrol stations, convenience stores, and events hire businesses.

What have been the outcomes of Australia’s approach to border closures?

International border closures

Scientists from CSIRO, Queensland University of Technology and University of New South Wales have modelled the impact of international travel restrictions on COVID-19 importation risk.

"The team developed a comprehensive framework to model daily COVID-19 importations..... and calculated and assessed the efficacy of the travel bans implemented by the Australian Government.

The results showed that international travel bans in Australia reduced the importations of COVID-19 cases into the country by 87.68 percent (ranging between 83.39 to 91.35 percent) between January and June 2020."

(MANDAL, 2020)

It is also clear that the Morrison Government regards the closure of Australia's international borders as a first line of defence, and one of the vital suppression measures that have kept Australia relatively safe from the COVID-19 virus.

State and territory border closures

At this point in time the results of state and territory border closures are very difficult to measure.

"When you do a border closure, you're doing it with lots of other approaches, such as testing, quarantining, isolation, hand hygiene," says Mary-Louise McLaws of UNSW Sydney. "So it's very difficult epidemiologically to identify the effectiveness of that single thing."

Professor McLaws, who is an adviser to the WHO for COVID-19 infection prevention and control, has been tracking the data for Western Australia, South Australia, the Northern Territory, the ACT and Queensland while they've had border closures in place.

"Their border closures have shown that when states work towards eradication — which they inadvertently did, by getting zeros or very few cases daily and certainly over a two-incubation period — they are now very safe. And it's because they didn't import any local cases from outside their state."

(LYON, 2020)

Lessons learned about Australia's approach to border closures

Need for stronger federal co-ordination

Many people evidently regard the political environment surrounding border closures as being characterised by unseemly sniping, hypocrisy and lack of strong national leadership. (Letters to the Editor, 2020)

It appears that the National Cabinet process has not been sufficiently cohesive to facilitate a significant degree of unity on the subject of border closures. (Cormack & Dennien, 2020)

It is evident that, in some instances, state governments have not learned quickly enough from the valuable experiences of their counterparts in other parts of Australia. In preparation for future pandemics, it seems clear that Australia will need a much more cohesive strategy relating to borders. COSBOA suggests that the COVID-19 pandemic experience should inform a planning process for a nation border agreement. (Galloway & Foley, 2021)

Small business communities around Australia will generally support reasonable restrictions imposed by governments to suppress a pandemic. However, the more consistent and predictable government responses are to such a crisis, the less damage will be done to businesses, communities, workers and the economy.

It has been recognised internationally, during the COVID-19 pandemic, that inconsistency in government responses and application of restrictions is the enemy of successful public health outcomes. (Han, et al., 2020)

The same can be said of small business. In the context of a national health and economic crisis, inconsistent government decision-making and implementation of restrictions is a business killer. (Duke J. , 2021)

Quarantine

"Overall okay but a few big bumps."

ELIZABETH SKIRVING, CEO, RURAL BUSINESS TASMANIA

"I'm in Victoria, so hotel quarantine has been the big issue here... We've gone through a hell of a lot of headache."

ANONYMOUS

Much has been written about the COVID-19 and quarantine in Australia. In this section we have aimed to address issues arising out of the quarantine system that have impacted on small business.

It is important to define what we mean by 'quarantine' in this context.

"Quarantine is when you are well but may have been in contact with someone with COVID-19. If this happens you will be required to isolate from other people to prevent the spread of the virus. The quarantine period is 14 days from when you may have been in contact with the virus.

If a public health authority directs you to, you must go into a mandatory 14-day period of quarantine. During this time, they will monitor you.

You will need to go into quarantine if you:

- Have returned home from overseas.
- Have been in close contact with someone who has confirmed or probable COVID-19.
- Are entering a state or territory, or an area within a state or territory, that has a required quarantine period.

Quarantine is different to isolation and physical distancing....If you test positive you will need to go into **isolation**. Anyone who has been in your household is a close contact and must then go into quarantine. (Australian Government, Quarantine for coronavirus (COVID-19))

COSBOA observes that this definition of quarantine has applied quite consistently across all Australian jurisdictions. It is important to note that quarantine and border closures are not one and the same, even though the two tactics relate to each other especially in relation to border quarantine. The effectiveness and impacts of border closures are evaluated separately (below).

Quarantine has been one of the central mechanisms for government to restrict the spread of COVID-19. It is evident that certain types of industries and businesses have more affected by quarantine measures.

Key observations

While consistently acknowledging the importance of quarantine in combatting COVID-19 there has been a range of criticism about implementation.

Major mistakes in quarantine have led to COVID-19 outbreaks, particularly in NSW and Victoria. Some commentary argues that the Australian COVID-19 quarantine system has been characterised by:

“Indecisiveness, confused messaging and a lack of transparency”.

(Mills, 2020)

Failures in hotel quarantine

The weak link in the quarantine system has consistently proved to be hotel quarantine, with repeated breaches and infections emerging from the quarantine hotels.

The early failure of Victoria’s hotel quarantine system was emblematic of this and resulted in massive damage to small businesses in greater Melbourne and in other parts of Victoria. *“Small businesses in Victoria have been decimated by a second wave of coronavirus that may have stemmed from the state government’s botched hotel quarantine program.”* (Allman, 2020)

“The nation’s peak medical body, the Australian Medical Association, has warned that the failures in management of hotel quarantine will continue to put the country at risk until a vaccine is rolled out, but says the issues can easily be tweaked.”

(KELLY, 2020)

The Australian Government’s own review of hotel quarantine noted that:

“This type of suppression measure has been effective and has saved lives but the Hotel Quarantine System is vulnerable to breaches and these are hard to eliminate. It is also an expensive resource and comes at a high cost to individual, social and economic wellbeing.”

(HALTON, 2020)

Lack of centralised national control

Several expert commentators have argued that some of the failures of quarantine could have been avoided if the Australian Government had exercised control of the system, rather than placing responsibility on the states.

“COVID-19 offered an opportunity for a nationally co-ordinated response. Morrison’s national cabinet initially sought to achieve this. However, the response soon fragmented as the states pursued their own policies, with different degrees of urgency and substance. Morrison was left to simply accept what they do.”

(HEWSON, 2021)

Some commentators have been more scathing:

“Simply put, the Australian Border Force is in charge of incoming arrivals, with the commonwealth given constitutionally articulated responsibility for quarantining.

The Constitution, in section 51 (IX), lays out in black and white that the commonwealth, not the states, has oversight for quarantine. It is the basis for the Quarantine Act, which has not been legally challenged since 1908, including during the 1919 pandemic. We also now have the Biosecurity Act (2015), which provides extremely broad powers, and it mandates that commonwealth powers supersede those of the states.

Whatever mistakes state authorities may have made, it is the commonwealth that is charged with securing our borders. It had the power to deny the Ruby Princess access. It didn't. It is charged with responsibility for quarantining, but via the national cabinet Scott Morrison handballed that responsibility to the premiers.”

(VAN ONSELEN, 2020)

Adjunct Professor, Bill Bowtell from the University of New South Wales said the NSW outbreak proved Australia needed to make changes to its quarantine system and implement a national program that was properly staffed. *“We have not put in a completely robust quarantine system.....There needs to be a national director of quarantine to help roll out best practices across all states”* **Kelly, 2020**

“President of the Australian Medical Association WA branch, Dr Andrew Miller, said the quarantine system needed an overhaul.....We are still running these sort of hybrid hotel quarantine facilities. We want professional quarantine facilities, not something that's been shoe-horned into a Sheraton. It would be better to use that building, change the ventilation, change the staff completely, and give them the top level PPE.”

(OLIVERI, 2021)

In some jurisdictions questions continue to be asked about the need for expanded use of Commonwealth quarantine facilities. (Ramsey, 2021)

The need for purpose-built quarantine facilities has been highlighted again by revelations that hotels are inherently risky due to the inadequacy of air-conditioning systems in coping with airflow and aerosol transmission. Epidemiologist at the Burnet Institute, Professor Mike Toole said he had analysed recent cases of breaches in hotel quarantine, and most were "clearly from aerosol transmission." (Scott, Clark, & Lloyd, Experts say 'clearly aerosol transmission' of COVID-19 is the gap in Australia's hotel quarantine system, 2021)

What are the outcomes from Australia's quarantine system during COVID-19?

Without doubt, the quarantine system, as flawed as it may be, has played a crucial role in controlling the spread of COVID-19 more broadly in the Australian population. It has, literally, been a life saver. Ben Kearney, CEO of Australian Lottery and Newsagents Association, commented:

"Could it have been handled better by putting it out in the regions? Probably. But I suppose on balance, given the volume of people that have been through the hotels you'd say it was a 6-7 [out of 10]."

Hotel quarantine, while it has been the source of numerous outbreaks, has enabled large numbers of Australians to return home during the pandemic. Despite the infection control problems hotel quarantine has played a vital role. For example, since the start of November 2020 until mid-January 2021, Australia's hotel quarantine system had caught 765 positive cases of COVID-19. For every 191 cases of COVID-19 found in hotel quarantine, one escapes into the community". (Scott, Lloyd, & Clark, 2021)

So, while the principle of quarantine is supported by most small business owners, when quarantine goes wrong, resulting in lockdowns and harsh restrictions, the impacts on small business are terribly destructive.

Quarantine has been essential, and it has worked, in concert with other measures such as contact tracing and border controls (albeit with improvements needed).

In broad terms, the business community has benefited greatly from the suppression of the virus. While the economy has suffered a down-turn it has not been crushed by mass infections. It is not quarantine itself that negatively impacts small business but the failures of quarantine where they occur.

Lessons learned about Australia's quarantine system

Professor Michael Toole argues that Australian governments have not learned essential lessons from the COVID-19 quarantine experience. (Toole, 2021). Again, it is evident that, in some instances, state governments have not learned quickly enough from the valuable experiences of their counterparts in other parts of Australia.

COSBOA suggests that the Australian economy, society and small business communities will suffer less during the next pandemic if these lessons are learned.

- **Better national co-ordination and control is required.** While the COVID-19 quarantine system was overseen by National Cabinet, it seems apparent that the state governments preferred to exercise control over hotel quarantine rather than have it managed directly by the Commonwealth. With future pandemics in mind, it is vital that the Commonwealth Government develops greatly improved quarantine management systems and infrastructure. It is acknowledged that the Australian Health Protection Principal Committee (AHPPC) is the key decision-making committee for health emergencies, and this may be the foundation for a stronger national pandemic quarantine organisation.
- **Purpose built quarantine facilities must be made available.** The Australian Government currently operates Post Entry Quarantine (PEQ) facilities for animals and plant material. Given its

constitutional responsibility for national quarantine and border control it seems logical that the Australian Government should also make available human quarantine facilities for future pandemics. These might be multi-purpose facilities such as immigration facilities and/or hotels that have been identified during the development approval process and designed with the necessary features to enable them to be readily re-purposed.

- **Quarantine training for protective services workers.** The Victorian hotel quarantine experience (among others) has demonstrated that the equipping and training of quarantine staff is a vital factor in the success of the quarantine system. As with contact tracing, governments must be in a position to quickly prepare and deploy properly trained quarantine services workers. The knowledge gained during the COVID-19 pandemic must be codified and retained for use again in the not-too-distant future.

Enforced closure of non-essential businesses

“There’s always definitional problems around what is essential and what’s non-essential. That’s led to a lot of confusion and businesses that were essential closing, and non-essential businesses that thought they were essential.”

GAVAN ORD, CPA AUSTRALIA

“We really need a comprehensive list on who is essential. It’s like we hover around in this grey space – we never know whether we’re open or closed.”

SANDY CHONG, AUSTRALIAN HAIRDRESSING COUNCIL

Mandated closures of businesses have been a feature of the ‘lockdown’ measures taken by governments in response to COVID-19 outbreaks. Government mandated closures were significant for a number of reasons, not the least of which was the application of the Fair Work Act to enable staff to be stood down. (Crabb, 2020)

On 23 March 2020 federal government-enforced temporary closures of non-essential businesses signalled the arrival of the pandemic in the broader Australian community. The National Cabinet process involving federal, state and territory governments agreed to implement these measures. (Prime Minister, 2020)

It seemed apparent at that time that the decisions relating to business closures had been made very hastily. Definitions relating to essential and non-essential businesses were initially somewhat confusing and had to be quickly adjusted and clarified.

The initial lists were:

Essential businesses	Non-essential businesses
Supermarkets	Pubs
Banks	Clubs
Petrol stations	Cinemas
Pharmacies	Casinos
Convenience stores	Nightclubs
Freight and logistics	Indoor places of worship
Food delivery	Gyms
Bottle shops	Indoor sporting venues

Small businesses were highly represented in both essential and non-essential categories.

Those **essential businesses** permitted to stay open were impacted by social distancing rules and related measures. All businesses operating had to meet social-distancing guidelines — keeping people 1.5 metres apart, ensuring 4 square metres per person and not having gatherings of more than 100 people indoors. Many of the businesses that were able to stay open to the public – such as

small supermarkets and convenience stores - discovered that compliance with social distancing required careful management and reduced their trading capacity.

“There are hundreds of thousands across Australia, in cities and in country towns; these are the businesses that haven't been explicitly closed down by government edict, but neither are they essential enough to be earning any actual money.”

(CRABB, 2020)

For small businesses in the **non-essential** category, the impacts of closure were devastating. Even when restrictions were partially lifted, social distancing rules meant that certain types of businesses were completely unviable. Many small businesses in arts, live performance and tourism were effectively blocked from trading for several months. Numerous categories of discretionary retail and personal services businesses were badly impacted during this initial lockdown period.

Following the initial national COVID-19 restrictions imposed in March 2020 the pattern of enforced business closures and lockdowns restriction around Australia became less nationally coordinated, as states and territories responded to infection outbreaks. In subsequent months large numbers of small businesses were subject to state government-imposed business closures and lockdowns. This became a painful, protracted process of area lockdowns and, on occasions state-wide lockdowns and restrictions. (Guardian Staff, 2021)

It is important to note that differences between states and territories were very significant in this respect. The complexity of this has, at times, made business planning virtually impossible, particularly in relation to staffing and inventory.

Key observations

Confusing messages about essential and non-essential businesses

At various times during the management of the pandemic decisions about essential and non-essential businesses have been made and then amended. Many of these decisions were confusing for business owners and customers, especially in the early stages of trading restrictions imposed in March 2020. (Mortimer, 2020)

This view was very prevalent among survey respondents. Australian Hairdressing Council CEO, Sandy Chong, did not believe hairdressing should have been listed as an essential business as social distancing is impossible in that environment. She reported that not being given a government directive to close had caused “a lot of angst” for her industry.

Another example provided by survey respondents was the closure of rest areas for truck drivers in certain states. ACAPMA CEO, Mark McKenzie, recounted how, after hearing reports of South Australian police officers “manhandling” tired truck drivers away from tables, his industry association joined forces with the transport workers union to write letters to each state premier wherein they “basically threaten[ed] the transport of fuel in and out of their states” in order to get the issue resolved quickly.

One COSBOA member association struggled to find an answer as to whether its industry was considered essential or non-essential. The Hire and Rental Industry Association (HRIA) has small business members that hire equipment out to clearly non-essential activities such as festivals and weddings, but they also hire equipment to essential activities like construction. They even provided marquees, fencing and generators to COVID-19 testing centres. CEO James Oxenham, said *“we just don’t get recognised as an industry.”*

Short notice lockdowns – effects on small businesses

Short notice lockdowns had a destructive impact on large numbers of small businesses. It was not only retail and hospitality businesses that were affected. Manufacturing and construction businesses were hard hit at times in certain jurisdictions. Loss of income was not the only impact. There were wage and lost inventory costs for businesses that had to close with little or no notice. This was particularly the case during the harsh Stage 4 restrictions during the second wave of infections in Victoria.

“The economic costs of lockdown will be immense for small businesses right across Victoria, especially for those that were just beginning to find their feet again. But while the financial effects are huge, it is the mental health impact that will most likely hit small businesses even harder.”

(FLORES, 2020)

Most COSBOA members surveyed were forgiving of the short notice periods, expressing the view that longer notice would allow the virus to spread further. However, the lockdown of hotspots was rated 7 out of 10 as having the equal most negative effect on small business.

The lack of genuine consultation with business

Lack of genuine consultation with business communities was a criticism levelled at governments that imposed rapid lockdowns and compulsory business closures. The Victorian Government, in particular, was subject to these criticisms. As Jos de Bruin from MGA Independent Retailers worded it in his interview *“NSW were really a great example of consulting and working out what businesses needed, and then you got a state like Victoria which was the opposite.”*

It became evident to many business bodies that the Victorian interpretation of ‘consultation’ was very different to the understanding of the Federal and NSW Government. Many consultations conducted by Victorian government agencies equated to advisory sessions, informing business about decisions that had already been made.

While most business organisations understood the need for mandated restrictions, on many occasions there were unintended consequences which could easily be avoided by making relatively minor amendments. However, it became apparent that the business closure decisions were top-down and non-negotiable. (Evans, LaFrenz, Baird, Fernyhough, & Vickovich, 2020)

After finding themselves listed as non-essential, one COSBOA member association, Myotherapy Association Australia, managed to lobby all other state governments to include myotherapy on their lists of essential health services. However, despite their best efforts, they could not reach the Victorian Government and remained closed throughout the Stage 4 lockdown.

Despite criticisms about the length and extent of Victoria's Stage 4 restrictions and their destructive economic impacts, the Andrews Government persevered with its strategy, introducing a much-criticised 'roadmap' for easing COVID-19 restrictions. (White, Koubaridis, & McGowan, 2020)

What have been the outcomes of Australia's approach to mandated closure of businesses?

As time has passed Australian business operators have observed or experienced two different approaches to lockdowns and mandated business closures. These different approaches have been instituted in response to COVID-19 outbreaks in a number of jurisdictions. Arguably the decision to implement each type of lockdown has been motivated, at least partly, by the perceived severity of the outbreak.

Hard lockdown

Exemplified by Victoria's harsh 12-week lockdown, this method has been heavily criticised by many business organisations and commentators such as economist Gigi Foster who has argued that the cost of this approach is too high both economically and in terms of community wellbeing. (Irvine, Are the costs of lockdown worth the pain? Economists weigh in, 2020)

At face value this approach has ultimately brought about excellent public health results, with Victoria achieving almost total suppression of the virus. (Saul, et al., 2020)

Targeted lockdown

As the pandemic has evolved over many months in Australia, some governments have adopted highly targeted strategies to respond to COVID-19 outbreaks, rather than widespread hard lockdowns. Essentially these have comprised of:

- Targeted/limited area lockdowns and business closures.
- Intensive and rapid contact tracing and isolation.
- Extensive COVID-19 testing of people in affected areas/'hot spots'.

This strategy runs the risk of kicking off a cycle of stop-start reopening and shutdowns, which would be damaging to small businesses in the affected areas. However, in the Sydney Northern Beaches outbreak in December 2020 / January 2021, the strategy was ultimately very successful in suppressing the virus. (Vally, 2021)

Lessons learned about government-mandated lockdowns and business closures

COSBOA strongly suggests that the outcomes of pandemic lockdowns and business closures, in future pandemics, would benefit from extensive epidemiological and public health research.

From a small business perspective COSBOA argues that certain principles must underpin government decisions about business closures in future pandemics:

Genuine, responsive consultation and knowledge-sharing

The Treasury has published a document entitled Achieving Best Practice Consultation with Small Business. This document provides guidance to government agencies and includes such sage advice as:

“Considering the impacts of policy on small business is.....vital to the policy development process.

Governments need to work with the small business community and listen to what they have to say.

The benefits of consultation with small business includes bringing perspectives and ideas for alternative options from small business and giving a voice to this less easily identifiable group of stakeholders”.

(THE TREASURY, ACHIEVING BEST PRACTICE CONSULTATION WITH SMALL BUSINESS: A GUIDE FOR GOVERNMENT, 2012)

On reflection, during the pandemic, this approach to genuine two-way communication was adopted by some government agencies, and not by others.

The ultimate objectives of most governments must have been to suppress the virus and achieve excellent public health outcomes, while not crushing businesses in their jurisdictions. If so, then genuine two-way communication should have been an essential component of government engagement with small business.

Business communities have been strongly supportive of government efforts to deal effectively with COVID-19. Small business industry associations and peak bodies provided readily accessible, highly effective channels of communication between government and small business.

This was evidenced by regular, highly productive meetings between COSBOA and government agencies, including the Australian Taxation Office and the Federal and NSW Treasuries. In general, these agencies asked crucial questions, listened to the answers and, wherever possible put into practice the suggestions made by business representatives. These agencies rarely imposed a top-down, non-negotiable style of communication.

Effective consultation between government and small business during an economic or public health crisis does not just benefit business – it benefits the broader community and the economy. In the COSBOA experience, this crucial concept was evidently not understood by some jurisdictions (the Victorian Government in particular) and agencies (e.g. Safe Work Australia).

Lessons about genuine two-way consultation with small business organisations must be remembered and built into government agency practice for future pandemics.

Acting on a balanced spectrum of public health, scientific and economic advice

Australia has benefited hugely from the approach taken by governments to accept scientific advice about the pandemic. Australians have, by and large, also accepted the science relating to public health and have cooperated with governments.

COSBOA clearly acknowledges that this has been one of the crucial factors in Australia’s successful pandemic response (to date).

However, it is important to note that in many instances of COVID-19 infections in the community there has been a range of scientific advice *and* that the advice has evolved and changed.

A good example of this is the issue of mandating mask wearing in public. For several months there was ongoing debate among Australian authorities about the efficacy of mask wearing. Over time it became more evident that wearing suitable face masks would contribute to somewhat lower infection rates. There is conflicting political posturing about face masks but

within the medical and public health fraternity there are strong voices arguing that the correct use of face masks among the general public is an important preventative measure. (Zimmerman, 2020)

COSBOA strongly suggests that governments should adopt the precautionary principle when formulating public health policies during a future pandemic. In the context of a pandemic such as COVID-19 “....the role of science is to inform policy and politicians. Science cannot and should not prescribe what decisions to make in the case of risks subject to large uncertainties.” (Aven & Boudier, 2020) In an emerging pandemic, politicians must learn how to balance the advice they receive to rapidly develop effective policy settings.

Advice from the small business community will assist governments to manage serious risks in significant segments of society and the economy.

In a fast-moving public health environment, with a rapidly evolving pathogen, the science will be quite uncertain. (Shearer, Moss, McVernon, Ross, & McCaw, 2020)

Some policy decisions made in the early stages of a pandemic will prove to be incorrect or misdirected. It is vital that governments learn from the COVID-19 experience and consider a range of scientific and public health advice. Lessons learned from COVID-19, if incorporated into long-term public health policy, will assist governments in Australia to act quickly and take vital mitigation measures before the crisis becomes full-blown. (OECD Directorate for Science, Technology and Innov)

Industrial relations

"I think we were hamstrung during a time of absolute need for flexibility. We found it very difficult to be able to create a flexible workforce to be able to come inside and handle the needs of COVID-19. We found the complexity difficult. We found that we wanted to open up longer hours to accommodate the public, but in having to pay penalties and overtime just to do that, we couldn't justify it. The entire industrial relations system had a negative effect on us being able to employ more people during a time that we needed to."

JOS DE BRUIN, MGA INDEPENDENT RETAILERS

The Prime Minister at his National Press Club address in May 2020 described Australia's IR system as one "...that has to date retreated to tribalism, conflict and ideological posturing," he called on all parties to lay down their arms. "No side of that debate has been immune from those maladies. This will need to change or more Australians will unnecessarily lose their jobs and more Australians will be kept out of jobs." (Morrison, 2020)

The mantra is to consult, concede and get people employed, by moving away from ideological positions to practical solutions. As noted by Ian Booth, CEO Newsagents Association NSW & ACT: *"They're matters which have always been there, they've just come to the forefront during COVID-19."*

COVID-19 created real and difficult challenges for small business employers. While JobKeeper, JobSeeker, and JobMaker were created to address unemployment, the industrial relations system, long overdue for a major overhaul, came into sharp focus. COVID-19 required changes in laws so that employers could legally adjust their businesses and employment. The crisis and the creation of "job" initiatives threw business, government, and unions together in a spirit of co-operation and from May 2020, a working group was formed to look at the industrial relations system.

Five key areas were chosen for the group's focus to be chaired by the Minister for Industrial Relations, Christian Porter, with COSBOA representatives on three of the five groups.

- Award simplification (Mark McKenzie)
- Enterprise agreement making
- Casuals and fixed term employees (Jos de Bruin)
- Compliance and Enforcement (Peter Strong)
- Greenfields agreements for new enterprises

The Fair Work website started announcing changes to workplace laws from as early as 28 March 2020 to allow for the circumstances of COVID-19. Changes and announcements were made on an almost daily basis. Such is the convoluted IR system, new laws had to be created that protected employers in cases where they had to stand down staff due to COVID-19. (Fair Work Ombudsman)

COSBOA advocated for a simplified model schedule for small business, a clearer definition of casuals and an easier compliance system that differentiated between wage theft and unintended under or

over payment due to the complexity of the system. COSBOA said the current system is a barrier to employment because small business employers;

- Fear reprisal, from unions, &/or Fair Work Commission (FWC).
- Too hard to dismiss – it will cost too much.
- Onerous record keeping is too hard.

COSBOA worked with its members, including Master Grocers Association (MGA), Australian Convenience & Petroleum Marketers Association (ACPMA), Australian Lottery and Newsagents Association (ALNA), Pharmacy Guild of Australia (PGA), and the Australian Meat Industry Council (AMIC) to create a model schedule and demonstrate the complexity embedded in the IR systems that makes it too hard for small business to comply and understand.

COSBOA Chair Mark McKenzie said:

“The operation of the current industrial relations system (and its associated enterprise bargaining arrangements) has put small business at a distinct disadvantage. Small businesses don’t have the in-house resources needed to interpret complex awards and/or negotiate Enterprise Bargaining Agreements (EBA’s) to allow them to compete more effectively with their big business cousins. As a result, they are forced to fall back on the Modern Award structures which constrains their ability to innovate and realise associated productivity benefits.

The COVID-19 crisis, coupled with the attendant economic consequences, creates an opportunity to address this inherent workplace disadvantage for small business owners. There is an immediately opportunity to utilise the current period to recast small businesses role in the IR System by developing and implementing an IR mechanism that is purpose-built for small business operators.”

MARK MCKENZIE, 2020

The Government’s timeframe was three months of consultation, three months of drafting and announcements for policy in early 2021. The working groups concluded in October 2020 after 33 meetings and 120 hours of talks. From COSBOA’s perspective and participation, the consensus was, there was very little. The ACTU conceded:

“The ACTU Secretary has been quoted as saying that consensus was restricted to:

Creating a right for casual employees to request conversion to permanent employment after nine months;

Small businesses being subsidised to install payroll software to prevent underpayments; and

Employers receiving immunity from penalties where underpayments are shown to result from innocent errors and are immediately rectified.” (Freehills, 2020)

On 9 December 2020 the reform package was announced, and the Australian Government introduced its Industrial Relations Reforms package and introduced the Fair Work Act (Supporting Australia's Jobs and Economic Recovery) Bill into the Australian Parliament. (Fair Work Amendment (Supporting Australia’s Jobs and Economic Recovery) Bill 2020, 2020)

A consultation process is underway with a closing date of 5 February and a report due on 12 March. (Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Bill 2020 [Provisions], 2020)

The Government states:

“This package of reforms will give businesses the confidence to get back to growing and creating jobs, as well as the tools to help employers and employees to work together in a post-COVID Australia. Specific reforms offer practical measures across five key areas of Australia’s industrial relations system:

Award simplification – cutting red tape, improving flexibility and job opportunities in 12 Awards covering the retail and hospitality sectors, which were hardest-hit by the pandemic and saw the heaviest job losses.

Greenfields agreements – boosting investment in job-creating mega-projects by making them more attractive to global investors through new eight-year, life-of-construction agreements complete with appropriate safeguards.

Casual employment – ending the confusion and uncertainty surrounding the legal status of casuals, while providing a clearer pathway for those working regular shifts to convert to permanent roles after 12 months if they wish to do so.

Enterprise agreements – reversing the decline in agreement making by simplifying the BOOT (better off overall) test and setting a 21-day approval deadline to help drive productivity gains and real wage growth.

Compliance and enforcement – reducing the risk of wage underpayments by helping employers to comply with their obligations and provide mechanisms to rectify underpayments where they do occur; and protecting employee entitlements by introducing a new criminal penalty for the minority of employers who deliberately underpay their employees.” (Attorney-General's Department)

COSBOA members have been invited to work directly with relevant government departments on navigating solutions for what appears to be, post-COVID crisis, an issue that is reverting back to its true form, an intractable ideological dilemma.

Work from home

"Many of our members' staff were already working from home... It's not 'no' impact; you can't meet people face-to-face, and those interactions are different. But, relative to others, [it was] a small impact."

SIMON FOSTER, AUSTRALIAN BUSINESS SOFTWARE INDUSTRY ASSOCIATION

"There's no work from home option for a venue."

CRAIG SPANN, AUSTRALIAN LIVE MUSIC BUSINESS COUNCIL

ABS Data shows people working from home daily at 12%, almost tripled, jumping to 31% during the pandemic. (Australian Unions)

"Crises often accelerate change in workplaces: during World War I, women for the first time filled factory jobs vacated by men."

(EDITORIAL, 2020)

Work from home demonstrates how "lumpy" the impacts of COVID-19 could be for small businesses. The CBD exodus of office workers exacerbated COVID-19 related problems for inner city small businesses, cafes, newsagents, pharmacies, and other retailers, and was a boom for suburban small businesses. However, it also benefited suburban supermarket giants, like Woolworths and Coles, who experienced up to 10% increases in revenue during COVID-19 in 2020. (Sue Mitchell Financial Review, 2020)

This CBD-suburbs divide was widely reported on by COSBOA members during the survey interviews

ACAPMA CEO, Mark McKenzie, reported that petrol stations located on commuter freeways saw trade reduce as fewer people drove to work. Many petrol station owners are small businesses who rely on the daily trade of petrol and small ancillary purchases. However, local independent and corporate supermarkets boomed.

Small business is highly diverse and the ability to cater for employees working from home is similarly varied. For some small businesses, working from home was not new. For others, it required the upgrading of home-based internet connections, security, and provision of mobile technology. For many businesses it required rethinking the private/professional divisions as people made dinner in the background of Zoom meetings and kids wailed before being mercifully muted on conference calls. While this was funny, navigating the safety of home-based workplaces was fraught with intrusions and privacy issues which had to be worked out "on the fly" with policy and law playing catch-up. *"If it was a young tech-savvy business, they transitioned with no problem to video-conferencing, Zoom calls, whereas older business owners that are used to taking in their shoe box of receipts, for example, really struggled with the lack of human interaction."* (Gavan Ord, CPA Australia)

For many other small businesses, working from home was not possible. Craig Spann from the Australian Live Music Business Council put it bluntly *"there is no work from home option for a venue."* Newsagents Association NSW and ACT CEO, Ian Booth, explained *"most of the products Newsagents*

have, certainly the agency lines – so that’s newspapers, cards, and lottery products – they can’t turn around and sell them online because they’re only acting as an agent. They have no possession of those products in a legal sense.”

There are reports that most people want to work from home and other reports being negative about working from home, as it can be a lonely place, if you live by yourself. There have been reports that working remotely stifles innovation and team work. Now we see the unions calling for changes to workplace relations to reflect the needs of people working from home.

“Some Australian employers are more enthusiastic about returning to the old work arrangements than their workers, who have enjoyed the flexibility and the time saved from the daily commute.”

(EDITORIAL, 2020)

There has also been reports that people are not being paid the penalty rates for the hours they work. That in several cases the home environment is not safe or suitable for work.

There was one terrible instance where a woman was a victim of domestic violence while working from home and the court decreed the employer to be responsible for not making the workplace (home) safe. (Deimar & Dorney, 2020)

“This case demonstrates that workplace health and safety doesn’t only apply to ergonomic chairs and best lighting. Employers must, by law, provide a safe working environment for their staff and should ensure there is no risk involved with working from home. This includes the threat of domestic violence.

It is important that managers make sure their staff feel comfortable telling them if they don’t feel safe working from home, even if they don’t want to give details. Employers should also develop policies that will assist employees to communicate if they are at risk of being impacted by domestic violence when working from home.”

(WITTIG, 2020)

These issues are real for small business employers who are also grappling with technology security and systems, safety, and mental health issues both for themselves and their teams, not to mention the daily issues of suppliers, customers, cashflow, etc.

The Australian Unions conducted a nine-week survey of 1000 workers around Working from Home. Its analysis shows there have been disadvantages for home-workers including working additional unpaid hours, cost shifting from employers to workers, acute health and safety issues and a worsening work-life balance.

Despite the downsides, 81% preferred working from home if provided with enough support.

"Workers report a reduction in commuting time, greater working time autonomy leading to more flexibility, a better overall work-life balance (for some) and higher productivity to be among the positive effects of working from home. These benefits flow directly to employers who benefit from increased worker motivation and reduced turnover as well as enhanced productivity and efficiency. Employers also benefit from a reduction in the need for office space and associated costs."

(AUSTRALIAN UNIONS)

The Unions are proposing a Working from Home Charter of Rights incorporating:

1. Rights at work: all time paid, work related expenses, performance monitoring, shared productivity gains.
2. A safe place: risk assessment, mental health, ergonomics, violence bullying, hierarchy of controls.
3. Work-life balance: carer's responsibilities, excessive hours, privacy, the right to disconnect.
4. Better Together: join and be represented by the union, connected to co-workers, supported by the employer.
5. Maintenance of existing job quality across workplaces; protections are designed to suit the workplace and working from home is not used to undermine protections elsewhere.

(Australian Unions)

These rights start a conversation about a changing workplace which is ongoing. For many it was the era of Zoom with **online meetings jumping from 10 to 200 million in a matter of months**. "This is the biggest remote working experiment that the world has ever seen," said Zoom APAC Head, Michael Chetner. (Ganesh Pardeshi - WhaTech, 2020)

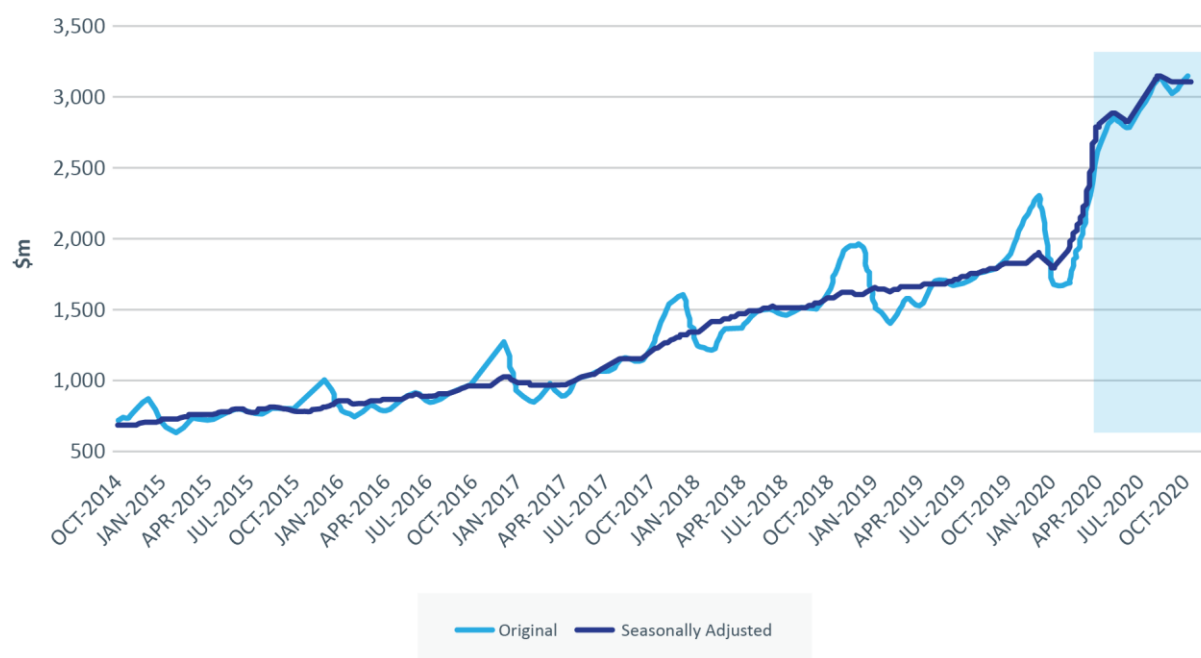
Small business online

"You have to embrace the internet and this hastened [my members'] comprehension of it. They've become far better at social media and far better at e-commerce."

ROBBIE EGAN, AUSTRALIAN BOOKSELLERS ASSOCIATION

The closure of some businesses due to movement restrictions and the increase in people working from home resulted in a massive increase in online sales. Small business scrambled to "pivot" to an online offering. According to the Australian Bureau of Statistics (ABS) online sales increased massively.

Total online sales and seasonally adjusted



In through-the-year terms, the seasonally adjusted series rose 70.8% in October 2020 compared to October 2019. In the 12 months from March 2019 to February 2020, total online sales averaged growth of 14.4%. Coinciding with the shift to online purchasing at the outset of the COVID-19 pandemic in Australia, total online sales have averaged an annual rise of 16.1% from March to October 2020. (Australian Bureau of Statistics, Online sales, October 2020 - Supplementary COVID-19 analysis, 2020)

All businesses, big and small benefited from the online focus, in part created by lockdowns and movement restrictions. Within the first 3 months of 2020 online spending grew 60.1% for Woolworths, it was the clear leader with 57.4% of all online grocery spend.

The online boom forced changes that had been resisted, like telehealth consultation and the burgeoning online education services. These were beneficial for rural and remote Australia. Online offerings like car sharing platform Car Next Door bookings were up 70% as people looked for public transport alternatives. In short, as small business “pivoted” getting “online” provided opportunities. Small business and big have seen a seminal shift to online purchasing, with home improvement, beauty products, urban gardening, fitness and health, online events, even online house auctions increased. (Khadem, 2020)

There is also a dark side of online for small business. Abigail Bradshaw, Head of the Australian Cybersecurity Centre, reported to COSBOA in November 2020 that there had been a 200% increase in illegal online activity. There has also been reports of rapacious behaviour by big players offering small business online services.

Lessons learned for small business online

We have the technology; we did not have the motivation to give Working from Home (WFH) and online digital transformations a real fair-go. Both initiatives will now change the way we work going forward and have long lasting consequences for rural, remote, regional areas, (already experiencing unprecedented growth) education, working parents and health service delivery.

Much legislation had embedded processes which are outdated due to rapid technological change. COVID-19 and its restrictions on movement forced government legislators to bring forward review of technology neutral legislation that enabled the use of technology, digital signatures and video meetings. These changes, reducing red-tape, regulation and administration are great for small businesses who can adopt them.

JobKeeper program

"JobKeeper was the key. That kept my members alive. [The Federal Government] acted fast and they got that one essentially right, I think."

ROBBIE EGAN, AUSTRALIAN BOOKSELLERS ASSOCIATION

"For JobKeeper it's a 10 because it helped businesses retain personnel and their labour force. But I think that it's served its purpose".

LYN HAY, ADELAIDE BUSINESS HUB

On 30 March 2020 the Australian Government announced the immediate introduction of the JobKeeper program. JobKeeper is *"one of the largest labour market interventions in Australia's history. In its first six months, it supported around 3.5 million workers in more than 900,000 businesses."* (Bishop & Day, 2020)

Governments of many countries responded to the labour market threats posed by the COVID-19 pandemic by implementing 'wage replacement' programs. Broadly speaking, these programs were designed to *'shore up employers' capacity to pay salaries to their staff'*. (ET Bureau, 2020)

While related programs in other countries had varied objectives and methods, one of the principal reasons for the success of Australia's program was due to the Morrison Government having clearly articulated a crucial objective of the JobKeeper program – that was to *'preserve the connections between employers and their employees during the crisis, and to support business and job survival.....Another objective of JobKeeper was to provide income support.'* (Bishop & Day, 2020)

"The Australian JobKeeper wage subsidy is an unprecedented public policy response to a once in a century health and economic crisis induced by the COVID-19 pandemic."

(CASSELLS & DUNCAN, 2020)

The JobKeeper program was administered through the Australian Taxation Office (via the Single Touch Payroll system) and it is strongly suggested that the utilisation of an existing agency, and existing government processes, resulted in a program that was well administered and much simpler to access when compared with similar international programs. The Paycheck Protection Program (PPP) in the USA, for example, was administered via low interest and forgivable loans through banks and was heavily criticised as being poorly administered and prone to fraud and misuse. (Hamilton, 2020)).

The JobKeeper program was the centrepiece of the Australian Government's response to the threat of a pandemic recession and is largely, and rightly, credited as being the initiative that has allowed the Australian economy to emerge from the COVID19 crisis in a much better position than nearly all other developed economies in the world.

The JobKeeper program has been adjusted as the COVID-19 virus has been gradually suppressed in Australia and business and labour market conditions have changed. On 28 September, the fortnightly JobKeeper payment was reduced from \$1500 to \$1200 per fortnight or \$750 fortnight (depending on whether employers worked more or less than 20 hours per week).

On 4 January, the fortnightly JobKeeper payment was further reduced from \$1000 per fortnight or \$650 fortnight (depending on whether employers worked more or less than 20 hours per week) and extended until 28 March 2020.

Key observations

It is worth noting that Australia's JobKeeper program was implemented quickly, as an urgent response to a major economic crisis. The speed of deployment was a critical factor in the success of this program but it also gave rise to a series of inevitable issues that arguably might have been addressed if more time had been available to design the program. This point was openly acknowledged by the Morrison Government as not being 'perfect' while some commentators went so far as to describe JobKeeper as a "blunt instrument".

"Designing large-scale policies in a rapid time frame will inevitably lead to a number of design flaws. JobKeeper is no exception."

(CASSELLS & DUNCAN, 2020)

Public commentary on the issues associated with the design and operation of the 2020 Job Keeper program provide some important insights into how such programs might be better designed in the future to minimise adverse consequences. These issues included:

- **Eligibility exclusions**, for certain categories of employers and workers. (Cassells & Duncan, 2020)
- **Targeting issues** that resulted in businesses being incorrectly excluded based on 'business type' definitions. (Patten, 2020)
- **Potential for misuse**. Analysis undertaken by corporate governance advisory Ownership Matters indicated that at least 25 ASX listed companies were reported to have paid *"bonuses worth a combined \$24.3 million to their executives after claiming JobKeeper subsidies."* (Australian Payroll Association, 2020)
- **Observed barriers to labour re-allocation**. Questions have been raised about potential disincentives to effective labour reallocation inadvertently created by top-up wage subsidies. As well as having positive effects, a wage replacement subsidy *".... might also slow needed adjustments if the shock results in lasting structural changes that require significant labour force reallocation."* (Reserve Bank of Australia, 2020)

"The obstruction of efficient reallocation of labour is a pertinent issue for economic and labour market recovery." (Cassells & Duncan, 2020)

- **Issues associated with the pace of timing of whole-of-programme wind-back of the JobKeeper subsidy for all business types**, despite the uneven pace of recovery across industry sectors and geographic locations (e.g. CBD businesses).

"So, as shutdowns and border closures persist into 2021, it's only prudent to ask whether the current March 28 expiry date should be extended yet again, albeit in some modified form, for COVID-affected businesses." (Irvine, JobKeeper can't be forever but is needed a little longer, 2021)

While there were a few comments from COSBOA members about JobKeeper issues, all acknowledged that these issues were relatively minor when compared with the benefits delivered to their small business members. The Australian Hairdressing Council and Newsagents Association NSW and ACT commented on the 'unfairnesses' of excluding visa workers. CPA Australia mentioned 'eligibility exclusions' as a reason for not giving JobKeeper a 10/10. Myotherapy Association Australia mentioned that many of its members struggled accessing it *"because they are sole traders"* (Anna Yerondais, CEO, Myotherapy Association Australia).

What have been the outcomes for JobKeeper so far?

Modelling by the Economic Research Department of the Reserve Bank of Australia indicates that “receiving JobKeeper increased a person’s probability of remaining employed by over 20 percentage points in May, June and July, relative to the counterfactual of not receiving JobKeeper.” (Bishop & Day, 2020)

The RBA modelling indicated that “JobKeeper played an important role in cushioning the decline in employment over the first half of 2020. Our baseline estimate is that one in five JobKeeper recipients would not have stayed employed during this period had it not been for JobKeeper. At the aggregate level, this implies JobKeeper prevented at least 700,000 additional employment relationships being lost in the short term. Overall employment losses would have been twice as large over the first half of 2020 without JobKeeper.” (Bishop & Day, 2020)

Despite these positive interpretations of the JobKeeper program’s success, it is evident that sectors of the economy and labour market have suffered because of government-imposed trading restrictions. Some months during the pandemic were particularly bad. The Australian Bureau of Statistics reported that 594,300 people lost their jobs in April and 227,700 jobs were lost in May.

Businesses in the tourism, travel, aviation, performing arts and live music industries have been shut completely by government imposed COVID-19 restrictions for periods of time during the pandemic. Education, hospitality, sports/recreation and accommodation have all been hard hit at times. Other very specific segments in healthcare and social assistance, manufacturing and wholesale have been negatively affected, particularly in states where strict lockdowns were imposed. JobKeeper could not save all jobs in these industries.

Lessons learned about wage replacement interventions for future economic crises

In broad terms the JobKeeper program has been highly successful as a strategy to prevent the collapse of the labour market and wide-spread business failures during a global economic crisis.

The International Labour Organisation has suggested, in relation to wage replacement programs, that,

“.....the substantial uptake of these instruments partly explains why Australia and many European countries did not experience the massive surge in unemployment recorded in Canada and the United States.”

(INTERNATIONAL LABOUR ORGANISATION, 2020)

Arguably, the causes of a global economic crisis are less important than the responses. Without dramatic government intervention the likely outcomes will be a loss of viable businesses across the economy and large-scale persistent unemployment. History tells us that government intervention will be needed during any type of global/national economic crisis. In a global pandemic it seems that this will involve a combination of measures including:

- Health and social protection.
 - Fiscal policy.
 - Monetary policy.
 - Financial, industrial and trade policies.
- (Izborski, Mahajan, Moorty, & Vincelette, 2020)

In this context, governments must learn from the economic strategies used during the COVID-19 crisis, as well as the health strategies. (Duke J. , 2021)

COSBOA argues that, because the JobKeeper program has been a broadly successful intervention, a refined and improved design must be included as part of federal government's planned armoury for the next global economic crisis.

The successful aspects of the design of JobKeeper must not be lost or forgotten. Successful elements of wage replacement programs implemented in other countries, such as more sophisticated targeting of subsidies, should be carefully studied and used to improve a future JobKeeper-style program.

JobSeeker program – Coronavirus Supplement

"I think it was positive that there was more money flowing around in the economy, but I did have some members saying that it undermined some peoples' motivation to work."

MATHEW MUNRO, AUSTRALIAN LIVESTOCK AND RURAL TRANSPORTERS ASSOCIATION

On 22 March 2020 the Morrison Government announced a \$550 per fortnight Coronavirus Supplement for new and existing recipients of JobSeeker Payment and a number of other social welfare payments. The Coronavirus Supplement was to be paid for six months from 27 April 2020 and almost doubled the maximum payment rate for a JobSeeker Payment recipient.

Originally intended to cease at the end of September 2020 the Coronavirus Supplement was extended to the end of 2020 at a reduced rate. The Government then further extended the Supplement to the end of March 2021, but again reduced the payment rate.

JobSeeker Payment recipients surged rapidly from March 2020 rising from about 793,000 total recipients in March to a peak of around 1,464,000 recipients in May. The number of recipients has since remained just under the May peak until August.

This significant temporary increase in welfare payments was evidently intended to have multiple impacts:

- Helping people who had lost their jobs (or sole traders who have had to cease operating their businesses) as a result of government-imposed COVID-19 restrictions to survive financially (avoid falling into poverty) while they waited to re-commence employment.
- Raising a large number of existing welfare recipients out of poverty during a period of economic stress.
- Circulating money in the economy to increase consumer spending during a period of dampened demand, thus increasing economic activity.

Key observations

An examination of media commentary and public documents during the pandemic reveal that criticisms of the JobSeeker Supplement relate mostly to the staged reductions of the rate of Supplement.

The arguments against the complete roll-back of increases to JobSeeker rates have not just been from welfare advocacy organisations. Business organisations such as the Business Council of Australia (BCA) have argued strongly that the JobSeeker allowance rate must not return to its pre-COVID level. The BCA proposes that the JobSeeker allowance should be benchmarked at more than 75 per cent of the age pension. (Black, 2020)

A report from Deloitte Access Economics, commissioned by the Australian Council of Social Service (ACOSS), has concluded that scrapping the Coronavirus Supplement for JobSeeker recipients would cost 145,000 jobs over two years and reduce GDP growth by \$31.3 billion. Moreover, regional areas would be hardest hit. (Australian Council for Social Service, 2020)

There have been public assertions that the temporary higher rate of the JobSeeker payment has made it harder for businesses to recruit staff in sectors of the economy that are recovering. The National Skills Commission (NSC) has reported that its surveys indicate up to 40 percent of employers

were experiencing difficulty recruiting due to a lack of applicants (National Skills Commission, Recruitment Experiences and Outlook Snapshot, 16 November to 11 December 2020). Some Members of Parliament have construed this data to infer a direct connection between the JobSeeker Supplement, JobKeeper payments and a reluctance of people to work. (Bonyhady, 2020) This is described as “anecdotal evidence” but NSC has not published detailed information identifying a clear causal link in the data. In their survey interviews, a number of COSBOA members also cited difficulty with recruitment as their reason for giving JobSeeker a lower score for its positive impact on small business.

What have been the outcomes for the JobSeeker Supplement so far?

Modelling undertaken by the ANU Centre for Social Research and Methods “...highlights that the pre-COVID-19 social security system would not have been able to adequately respond to the huge negative economic shock generated by COVID-19 and associated job loss.” (Phillips, Gray, & Biddle, 2020)

If it weren't for these income support measures, the COVID-19 recession would have almost doubled the number of Australians living in poverty from just over 3 million people to 5.8 million people, but instead, the number living in poverty fell to 2.6 million people in June. (Duffy, 2020)

Almost half a million households were spared from falling into housing affordability stress; the stimulus payments helped improve our average incomes by \$5,000 over the COVID-19 period; and the household savings rate skyrocketed to 19.8% from 2.5%, which according to the Australian Bureau of Statistics provides households with a "considerable buffer to draw upon in coming quarters." (Jolly, 2020)

Lessons learned about welfare payment levels during a global recession

The Morrison Government has used the JobSeeker Supplement as a fiscal multiplier. In this case fiscal policy has been used to smooth demand following the economic shock of COVID-19. As a fiscal instrument, the JobSeeker Supplement has been one of the key means of reviving demand in the economy. Unemployed people face such difficult financial circumstances that they must spend any extra money they receive. Supplement payments were largely spent by recipients, thereby generating demand for products and services.

Media reporting indicates the question being asked by many business and community organisations is:

If the JobSeeker Supplement was so valuable to the economy and important to the survival of families and individuals, should the JobSeeker allowance be reduced to its pre-COVID level after March 2021?

COSBOA observes that lessons learned from the implementation of the JobSeeker Supplement are:

- Increased welfare payments work very effectively as fiscal multipliers and plans should be in place to use such measures again during major economic downturns.
- If unemployment benefits need to be increased dramatically during an economic crisis, then the pre-crisis payment levels were probably too low. Labour force surveys conducted by the Australian Bureau of Statistics indicate that most unemployed people want a job or increased working hours. (Australian Bureau of Statistics, 2020) Impoverishing unemployed people not only damages our society but severely hinders peoples' job search efforts.

Cash Flow Boost

"I think the greatest unsung hero over the whole thing was the Cash Flow Boost."

IAN BOOTH, NEWSAGENTS ASSOCIATION NSW AND ACT

Cash Flow Boost (CFB) was created to "boost" the cash flow of eligible businesses and not for profits (NFPs) providing between \$20,000 and \$100,000 using the activity statement system to pay and or credit businesses in either two or four instalments generally equivalent to the amount withheld from wages paid to employees (PAYG). For eligible businesses, credits were assigned to their activity statement from June 2020. These netted against amounts owing to the ATO proportionally with the business's activity. If there was a credit after the application, the business received a refund. It was not applied to outstanding liabilities. The Government has quoted the scheme cost as \$31.9 billion. By August 2020, some 775,000 businesses had banked nearly \$20b from CFB.

Table 1: selected large temporary economic support measures: \$ billion

Measure	2019-20	2020-21	2021-22	2022-23	2023-24
Payment measures: economic					
JobKeeper payment	-20.6	-80.7	–	–	–
Business cash flow boost	-14.9	-17.0	–	–	–
Coronavirus Supplement	-5.9	-12.2	–	–	–
Economic support payments	-5.6	-6.2	–	–	–
Receipts measures					
Bringing forward personal income tax cuts	–	-6.9	-16.9	5.7	0.3
Temporary full expensing of business capital expenditures	–	-1.5	-11.4	-18.1	4.3
Increasing and extending the instant asset write-off	–	-2.4	-0.8	1.5	0.8
Backing business investment	–	-1.5	5.2	0.2	3.3

(AUSTRALIAN GOVERNMENT, 2020)

“The cash flow boost has now supported more than 800,000 employing small and medium businesses with two billion in terms of cash flow injection.” Senator Michaelia Cash, Western Australia, Minister for Employment, Skills, Small and Family Business and Deputy Leader of the Government in the Senate. (Parliament of Australia, 2020)

Early government analysis up to 30 November 2020 indicates 806,635 employers received CFB totalling \$34.31 billion. The average credit to a business was \$21,105. Of this, \$25.66b was a credit against tax and \$8.65b was a cash refund. The ATO calculates the businesses participating provided 8.62 million jobs to 6.53 people and 81% of recipients were small business. It is too early to have significant investigation or analysis of this program specifically. Anecdotally, the program injected cash into businesses at a critical time in a crisis. (Australian Taxation Office, 2020)

The problems encountered in implementing CFB were small compared to the size of the program and mainly concerned the eligibility criteria, with sole traders excluded and about 9000 businesses missing out. There are now several cases being heard in the Administrative Appeals Tribunal (AAT). The Inspector-General of Taxation and Taxation Ombudsman (IGTO) reported the ATO handling of small business complaints was sometimes “unfair” and its application of guidelines around eligibility was inadequate. The issue was raised in Senate Estimates by the Senator for Tasmania, Jacqui Lambie.

The ATO reported it has reversed about a third of its rejection decisions. The IGTO received about 66 complaints and the Australian Small Business and Family Enterprise Ombudsman (ASBFEO) received 200 complaints. COSBOA also received complaints and worked with its members and other associations to protest, including Certified Practising Accountants (CPA) Australia, Chartered Accountants (CA) Australia and New Zealand, the Institute of Public Accountants, The Tax Institute, the Institute of Certified Bookkeepers, Tax and Super Australia, the Australian Bookkeepers Association, the National Tax and Accountants’ Association, The Association of Accounting Technicians, and the Australian Small Business and Family Enterprise Ombudsman. These efforts were unsuccessful.

Cash flow boost was rated by COSBOA members as having had the second highest positive impact on small business after the JobKeeper payment. Comments in survey interviews were only positive, indicating a relative lack of controversy regarding this support measure.

In summary this initiative has been significant for all but those that missed out on technical issues or were excluded. Appeals have been made and upheld by the AAT, which the ATO is now contesting. This matter is ongoing.

Taxation initiatives for small business

“Anything that does anything positive with payroll tax – like get rid of it or reduce it – is a good thing.”

LYN HAY, ADELAIDE BUSINESS HUB

The Federal Government provided businesses with relief through a wide variety of programs run through the Australian Taxation Office. These initiatives were announced in the 2020-21 Budget on 6 October. They allowed businesses to reduce tax paid, and or claim larger refunds, using a multitude of taxation laws.

Tax relief is helpful only if you are paying tax, which presumes a profit. This is an assumption for 800,000 business that received the cash flow boost based on a 30% fall in revenue. As of June 2019, there was an estimated 2,375,753 small business in Australia. That equates to a third of small business suffering a severe downturn in revenue. A 30%, or a 20% or even a 10 % decrease in turnover represents, for most small businesses, their entire profit margin. Given this understanding, these time sensitive tax initiatives, with all the best intentions, may not assist many small businesses who may take 12–24 months to recover.

As we have said previously, accumulated payroll, rent, tax and loan and lease debt obligations, will further erode future profitability and the ability to access these initiatives.

Table 1: selected large temporary economic support measures: \$ billion

Measure	2019-20	2020-21	2021-22	2022-23	2023-24
Receipts measures					
Bringing forward personal income tax cuts	–	-6.9	-16.9	5.7	0.3
Temporary full expensing of business capital expenditures	–	-1.5	-11.4	-18.1	4.3
Increasing and extending the instant asset write-off	–	-2.4	-0.8	1.5	0.8
Backing business investment	–	-1.5	-5.2	0.2	3.3

These measures reduced the Federal Government’s taxable income “receipts” by 12 billion in 2019-20 and over the four years by \$48.6 billion. It will be interesting to review the results next Budget.

Increase the small business entity turnover threshold

Receipts (\$m)	2010-21	2021-22	2022-23	2023-24
Receipts measures				
Australian Taxation Office	–	-25.0	-55.0	-25.0
Department of Home Affairs	–	*	–	–
Total – Receipts	–	-25.0	-55.0	-25.0

(AUSTRALIAN GOVERNMENT, 2020)

Small business specifically was included by increasing the small business entity turnover threshold from 10 to 50 million dollars for a number of concessions, including;

- Starting 1 July 2020, immediate deduction of certain start-up expenses and certain pre-paid expenditure.
- From April 2020, exemption from the 47% fringe benefits tax on car parking and multiple work-related portable devices, like phones and laptops that are provided to employees. This sort of change is sensible and very welcome. It would be even better if such initiatives could take place without a proceeding pandemic crisis.

Other various initiatives like access to the simplified trading stock rules, remit pay as you go (PAYG) instalments based on GDP adjusted, notional tax, and settle excise duty and excise-equivalent customs duty monthly on eligible goods under the small business entity concession.

A two-year amendment period applies to income tax assessments for income years starting from 1 July 2021, excluding entities that have significant international tax dealings or particularly complex affairs.

In addition, from 1 July 2021, the Commissioner of Taxation's power to create a simplified accounting method determination for GST purposes was expanded to apply to businesses below the \$50 million aggregated annual turnover threshold.

The Government says these changes will simplify eligibility and reduce red tape for around 20,000 businesses, as more turnover thresholds will align to the aggregated annual turnover threshold for a base rate entity for company tax purposes. The eligibility turnover thresholds for other small business tax concessions will remain at their current levels. This measure is estimated to decrease receipts by \$105.0 million over the forward estimates period.

The impact is reliant on small business accounting advisers knowing and applying the changes and will not be assessable until well after the end of each successive financial year. There is a lot of change to get across for financial advisers who are reporting more billable hours and less income, due to the problems their clients are facing. It would appear to COSBOA that tax relief is helpful only if you are paying tax, which presumes a profit.

Instant Asset Write-off

The instant asset write-off threshold was increased from \$30,000 to \$150,000 and the eligibility increased to businesses with an aggregated turnover of less than \$500 million (up from \$50m). The intention was to provide cash flow benefits for businesses that will be able to immediately deduct purchases of eligible assets each costing less than \$150,000. The threshold applies on a per asset basis, so eligible businesses can immediately write-off multiple assets.

For small businesses, this initiative presumes the business has the cash and cash flow to make capital purchases. At a time when many small businesses are finding it difficult to access finance, this initiative appears to help those who are already in a position to invest in building their business. Further research is required on who accessed these initiatives to understand how useful they were for small businesses. (Australian Government, 2020)

Temporary Full Expensing

Eligible business can immediately deduct the business portion of the cost of eligible new or second-hand depreciating assets.

Additionally, the “lock out rules” that applied for 5 years if a small business opted out from the simplified depreciation regime were suspended till June 2022. (Australian Government, 2020)

Accelerated Depreciation

As the name implied, accelerated the rates depreciation can be applied to assets, using the backing business investment – accelerated depreciation rules. (Australian Government, 2020)

Loss Carry Back

Eligible businesses that previously had an income tax liability in a relevant year and have subsequently made taxable losses can claim a refundable tax offset up to the amount of their previous income tax liabilities.

The measure interacts with the government announcement on the JobMaker Plan – temporary full expensing to support investment measure. This will allow new investment to generate significant tax losses which can then be carried back to generate cash refunds for eligible businesses. (Australian Government , 2020)

Payroll Tax

Payroll Tax, levied on businesses with a payroll above a certain threshold, was included in COVID-19 assistance initiatives to businesses during 2020. Like rent relief, insolvency moratoriums, and loan deferrals, the payroll “assistance” has in many cases, kicked the can down the road.

Implemented in 1941 at 2.5% to look after children and their mothers after the war, the once simple federally administered payroll tax is now administered by the states and territories under many different frameworks.

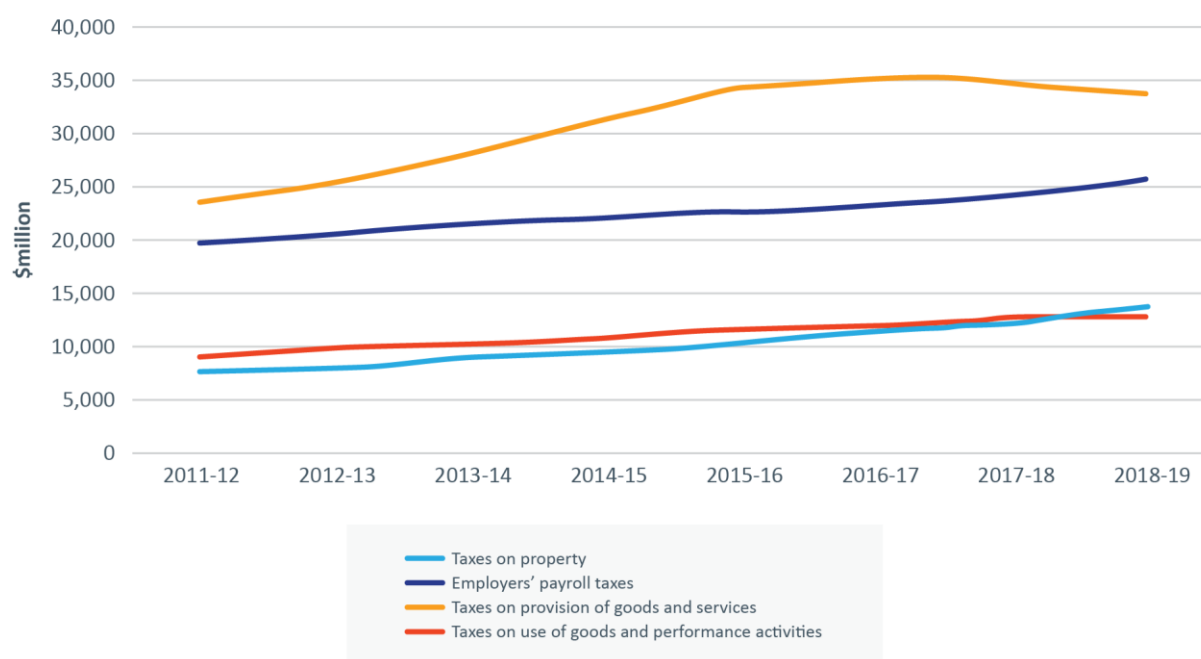
Total taxes on employer’s payroll and labour force in Australia 2018-19 was \$25,995m. This information was released in April 2020 by the Australian Bureau of Statistics. The next set of figures are due in April 2021 and will reflect the impact of COVID-19.

Because it is a state-based tax, the treatment of payroll taxes COVID-19 relief differed across states and territories.

Before COVID-19 the thresholds for payroll tax varied widely from \$650k in Victoria and \$2m in the ACT & the rates differ too. Depending on these vagrancies and the payroll of the business, payroll impacts business with anything from 10 staff. This means payroll tax is an issue for many small to medium sized businesses.

It is certainly a significant part of state revenues.

State Government taxation revenue



Local Government taxation revenue increased \$821m (4.5%) from \$18,082m in 2017-18 to \$18,904m in 2018-19.

Assistance initiatives across six states and two territories included;

- Deferral
- Extension
- Payment arrangements
- Reduction %
- Increased Threshold
- Retrospectivity
- Overall reduction
- Waiver

To name just a few of the approaches generally taken. Each State enacted its own legislation or regulation to cater for the changes. This is an area that rated highly with members, particularly with larger business interests. More work is required to understand exactly how payroll tax relief helped and to analyse overall, policy possibilities from what was an enormous and quite unintended experiment on what is a controversial tax on employment.

Lesson learned

Public service people responded to the increased demands as did ancillary service providers, like software developers, marketing, and communications companies. While in the short-term people stepped up and supported changes, this cannot be sustained long term. It did allow the public service to experience rapid change and will provide intelligence on what processes work well and what can be discarded.

The Australian Taxation Office and accounting software providers worked extensively to bring change into customer facing solutions and were the best practice examples in communication of highly technical and often rapid changes.

“Back in black” the economic focus on surplus died a natural and merciful death in favour of more Keynesian economics, enabled by low interest rates. This allowed a compassionate response to the unemployed and small businesses.

Coronavirus SME Guarantee Scheme

“The issue is that the banks are all petrified of what’s going to happen to all these businesses and they’re tightening up their lending. So, all these businesses that want to get back on their feet in 2021, it’s not that they can’t do it themselves, it’s that they’re going to be impacted by the availability of credit... The banks aren’t doing their part and fitting in with the Treasury and the Reserve Bank’s grand plan.”

DAVID GANDOLFO, COMMERCIAL & ASSET FINANCE BROKERS ASSOCIATION OF AUSTRALIA

One of the salient features of the crisis is the extraordinary levels of uncertainty, impacting on business decisions with respect to borrowing to help replace falls in revenue. In such an unparalleled risk circumstance it is completely predictable that business, especially small business, will be very cautious with respect to extensions of credit obligations.

This uncertainty is a critical issue on the credit lender side as well, with banks now in an unprecedented environment in which sensible calibrations of repayment risk are not possible. In short, it is a terrible time to borrow, just when the need for financial buoyancy for business is at its greatest.

The Australian Government has recognised the need for funding to small business and committed \$40 billion dollars to the Coronavirus SME Guarantee Scheme from April 2020 to June 2021. The scheme design explicitly recognises the uncertainties for banks through the Government guaranteeing 50% of loans. Loans are up to \$250,000 for 3 years with no interest payable in the first 6 months and are unsecured. (The Treasury, Economic Response to the Coronavirus)

But, and completely consistent with the characterisation expressed above of the current wariness enveloping both lenders and borrowers, a third of the way into the scheme’s availability, only about 4.5% of funds have so far been provided to some 16,000 out of a potential pool of around 2.5 million Australian businesses.

This expectation is not being fulfilled. The combination of COVID-19 uncertainty, a post-Royal Commission into the Banking environment, and regulations put in play after the global financial crisis, including the Australian Financial Complaints Authority, have meant that even with both a relaxation of responsible lending obligations and a guarantee by the Government to cover 50% of defaults, small businesses are obviously finding it difficult to access funds.

In fact, one survey respondent listed the SME Guarantee Scheme in the ‘other’ section for negative impacts on small business, labelling it “diabolical” and adding that the Government needed to rely on goodwill from the banks.

COSBOA and ASBFEO have called for a revenue contingent style loan to provide access to finance that recognises the inherent uncertainty, by allowing time to recover, and flexibility of repayments tied to revenue.

Lesson learned

How do you get a loan when the future is clouded with uncertainty? The combination of COVID-19 on the back of climate change induced natural disasters impacted small business more than any other sector of the Australian economy. Small business is Australia's largest employer. It is critical that small business in partnership with Government and big business reinvent access to finance in a way that navigates increased levels of risk and uncertainty. COSBOA has championed a "Time to Recover" (Revenue Contingent Loan RCL) facility based on the 1980's student HECs style loan.

Commercial leases and retail rent issues

“Usually in small business, when you know you have to go outside of your four walls and look for someone to help you, you just think ‘that’s going to cost a lot of money’ and that gives you a lot of grief. So, a lot of them would have just stayed in that angst of not being able to negotiate with the landlord.”

SANDY CHONG, AUSTRALIAN HAIRDRESSING COUNCIL

The National Code of Conduct has brought short term relief and created a long term and more difficult problem, which is about to be experienced as rent protections are removed.

On 7 April 2020, the Prime Minister announced that National Cabinet had agreed to a mandatory code of conduct (the National Code of Conduct) for small to medium enterprises (SMEs) commercial leasing principles during the COVID-19 pandemic. The National Code of Conduct applies to SME commercial tenants that are suffering financial stress or hardship because of the COVID-19 pandemic, as defined by qualification for the Commonwealth Government’s JobKeeper program, and which have an annual turnover of up to \$50 million. Its purpose is to mandate and clarify principles of rental relief for commercial SME tenants.

Each state and territory have enacted the federal laws in their own legislation, so while the laws are functionally the same, there are differences across states and territories.

The Code comprises 14 Leasing Principles, including a mandate that rental waivers MUST constitute no less than 50% of the total reduction in rent payable. The remaining 50% must be amortised over the balance of the lease period, being no less than 24 months. During COVID-19 this has protected tenants. Most tenants in difficulty have been able to negotiate reduced rent.

The problem now looms, how will some businesses meet their rental expenses, when these protections end, and tenants become liable for “normal” rent plus the 50% deferrals? The impact of deferrals is a higher rent bill once the deferral ends. If a business is still facing a decline in income, or were already on tight margins, then some businesses may find themselves unable to meet their increased rent payments.

There are almost 10,000 businesses that have sought assistance from the state and territory small business services around commercial disputes, mostly around rent relief according to figures released by government authorities.

From when COVID-19 started around March, to October, the Small Business Commissioners and their teams in each state and territory have dealt with a flood of inquiries and disputes. They have had to react, enact, regulate and communicate a plethora of new legislation and regulations, to a group of small business people, who are doing it tough. One of the most difficult areas has been their task of umpires, in re-negotiating commercial leases and retail rents.

Numbers	VIC	NSW	QLD	SA	WA	NT	ACT	TAS	FEDS
Extends to	28/3	26/3	31/12	6/2	28/3	22/12	31/1	1/12	JK ends March 2021
Retail disputes		768				11*			
Commercial disputes	2721	692	577	2062 up 98%	3000	NA	173		
Mediated	2504*	324	317	82	530	4**	33		
Not mediated		1136	198*			5***	140		
Requests for assistance	11,668		3307			98	214		
Resolved	1319		355	64	398	2	194		
Unresolved			223	11			20		
Going to court		4%	108	28		6			

Notes to table; Time frame – during 2020

- * In VIC, of the *2504 eligible for mediation 1319 disputes have been completed (just over 50%) by VSBC, with half of these resolved before mediation and half resolved at mediation. A success rate of 88%.
- * In QLD Figures are from 28 May – 30 November and retail and commercial disputes are not differentiated. And the *198 not mediated were resolved informally prior to mediation.
- * WA provided more generalised advice rather than specific figures.

NT Notes, *11 Applications to Commissioner of Business Tenancies for Determination of Retail Tenancy Claim – 2 x not accepted

** 2 x resolved and 2 x going to court (Certificate issued)

*** 1 x withdrawn and 4 x going to court (Certificate issued)

COSBOA members that commented on commercial rent relief as a support measure were quick to qualify their answers with a comment that, despite the Code, not every small business was successful in negotiating with their landlord.

Lesson learned

Small business commissions and related services ramped up to handle increased demand and have therefore created a possibility of further service refinement to encourage and support small businesses.

Business assistance

"Victoria did a good job on recovery grants to businesses in the live music sector."

CRAIG SPANN, AUSTRALIAN LIVE MUSIC BUSINESS COUNCIL

"Some event hire companies in NSW received a \$3,000 assistance grant, but when you're looking at losses of \$300,000 per month, although this was a nice gesture, it has little effect."

JAMES OXENHAM, HIRE AND RENTAL INDUSTRY ASSOCIATION

In addition to federal government initiatives to assist small business, state and territory governments responded with a multitude of diverse initiatives, grants, and assistance.

Small Business could apply for waivers and deferrals of utilities bills, (water, phone, electricity, gas) Council rates, registration fees, for hire cars, buses, taxis, liquor licenses, fire and emergency services levies.

A range of grants were also available, although many required repayment and this further added to the problem of *"kicking the can down the road."*

NSW offered a Business Concierge to help small businesses navigate the plethora of offerings. The offerings were varied and while the intention was to assist, all required application and work to complete.

Further research is required into how these programs performed, which ones helped, and which ones were not useful.

Examples of programs offered by some states and territories.

Northern Territory (Northern Territory Government , 2020)

- Business Saver Grants
- Supply Chain Solver
- Small Business Financial Fitness Fund
- Not for Profit Tourism Survival Payment
- Business Hardship Package
- Business Rebound and Adaption Grant
- Business Improvement Grant
- Immediate Work Grant

Australian Capital Territory (Australian Capital Territory Government , 2020)

- Tourism and Hospitality Support Package
- ACT Event Fund
- Commercial property owners
- Commercial property tenants
- Community clubs and the Canberra Casino
- Rideshare, taxis, and hire cars
- Construction industry
- Hotels in hospitality industry
- Small medium and large business
- Priority Investment Program - Jobs and Economic Recovery Round

New South Wales (New South Wales Government , 2020)

- Personalised support
- Changes to business training
- Fee waivers and tax assistance
- Grants loans and financial assistance
- Your employees and apprentices
- Mental health and general well-being
- Training and education
- Information for primary producers
- General business support
- Events and webinars
- Commercial lease support [private]
- Small business COVID-19 case studies
- Dine and discover NSW vouchers
- Jobs plus program
- Covered safe cheque for New South Wales businesses
- Business concierge

Queensland (Queensland Government , 2020)

- Free online training and learning opportunities for COVID-19 impacted Queensland small businesses
- Matched funding for Queensland commercial fishing, charter fishing and aquaculture businesses impacted by COVID-19
- Payroll tax support for Queensland businesses affected by the coronavirus
- Fees and charges relief for tourism operators and hospitality providers impacted by COVID-19
- State land rent waiver for Queensland tourism businesses impacted by COVID-19
- Funding for regional Queensland tourism businesses impacted by COVID-19
- Rebates for North QLD marine tourism vessel operators impacted by COVID-19
- Land tax life for COVID-19 affected Queensland commercial tenants and landlords
- Rent relief the holders of leases, licences and permits on state land
- Funding for Queensland small and micro businesses that have been impacted by COVID-19
- Funding for small businesses and not for profits operating off grid in the Daintree area
- Funding for live music venues impacted by COVID-19
- One off grant for travel agents and tour arrangement service providers impacted by COVID-19
- Loans for established arts and entertainment businesses impacted by COVID-19

JobMaker Hiring Credit

*"I'm not even cognizant of this. I don't even know what it is.
It sounds like a good thing."*

ANONYMOUS

*"I'm not a believer... It was poorly designed and Treasury didn't listen to the
feedback that they got in consultation. It is too complicated and I don't believe it
will meet the policy intent."*

MATTHEW ADDISON, INSTITUTE OF CERTIFIED BOOKKEEPERS

The JobMaker Hiring Credit was introduced on 6 October 2020 as a temporary incentive to business to employ additional young job seekers aged 16–35 years.

Eligible employers may receive payments of up to:

- \$200 per week for each eligible additional employee aged 16–29 years old inclusive.
- \$100 per week for each eligible additional employee aged 30–35 years old inclusive.

The JobMaker Hiring Credit was designed with the intention of transitioning the economy away from high levels of direct government support for business and workers, driving “faster recovery in employment.” (Australian Government, Budget 2020-21: JobMaker Plan – creating jobs for the economic recovery)

Some commentators have characterised the Hiring Credit as a

*“Replacement for JobKeeper”, moving from “protecting jobs in struggling sectors
to generating new jobs in growing ones.”*

(DAVIDSON, 2020)

The important distinction between JobKeeper and the Hiring Credit is that the former is a job retention subsidy, while the latter is a job creation subsidy. The stated objective of the JobMaker Hiring Credit is to help accelerate growth in the employment of young people during the COVID-19 recovery. (Australian Government, Budget 2020-21: JobMaker Hiring Credit, 2020)

The Hiring Credit is evidently intended to perform the role of a labour market adjustment/job creation program but is delivered through the Australian Taxation Office rather than through specialist employment services organisations. The Government was evidently pleased with the ATO's efficient roll-out of JobKeeper and has accepted advice that using an adapted Single Touch Payroll (STP) application is the quickest means to get wage subsidy funds out to employers.

Key observations

Many business and community organisations, including COSBOA, strongly support the implementation of labour market adjustment programs during periods of economic crisis. However, there was a lukewarm response to the announcement of the Hiring Credit in the 2020-21 Budget. Criticisms from business organisations and business service providers have been fairly consistent in relation to:

1. Complexity

“The Rules and the general operation of the scheme are very complex. It is expected that there will be numerous technical and or practical/calculation matters that a potential claimant will need to work through prior to being in a position to determine potential eligibility. Further, the amount of JobMaker payments that will ultimately be received will depend upon various events that will occur after eligible additional employees are hired.”

(DELOITTE, 2020)

This Deloitte paper summarises the complexity of many aspects of the scheme, and the administrative challenges these present for small business owners. The ‘additionality requirement’ requiring careful monitoring of employee ‘headcount’ makes the scheme unnecessarily tricky for small businesses to navigate. There are evident risks for business owners in recruiting additional workers under the scheme and then finding that they cease to be eligible in a later ‘JobMaker period’ due to an inadvertent fall in headcount.

2. Narrowness of eligibility

While acknowledging the need for intervention with younger unemployed people, many organisations have criticised the restricted age range for eligible job seekers. An example is the Grattan Institute submission to Senate Inquiry in the JobMaker Hiring Credit.

“.....the eligibility criteria for JobMaker are unnecessarily narrow and preclude important opportunities for accelerating employment growth.....such targeting is undesirable given the scale of the employment challenge we face. More than half of Australians currently on unemployment benefits are older than 35. Eligibility for JobMaker should therefore be broadened to cover new employees of all ages, not just those younger than 35. And the requirement that new hires were previously on JobSeeker (or a related payment) should be abolished.

(COATES, HELM, & COWGILL, 2020)

One COSBOA survey respondent raised this criticism.

3. Inadequacy of subsidy rate

Critics of the design and structure of the Hiring Credit scheme also argue that, because the subsidy rates are very low (especially when compared to payment levels for JobKeeper) the incentive of the Hiring Credit payments will be insufficient to enable most small businesses to hire additional workers. (Micallef, 2020)

“Other firms that largely employ part-time or long-term casual staff will have had their payroll inflated because the fixed-rate JobKeeper payments of \$1,500 a fortnight – which were passed on in full to employees – exceeded the wages they would normally pay their staff. For these employers operating below their September-quarter payroll baseline, the hiring credit provides no incentive to retain staff as they come off JobKeeper, nor to increase working hours or hire staff as conditions improve. That effectively excludes from the scope of the subsidy an important source of job growth: the expansion of working hours.”

(COATES, HELM, & COWGILL, 2020)

Many COSBOA members have also argued that the subsidy amounts are too low to convince small business operators to participate in the scheme, given the risks associated with the complexity of eligibility rules.

4. Lack of employment brokerage assistance for small business

COSBOA members have been critical of the lack of assistance provided to small businesses in relation to recruiting new workers. While the ATO performed very efficiently in rolling out the JobKeeper payments, the brokerage of a new employment relationship cannot be effectively achieved through a transaction on Single Touch Payroll.

Small business owners need to identify job seekers who are both eligible for JobMaker and suitable as new employees. Many of these employers do not have the luxury of paying for expensive private recruitment services. There is no JobMaker brokerage service to refer suitable, eligible job seekers to employers. Treasury has decided not to use the taxpayer-funded jobactive network for this role. This is despite expenditure for Jobactive services estimated “to increase from \$1.4 billion to \$2 billion over the next three financial years.” (Casey, 2021)

COSBOA members gave the JobMaker Hiring Credit the lowest score for positive impact on small business. Most survey respondents did not express specific criticisms of JobMaker in their comments, rather dismissing the program with general comments such as “no one is hiring anyway” or saying that it was too early to know what the impact of the program would be. As noted above, one respondent criticised the age restrictions of the JobMaker program.

What have been the outcomes for the JobMaker Hiring Credit so far?

The 2020-21 Budget papers stated, “It is expected that around 450,000 positions for young Australians will be supported through the JobMaker Hiring Credit”.

While registrations for the scheme opened only in early December 2020, feedback from COSBOA members at this stage indicates that the take-up of the Hiring Credit is very low. Official registration data had not been published at the time this report was being prepared. COSBOA strongly suggests that data about Hiring Credit registrations be published regularly to better inform future decisions about this scheme. It is acknowledged that, at the time this report was compiled, the JobMaker scheme was only in the early stages of implementation.

Lessons learned about job creation wage subsidy schemes

The critical aspect of the Hiring Credit is that it must effectively fulfil the role of job creation on a large scale.

The Committee for Economic Development of Australia (CEDA) has recently observed:

“.....the existing JobKeeper and business support programs have been about saving jobs and preserving connections between employers and their workforces – an appropriate objective for policy at a time when new job creation has virtually disappeared. However, once recovery is underway, it will be desirable for the orientation of policy to shift towards job creation.”

(BORLAND, LABOUR MARKET POLICY AFTER COVID-19, 2020)

Professor Jeff Borland, Professor of Economics at University of Melbourne, who broadly supports the JobMaker Hiring Credit scheme, makes the important point that:

“Only if employers are willing to use the subsidy program to hire workers can the program have an impact. That will depend on the size of the subsidy and the ease of accessing the program for employers. Increasing the size of the subsidy should, for example, make it profitable for an employer to hire from a set of job seekers with relatively lower skills and hence value added to revenue.”

(BORLAND, THE USE OF HIRING CREDIT WAGE SUBSIDY PROGRAMS AFTER COVID-19, 2020)

The history of wage subsidy programs used for the purpose of job creation purposes shows us there are no perfect solutions. All wage subsidy programs have unintended consequences. It is a challenging design exercise to find the right balance between providing subsidy rates that incentivise employers to recruit additional workers, and avoiding unintended consequences such as:

Substitution effect: Workers hired through the wage subsidy program may crowd-out unsubsidised job seekers who would otherwise have been hired;

Deadweight loss: The wage subsidy pays for a job that would have been created anyway; and

Displacement effect: Employers who do not hire workers using the wage subsidy may lose business to those who do use the subsidy, and hence employment shifts from employers who do not use the subsidy to those who do.

It is also likely that any positive effect on net job creation due to a wage subsidy scheme will disappear once the program ceases.

(Borland, Wage Subsidy Programs: A Primer, 2016)

The value of job creation wage subsidy programs occurs when a significant number of employers are motivated to recruit additional workers and retain them for a long enough period for the workers to re-establish themselves in the workforce. This happens when the subsidy rates are attractive enough to provide genuine incentive to employers to recruit additional workers, and employers can add value to their business by utilising additional labour.

This can be an effective short-term mechanism to assist recovery in the labour market following an economic downturn.

“.....wage subsidies may be particularly effective during an economic crisis since they can be paid for a relatively short amount of time and have lasting effects on employment.”

(BRUHN, 2020)

COSBOA observes that there is little point in government initiating a job creation wage subsidy if only a relatively small number of businesses are motivated to employ additional workers. In drastic circumstances such as a pandemic recession, initiating a job creation wage subsidy program that ultimately fails may be worse than not initiating a program at all.

If the subsidy rates are perceived as too low, and eligibility and administration are perceived as too complex, only a small minority of SMEs will use the scheme. Larger business may use the scheme but only as an offset for new workers they would employ *without* the subsidy. This will ensure a significant degree of deadweight loss.

The Hiring Credit will not be fully effective without public employment services performing an integral role. *“Public employment services....have been recognised as indispensable to the achievement of full and productive employment through their catalytic role in ... the functioning of the labour market by enhancing labour market mobility and adjustments as well as (re)deploying workers in productive activities.”* (Finn & Peromingo, 2019) Public employment services are important vehicles to enable the effective implementation of job creation programs. This is particularly important for small business. Without a system of public job brokerage for the Hiring Credit – the tailored matching of job seekers with employers – the scheme will not achieve the outcomes government intends it to achieve.

Labour market support is likely to be more effective when delivered as an integrated, highly coordinated package. (Avila & Mattozzi, 2020) COSBOA argues there is a risk that the package of government programs aimed at intervening to prevent high levels of persistent unemployment will suffer from a lack of coordination. This factor alone could lead to the ultimate failure of the government’s labour market recovery strategy.

In preparation for future economic downturns, COSBOA proposes that the design of job creation wage subsidy programs be undertaken well in advance, and that the system of public employment services be developed as a brokerage system for the delivery of integrated programs.

Competition

"We were cannibalised by the major supermarkets in the first 3 months of the national lockdown."

MARK MCKENZIE, AUSTRALASIAN CONVENIENCE AND PETROLEUM MARKETERS ASSOCIATION

COSBOA members were not asked directly about competition in the survey, but it appeared as a theme in the comments of several respondents.

COSBOA's members saw that COVID-19 exacerbated unfair practices around competition. This started when small business had to close, and some larger businesses were allowed to operate as essential. In response to panic buying, on 24 March the ACCC authorised Coles, Woolworths, Aldi and Metcash to coordinate to "ensure consumers [had] reliable and fair access to groceries." (Australian Competition and Consumer Commission, 2020)

A Supermarket Taskforce was established in the Department of Home Affairs, initially excluding small and independent supermarket representatives. By April there were reports of small supermarkets and convenience stores being unable to source stock, with some suppliers saying that they had given all of their stock to the major supermarkets (Lloyd & Schwartz, 2020). Meanwhile, COSBOA argued that access to local independent supermarkets reduced crowding in larger centres and therefore the risk of COVID-19 transmission (Council of Small Business Organisations Australia, 2020).

ACAPMA CEO Mark McKenzie recalled supply chain issues in his interview, saying: *"we had a whole lot of people who did not want to go into supermarkets in the midst of the national lockdown who then went into servos to buy canned food and coffee and that sort of stuff... but we were cannibalised by the major supermarkets in the early first 3 months of the national lockdown, so from March to June we had particular products that were not available because the supermarkets were swallowing up all of the demand."*

An Australasian Association of Convenience Stores representative said that though his association was not initially consulted, once he was part of the Supermarket Taskforce, he *"got a very good hearing,"* adding *"areas of concern were acted upon and there was certainly good follow up after that. That was a very very well managed taskforce."*

Other industries also experienced competition problems during the COVID-19 pandemic. For example, Screen Producers Australia CEO, Matthew Deaner, spent some of his survey interview talking about the *"damaging"* impact of the Government's decision to diminish Australian content quotas on commercial television in 2020. Also mentioned by Deaner was the impact of government funding for international productions to take place in Australia. While this provided work to Australian film crew, it negatively affected Australian screen producers and screen writers. Deaner recounted an example of a car chase scene being filmed in Canberra; crew members had been set to work on an Australian production but were *"poached"* at the last minute to work on the American production. Deaner said *"for the majority the Australian production industry, what it did was it... basically flushed a whole heap of money into competitors' productions. The Government is stimulating the competitor's market and taking all the workers away."*

Small businesses were also impacted when goods were held up in ports and at international airports. This gave big businesses, with larger warehoused facilities and purchasing power, an advantage. Small newsagents were impacted when it was suggested Australia Post could sell popular magazines.

COSBOA have argued for decades that the way the biggest shopping centres are created - by schmoozing with local government planners, having car parks removed from outside the mall and

forced underground inside the mall, and having streets and bus stops realigned - creates local retail monopolies and removes choice for consumers, as well as forcing up prices.

Community based pharmacies would have been decimated as the biggest retailers took over pharmaceutical products. Hairdressers and butchers would have been forced into malls due to the unavailability of local retail premises. Medical centres and doctor's premises would have been re-zoned out of the suburbs and into the malls.

COSBOA is not against shopping centres as there are many franchises in the centres run by small and family business, and many people enjoy visiting the centres at some time or another. COSBOA is against there being no choice for consumers but to visit a large shopping centre. The creation of local retail monopolies creates a situation where the biggest landlords can use their power to destroy businesses by unscrupulous use of leases and increasing rent by exorbitant amounts.

During COVID-19, COSBOA contributed to the *Stakeholder deregulation proposals to support the post-COVID-19 recovery, July 2020*.

It appeared to COSBOA that some of the proposed regulation also removed protection for small business and for the ability for competition to exist. For example, in relation to retaining extended trading hours, COSBOA argues that this proposal may in fact benefit big landlords and big retailers more than it benefits small businesses. The assumption that small retail businesses are motivated by the desire "to trade any time they choose" may be false. This assumption needs to be confirmed through direct engagement with relevant small business associations.

In transport and road regulations, COSBOA argues that the proposed abolition of Australian Design Rules is *an example of the potential for unintended negative consequences for small business* by making ill-advised deregulation decisions.

COSBOA believes competition must exist and there is a place for the regulator to ensure it can exist. During COVID-19, dominant supermarkets reported record revenues. Cashed up, these big companies are looking to extend their dominance. Supermarket giant Woolworths is willing to pay a huge premium to buy Australia's 2nd largest food distribution service PFD.

Woolworths is offering 11x EBITDA @\$522 million for PFD, plus \$249 million their 26 distribution centres, plus the remaining 35% of PFD after 3 years. This price represents (more than assets, cashflow or goodwill) the value of removing competition. Woolworths has a demonstrated strategy of developing a "retail ecosystem," that removes competition.

Woolworths will leverage PFD's customer and supplier database (12,000 products), and its own access to capital, buying power and logistics. This will enable them to cross subsidise attractive trading terms and rationalise operations. Combined, with deep pockets and good lawyers, to undercut competition until it ceases to exist.

PFD is not bound by the Grocery Code of Conduct, allowing a Woolworths powered PFD to negotiate on behalf of Woolworths outside the code. Without a healthy distribution services sector, small, rural, and regional food producers and manufacturers do not have a viable route to market. Eventually, it reduces variety and diversity of food for consumers. The food products that remain, will eventually increase in price because the competition in a healthy ecosystem that checks price increases, will not exist.

At risk are 310 distribution businesses, delivering 100,000 products for 15,000 food producers and manufacturers in 2500 delivery vehicles, employing 10,000 people with \$11b turnover, at risk.

Under section 46 of the competition and consumer regulations the "likely effect" of this merger will be to substantively reduce competition over time.

“The issue comes down to what sort of economy we want; one benefitting consumers and allowing small business to thrive, or one that allows the strong to grow stronger by whatever means.”

(AUSTRALIAN COMPETITION AND CONSUMER COMMISSION , 2020)

Lesson learned

Big business took advantage of COVID-19 to increase their market dominance. From Woolworth’s proposal to buy PFD food services to the merger of Australian payment providers under NewCo, small business was distracted and under pressure to survive, let alone fight battles for fair competitive environments. Competition is good, the ability to have competition must be protected.

Insolvency

“The big concern now is debtors. [For some] businesses, where they’ve been potentially backing [other] businesses that are just coasting along with different types of support mechanisms...their potential level of debtors is at risk, which puts [those] good businesses at risk.”

ANONYMOUS

A moratorium period for insolvency commenced 25 March and expired on 31 December 2020 which created temporary safe harbour for businesses via the Federal Government’s Coronavirus Economic Response Package Omnibus Act 2020 (Cth) (Coronavirus Response Act).

Solvency is defined in section 95A(1) of the Corporations Act as the ability to pay all debts as and when they become payable. The Federal Government acted quickly to temporarily amend Australia’s insolvency laws to provide flexibility for companies and individuals facing short term difficulties during the pandemic. The problem is that many of the issues facing small businesses, like reoccurring lockdowns, are not short term, but ongoing.

The moratorium was created with a new section 588GAAA of the Corporations Act 2001 (Cth) (Act) and states:

1. Subsection 588G(2) does not apply in relation to a person and a debt incurred by a company if the debt is incurred:
 - a. in the ordinary course of the company's business; and
 - b. during:
 - i. the 6-month period starting on the day this section commences; or
 - ii. any longer period that starts on the day this section commences and that is prescribed by the regulations for the purposes of this subparagraph; and
 - c. before any appointment during that period of an administrator, or liquidator, of the company.

Like rent relief, this was a short-term response that is causing longer term problems. Urgent action is needed to address the complex issues created. COSBOA has not seen that response. There is a general prejudice that a small business’s fate is its responsibility, regardless of the unprecedented circumstances outside the control of the business.

Many organisations called for funding for viability reviews, focused on restructuring businesses, and supporting them through recovery, rather than closing them. These initiatives have not been supported by the Federal Government but have been taken up by some state governments, with grant programs, where businesses have been particularly hard hit in either regions (by Melbourne lockdown) or sectors, like tourism and hospitality.

Many directors with companies impacted by the pandemic have continued to trade during the moratorium period, under the assumed protection of this provision. This has given rise to the term “zombie businesses.” A business that cannot meet its obligations impacts many individuals, other companies, and the community. The flow on impacts can be enormous. The moratorium, activated to assist, is amplifying these impacts as zombie businesses continue to collect debt.

“Business owners are not simply ‘directors’ of the business. They are people who have often poured decades of love and dedication into running a business to follow a passion and provide for their families. The businesses in question are not just ‘companies’. They are the beating heart of our communities, supplying jobs, supporting local sporting teams, and lifting up their communities when it counts. When the industry talks about ‘realising assets’, they are often referring to the family home of the business owners.”

(AUSTRALIAN GOVERNMENT , 2020)

Legal opinion recommends seeking legal opinion on these matters, something a cash strapped small business is ill equipped to action.

These issues serendipitously coincided with work being done by the Australian Small Business and Family Enterprise Ombudsman into long standing issues around small business insolvency practices.

“Often where small businesses are seeking support to turnaround their business in response to financial pressures, they find themselves on an express train to winding up with no control over the process. For many, the liquidation process has been so traumatic that they will never fully recover, let alone try to start a new business in the future.

Small business owners report facing an opaque system, where decisions are taken out of their hands, they feel pushed into outcomes they were not looking for, and their expertise or knowledge of the business they have been running is discounted or ignored. Business owners talk of stock being sold at a low point in the market, assets being put up for sale in publications that are not particularly relevant to their industry, and thousands being spent by registered liquidators to chase down payments worth less than one tenth of the amount spent. Unsecured creditors – most often small businesses themselves – see very little return from an insolvency process.

The system as it stands does not work for small businesses.

There are many reasons for this, but perhaps the most critical is the fact that the owner of the business is often cut out of the process as soon as they enter the insolvency space. It is important for everyone to remember that often, the reasons for a business failure are outside of the control of the business owner. We will sadly see a lot more of that in the coming months.”

(AUSTRALIAN GOVERNMENT , 2020)

The Corporations Amendment (Corporate Insolvency Reforms) Bill 2020 was passed in 2020 to address long standing issues around insolvency for small business. This followed the release of the Australian Small Business and Family Enterprise Ombudsman’s July 2020 Insolvency inquiry report, which identified many problems with the system’s response and remedy for small businesses. COSBOA was part of a consultation process over many months, working with other industry bodies and associations to refine the changes.

The main innovation was to create a streamlined insolvency process using Small Business Restructuring Practitioners (SBRs). The legislation took effect on 1 January 2021. COSBOA understands there is only one SBRP available and ongoing negotiation around the qualifications and other issues. Many “zombie business” are technically insolvent, with over 30% decline in revenue and

the deferral of rent, loans, and tax and any other cashflow management measures creating a glut of liabilities on the balance sheet for which they do not have the cashflow to meet. In addition, the removal of JobKeeper, will further exacerbate issues for companies experiencing difficulties.

On the matter of insolvency, there is a complex web of issues that require urgent address.

Rapid change and good intentions created unintended consequences, the biggest of these is *“kicking the can down the road.”* This describes the end of moratoriums, waivers, and deferrals on payroll tax, rent, loans, and other taxes, government fees, levies, and charges. The result will be small business will have increased costs at a time of decreased revenues.

Zombie businesses, those technically trading insolvent, and protected by COVID-19 legislative changes, are now in real strife. The Small Business Restructuring Practitioner and associated streamlined insolvency processes and initiatives were not ready on the 1 January start date. Urgent co-operation and action between business, professional service providers and government is required in this area.

APPENDICES

Appendix I – Full Timeline

An extensive and detailed timeline of government actions in response to the coronavirus pandemic has been prepared for this report and is available [here](#).

Appendix II – Industry Associations Surveyed

COSBOA Council Members surveyed



Association of Independent Insolvency Practitioners

Association representing registered liquidators and registered trustees in bankruptcy, primarily specialising in SMEs. See <https://aiip.org.au>



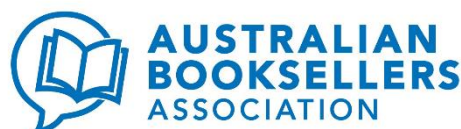
Australasian Association of Convenience Stores

National association representing convenience store retailers. See <https://www.aacs.org.au/>



Australasian Convenience and Petroleum Marketers Association (ACAPMA)

National association representing the nation's fuel haulage and service station businesses. See <https://acapma.com.au/>



Australian Booksellers Association

National industry body representing Australia's bookselling businesses and suppliers. See <https://www.booksellers.org.au/>



Australian Business Software Industry Association

National Association representing the Australian business software industry including software developers, service providers, consulting services, large corporations, SMEs and individual consumers. See <https://www.absia.asn.au/>



Australian Digital and Telecommunications Industry Association

National association to promoting best practice in the digital and telecommunication industry through technical standards, workforce development, skills training and quality assurance processes.

See <https://www.adtia.org.au/>



Australian Hairdressing Council

National association representing hair salons, their suppliers, and RTOs.

See <https://www.theahc.org.au/>



Australian HR Institute

National association representing human resources and people management professionals.

See <https://www.ahri.com.au>



Australian Institute of Business Brokers

Industry body representing professional business brokers involved in the facilitation of business ownership from one party to another.

See <https://www.aibb.org.au/>



Australian Livestock and Rural Transporters Association

National network of state-based associations representing road transport companies based in regional Australia.

See <https://alrta.org.au/>



Australian Live Music Business Council

Australian Live Music Business Council

National association formed in 2020 representing businesses involved in live music including venues, bands, promoters, managers, ticketing companies, crew, merchandise companies and catering companies. See <https://almbc.org.au>



Australian Lottery and Newsagents Association

Australian Lottery and Newsagents Association (ALNA)

National association for Australia's newsagent and lottery agents. See <https://www.alna.net.au/>



Australian Meat Industry Council

Australian Meat Industry Council

National association representing retailers, processors, and smallgoods manufacturers in the meat industry.

See <https://amic.org.au/>



AMMDA Australian Medical Manufacturers & Distributors Association INC.

Australian Medical Manufacturers and Distributors Association

Member association for a group of medical manufacturers and distributors.

See <http://www.ammda.org/>



Australian Taxi Industry Association

National association representing the taxi services industry.

See <https://www.atia.com.au/>



Australian Traditional-Medicine Society Ltd

Australian Traditional-Medicine Society

National association representing practitioners of natural medicine occupations including naturopaths, nutritionists, chiropractors and remedial massage.

See <https://www.atms.com.au/>



Australian Venues Association

National association representing live music venues, nightclubs, restaurants, cafes, bars, and music festivals.

See <https://austvenues.co/>



Commercial Asset Finance Brokers Association of Australia

Commercial & Asset Finance Brokers Association of Australia

National association representing commercial and asset finance brokers, those who assist in helping small and medium sized businesses obtain commercial, equipment and vehicle finance.

See <https://www.cafba.com.au/>



CPA Australia

Membership body representing certified practising accountants, many of whom operate small businesses. See <https://www.cpaaustralia.com.au/>



Family Business Australia

National association to provide support and advocate for Australian family-owned businesses.

See <https://www.familybusiness.org.au/>



Hire and Rental Industry Association

National association representing hire and rental companies including DIY hire, portable buildings, construction, and event hire.

<https://hireandrental.com.au/>



Independent Food Distributors Australia

New association for independent B2B food distributors, formed in 2020 in response to the crisis.

<https://www.ifda.com.au/>



Independent Tertiary Education Council Australia

National association representing independent providers in the higher education, vocational education, training and skills sectors. See

<https://www.iteca.edu.au>



Institute of Certified Bookkeepers

Australian office of a global association representing and supporting certified bookkeepers.

See <https://www.icb.org.au/>



MGA Independent Retailers

National association primarily representing independent grocery stores.

See <https://www.mga.asn.au/>



Myotherapy Association Australia

National membership body of practising myotherapists, many of whom are sole traders. See <https://www.myotherapy.org.au>



Newsagents Association of NSW & ACT

Association representing newsagents in NSW and the ACT.

See <https://nana.com.au/>



The Pharmacy Guild of Australia

The Pharmacy Guild of Australia

National association representing community pharmacy.

See <https://www.guild.org.au/>



Restaurant & Catering

Restaurant and Catering Association

National association representing cafes, restaurants, and catering businesses.

See <https://www.rca.asn.au/>



Rural Business Tasmania

See <https://www.ruralbusinesstasmania.org.au>



Screen Producers Australia

National association representing screen producers, production companies and businesses that provide the services that directly contribute to the production of screen content.

See <https://www.screenproducers.org.au/>



Tasmanian Small Business Council

Association of associations for small businesses in Tasmania.

See <https://www.tsbc.org.au/>

COSBOA Associate Members surveyed



Adelaide Business Hub

Provides business advice, support and mentoring to businesses in South Australia, as well as office space for businesses establishing themselves.

See <https://adelaidebusinesshub.com.au>



Advisory Board Centre

A professional body for people who sit on advisory boards; provides research, advocacy and professional development.

See <https://www.advisoryboardcentre.com/>

COSBOA Members not surveyed (council and other)



Australian Association of Floral Designers

National association for florists.

See <https://www.aafd.org.au>



Australian Communications Consumer Action Network

Advocacy group for consumers of telecommunications services, including small businesses.

See www.accan.org.au



Consumer Household Equipment Rental Providers Association

National association representing the household goods rental industry.

See <http://cherpa.com.au/>



Farmer Power

National organisation representing dairy farmers.

<http://farmerpower.org.au/>



Flying Solo

Online community for microbusiness owners and sole traders.

See <https://www.flyingsolo.com.au/>



Post Office Agents Association Limited

National association for LPO owners, Mail & Parcel Contractors, and Community Mail/Postal Agents.

See www.poaal.com.au



Stocktakers Institute of Australia

National association of independently owned professional stocktakers.

See <http://www.stocktakers.asn.au/>

Appendix III – Questionnaire



COVID-19 Government Engagement with Small Business Research Project Industry Association Survey Questionnaire

Q1. In the experience of your business association, which government actions do you believe were the most effective at suppressing the spread of COVID-19 (rate from 1 to 10)?

Please rate each of the actions listed below:

A rating of **1** equates to **very ineffective**

A rating of **5** equates to **only moderately effective**

A rating of **10** equates to **very effective**.

Government action	Rating	Comments
International border closures		
State border closures		
Hotel quarantine		
Government facility quarantine		
Home quarantine		
Lockdowns of hotspots within States, cities and towns		
Restrictions on the size of public gatherings		
Discouraging non-essential travel/encouraging working from home		
Cancellation of public events		

Closure of non-essential businesses		
Restrictions on customer numbers		
Social distancing in public spaces		
Public hygiene measures (QR codes/check-in systems; sanitiser provision; signage displayed)		
Mask wearing (suggested)		
Mask wearing (mandated)		
Contact tracing & genome sequencing		
Mass COVID testing		
Fines and other punitive measures		
Hygiene and public health advertising campaigns		
COVIDSafe app		

Q2. Among your members, which categories of *small* businesses were the most affected by government imposed COVID-19 restrictions? (list below)

Please list categories of businesses (e.g. newsagents, hairdressers, service stations, music venues, bookkeepers, metal fabricators, cafes)

A rating of **1** equates to **relatively unaffected** (able to keep trading more-or-less at normal level)

A rating of **5** equates to **moderately affected** (able to keep trading, with restrictions reducing turnover)

A rating of **10** equates to **heavily affected** (unable to continue trading – business closed).

Category of business	Rate level of affect	Comments

Q4. In your experience, which government decisions had the most positive effects on *small* business (rate from 1 to 10)?

Please rate each of the actions listed below:

A rating of **1** equates to **very little positive effect**

A rating of **5** equates to **only moderately positive effects**

A rating of **10** equates to **very significant positive effects.**

Government action	Rating	Comments
<i>JobKeeper</i> payments		
<i>JobSeeker</i> – increased unemployment benefits		
Cashflow boost (Federal Govt)		
State or Territory small business recovery grants		
Commercial rent relief		
<i>JobMaker</i> Hiring Credit		

Apprentice Trainee wage subsidies (Federal Government)		
Payroll Tax waivers / deferrals		
Rapid lockdowns to suppress virus		
Mass testing and tracing instead of lockdowns		
Other assistance (please specify):		

Q5. Was your organisation directly consulted by federal government representatives / departments / agencies in relation to decisions that affected your members?

Frequency of government consultation	Tick most relevant response	Comments
On numerous occasions / very regularly		
On several occasions		
On very few occasions		
Never		

Q6. Was your organisation directly consulted by state or territory government representatives / departments / agencies in relation to decisions that affected your members?

State/Territory	Frequency of engagement with your Association				
	Regularly	Occasionally	Limited	Nil	N/A
ACT					
NSW					

NT					
QLD					
SA					
TAS					
WA					
VIC					

Comments:

Q7. How responsive were federal government agencies in their direct consultations with your organisation? (Please feel free to identify specific agencies in comments column).

Level of government responsiveness	Tick most relevant response	Comments
Highly responsive – actively listened and implemented some suggestions		
Reasonably responsive – actively listened		
Not particularly responsive – mostly provided information about decisions already made.		
Unresponsive – no indication of interest in business needs.		

Q8. How responsive were state or territory government agencies in their direct consultations with your organisation?

State/Territory	Quality of engagement with your Association				
	Highly responsive	Reasonably responsive	Not particularly responsive	Unresponsive	N/A
ACT					
NSW					
NT					

QLD					
SA					
TAS					
WA					
VIC					

Comments:

Q9. How useful were federal, state or territory government online resources for your organisation?

State/Territory	Usefulness of online resources				
	Very useful	Reasonably useful	Not particularly useful	Useless	N/A
Federal					
ACT					
NSW					
NT					
QLD					
SA					
TAS					
WA					
VIC					

Comments:

Q10. How much notice were your members given (in a majority of instances) in relation to federal government health measures? This question relates to decisions requiring business closures, severe trading limitations or severe constraints imposed on particular markets.

Notice given	(Please tick most relevant)	Comments
Ample notice to make necessary adjustments to staffing and stock levels.		

Sufficient notice to make some adjustments to staffing and stock levels		
Short notice – inadequate to adjust staffing and stock levels.		
Zero notice		

Q11. How much notice were your members given (in a majority of instances) in relation to state or territory government health measures? This question relates to decisions requiring business closures, severe trading limitations or severe constraints imposed on particular markets.

State/Territory	Notice period provided regarding implementation of health measures				
	Ample notice	Sufficient notice	Short notice	No notice	N/A
ACT					
NSW					
NT					
QLD					
SA					
TAS					
WA					
VIC					

Comments:

Appendix IV – List of survey questions for which fewer than 38 responses were received.

Survey question	Sub-question/category	No. respondents
Q1: In the experience of your business association, which government actions do you believe were the most effective at suppressing the spread of COVID-19 (rate from 1 to 10)?	Government facility quarantine	36
Q2: Among your members, which categories of <i>small</i> businesses were the most affected by government imposed COVID restrictions?		37
Q3: In your experience, which government decisions had the most negative effects on <i>small</i> business (rate from 1 to 10)?	International border closures	37
	State border closures	37
	Cancellation of public events	36
	Closure of non-essential businesses	37
	Lockdowns of hotspots within States, cities and towns	37
	Restrictions on customer numbers	37
	Social distancing in public spaces	37
	Public hygiene measures (QR codes/check-in systems; sanitiser provision; signage displayed)	37
	Discouraging non-essential travel/encouraging working from home	37
	Mask wearing (suggested)	35
	Mask wearing (mandated)	35
	Contact tracing & genome sequencing	37
	Mass COVID testing	36
Q4: In your experience, which government decisions had the most positive effects on <i>small</i> business (rate from 1 to 10)?	State or Territory small business recovery grants	35
	Commercial rent relief	36
	<i>JobMaker</i> Hiring Credit	36
	Apprentice Trainee wage subsidies (Federal Government)	34
	Payroll Tax waivers / deferrals	34

	Rapid lockdowns to suppress virus	35
	Mass testing and tracing instead of lockdowns	34
Q5: Was your organisation directly consulted by Federal government representatives / departments / agencies in relation to decisions that affected your members?		36
Q6: Was your organisation directly consulted by State or Territory government representatives / departments / agencies in relation to decisions that affected your members?	ACT	29
	NSW	31
	NT	28
	QLD	30
	SA	29
	TAS	30
	WA	28
	VIC	30
Q7: How responsive were Federal government agencies in their direct consultations with your organisation? (Please feel free to identify specific agencies in comments column).		36
Q8: How responsive were State or Territory government agencies in their direct consultations with your organisation?	ACT	17
	NSW	25
	NT	16
	QLD	22
	SA	21
	TAS	21
	WA	20
	VIC	26
Q9: How useful were Federal, State or Territory government online resources for your organisation?	Federal	33
	ACT	20
	NSW	27
	NT	20
	QLD	25
	SA	24
	TAS	24

	WA	22
	VIC	27
Q10: How much notice were your members given (in a majority of instances) in relation to Federal Government health measures? This question relates to decisions requiring business closures, severe trading limitations or severe constraints imposed on particular markets.		37
Q11: How much notice were your members given (in a majority of instances) in relation to State or Territory Government health measures? This question relates to decisions requiring business closures, severe trading limitations or severe constraints imposed on particular markets.	ACT	29
	NSW	33
	NT	28
	QLD	32
	SA	31
	TAS	29
	WA	30
	VIC	32

Appendix V – Quote Index from Industry Associations

Quotes on the effectiveness of measures to suppress virus

International border closures

Matthew Addison, Institute of Certified Bookkeepers

“The inconsistency in that message between you’re closed, and you’re not closed because you’re a high-profile tennis player and we’re going to let you in, I don’t think that has helped. In terms of effectiveness to keep COVID-19 out, I think our international borders have to be closed, have to be tight... Despite its consequence, which is devastation to a whole tourism industry, I think it’s effective.”

Ben Kearney, Australian Lottery and Newsagents Association

“I mean, some aspects of it have been very effective, in that we’ve closed them... It’s probably the after-effects like hotel quarantine that are more questionable.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“A lot of my members have said that they were comfortable with the fact that the virus wasn’t brought in from overseas... They felt that it was an effective way of controlling the virus.”

State border closures

Christine Pope, Australian Traditional-Medicine Society

“The confusion it generated for the population was well in excess of the benefit.”

Jos de Bruin, MGA Independent Retailers

“I think they were draconian. I wouldn’t say they were very ineffective [at stopping the virus]. I don’t think there was any consultation, I think border closures were dysfunctional and unnecessarily disruptive. I think it was a blanket approach, not a measured approach.”

Hotel quarantine

Ben Kearney, Australian Lottery and Newsagents Association

“Could it have been handled better by putting it out in the regions? Probably. But I suppose on balance, given the volume of people that have been through the hotels you’d say it was a 6-7.”

Elizabeth Skirving, Tasmanian Small Business Council

“Overall OK but a few big bumps.”

Anonymous

“I’m in Victoria, so hotel quarantine has been the big issue here... We’ve gone through a hell of a lot of headache.”

Lockdown of hotspots

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“It is dependent upon the contact tracing and genome sequencing ability of the state or territory.”

Sandy Chong, Australian Hairdressing Council

“It’s the lockdown that works. Unfortunately.”

Matthew Addison, Institute of Certified Bookkeepers

“Locking down these whole community gatherings but opening up, for instance, the Boxing Day Test, I think that’s garbage. It’s been so ineffective because of its inconsistency and it’s unfairness.”

Colm Maguire, Pharmacy Guild

“They were unfortunate necessities, but they have certainly limited the impact [of COVID-19]”

Craig Spann, Australian Live Music Business Council

“A lot of it hasn’t made much sense and it’s easy to breach. During the Brisbane lockdown, everyone just went to the Gold Coast.”

Closure of non-essential businesses

Matthew Addison, Institute of Certified Bookkeepers

“As an instant, knee-jerk reaction, it had to happen... Today I’m going ‘totally unnecessary and ineffective because you should contact trace and close down those that needed closing down.’”

David Gill, Commercial and Asset Finance Brokers Association

“That’s a hard one. I think it’s probably only been moderately effective.”

Ben Kearney, Australian Lottery and Newsagents Association

“There’s a strong argument that there’s probably been a slightly lazy approach by saying ‘you can go to Woolies and Coles and get everything.’”

Gavan Ord, CPA Australia

“There’s always definitional problems around what is essential and what’s non-essential. That’s led to a lot of confusion and businesses that were essential closing, and non-essential businesses that thought they were essential.”

Craig Spann, Australian Live Music Business Council

“What’s essential and what’s not essential has been difficult.”

Anna Yerondais, Myotherapy Association Australia

“It was effective in that it reduced the movement of the community but ineffective because of the confusion generated by who was essential and who wasn’t essential.”

Restrictions on customer numbers

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“If people wore masks and kept their distance, you didn’t need to restrict customer numbers. But people are people, so you had to do it.”

Elizabeth Skirving, Tasmanian Small Business Council

“Very muddled... Some people do it well, some people ignore it completely.”

Public hygiene measures (QR codes, masks, etc.)

Matthew Addison, Institute of Certified Bookkeepers

“Suggested [mask wearing]? Is there a -10? Waste of time, creates confusion. I think the evidence is there... when they mandated it, we got better outcomes.”

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“The QR codes are next to useless if the state doesn’t have that [contact tracing] capacity.”

Craig Spann, Australian Live Music Business Council

“Particularly around QR codes and check ins, that’s been a huge issue for my members. It’s been inconsistent and difficult... In some states there was eventually one app that everyone could use but in most states every venue had to set up their own, and the data going back to pubs and clubs – particularly in Queensland – it was very difficult because every time you went to a different bar you had to sign in with a different system. When we were encouraging people to try and go out, it was becoming a bit of a barrier for that.”

Contact tracing

Matthew Addison, Institute of Certified Bookkeepers

“It’s taken a long time to get to an effective system and a consistent system.”

Matthew Deaner, Screen Producers Australia

“There are so many different versions of this.”

David Gill, Commercial and Asset Finance Brokers Association

“That one it depends which state you’re talking about. NSW has been a 10. I don’t think other states have been as effective with that, particularly Victoria.”

Ben Kearney, Australian Lottery and Newsagents Association

“New South Wales has been excellent from the get-go. Victoria was terrible but now is great. I suspect some of the other states aren’t so great.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“It’s very effective but I don’t understand how they had it so different in each state. NSW was very very effective in the way they did it, but Victoria was very ineffective in how they did it and so was South Australia.”

Elizabeth Skirving, Tasmanian Small Business Council

“When it’s done well it’s very effective, but the systems need to be in place... If the systems aren’t adequate or quick enough... it really falls down.”

Anonymous

“Across the country, NSW and QLD did it pretty well, Victoria has been brought up to speed – [in the] early days it was pretty poor.”

Fines

Sarah McCann Bartlett, Australian Human Resources Institute

“They were implemented inconsistently.”

Craig Spann, Australian Live Music Business Council

“I think the big stick works, but it’s been kind of haphazard in its implementation.”

Anonymous

“I mean, look, you’ve always got a percentage of the population that are unsupportive and disbelieving of certain aspects of what is presented to them, so the punitive aspect needs to be there to put them in line... I think they’ve done fairly well.”

COVIDSafe App

Matthew Addison, Institute of Certified Bookkeepers

“I’ve never had a single notification from it. A waste of money.”

Jos de Bruin, MGA Independent Retailers

“I think the intention is there, but I don’t know if it works. It’s effective to heighten peoples’ awareness.”

David Gandolfo, Commercial & Asset Finance Brokers Association of Australia

“It’s never binged at me; it’s never done anything. I don’t even know it’s there.”

David Gill, Commercial and Asset Finance Brokers Association

“I think everybody downloaded it... but I think it probably hasn’t been as effective as they thought it’d be.”

Scott Harris, Pharmacy Guild

“I’ve seen it used quite often.”

Mark Kagan, Family Business Australia

“I don’t think it did anything, did it?”

Wes Lambert, Restaurant and Catering Association

“There were zero cases discovered through the app so it had zero effectiveness.”

Robert Mallett, Tasmanian Small Business Council

“I don’t even know if it works. I’ve never heard of it being used.”

Christine Pope, Australian Traditional-Medicine Society

“You have to turn it on every time you go out – how useful is that? Your GPS on your phone is doing the same job.”

[Australasian Association of Convenience Stores Representative](#)

"It's done absolutely nothing that's been visible. I think that was a wasted effort."

[Dominic Schipano, Australian Digital and Telecommunications Industry Association](#)

"Oh, the useless one? ...I don't know anybody who actually used it."

[Anna Yerondais, Myotherapy Association Australia](#)

"I think whilst people used it, it was found that it wasn't working the way they had hoped it to."

[Anonymous](#)

"I don't think many people understood what it was there for anyway."

Negative impacts on small business

International border closures

[Sandy Chong, Australian Hairdressing Council](#)

"We can't get our migrant workers, so I'd say the impact was an 8."

[Matthew Deaner, Screen Producers Australia](#)

"Many productions require an international cast element to happen. So, there may be a famous actor who helps to stimulate the financing of productions or other actors for various reasons that are based in another territory. But state border closures actually have a higher effect..."

[Scott Harris, Pharmacy Guild](#)

"International border closures impacted the high tourism CBD areas."

[Simon Foster, Australian Business Software Industry Association](#)

"Anecdotally, in terms of international stuff, it actually had a positive impact on a lot of service export businesses. [For example] doing a lot of business in South-East Asia, these are cultures where previously you would have to visit them in person. It's actually quite hard to sell to them remotely, so lots of travel involved. They're in lockdown as well, so business activities occurred over Zoom that just weren't possible before."

[Robert Mallett, Tasmanian Small Business Council](#)

"International border closures would have to be 10 for lots of businesses. However, Tasmania has never made so much money through its businesses, other than travel and tourism businesses, because everyone stayed at home and spent loads of money."

[Mark McKenzie, Australasian Convenience and Petroleum Marketers Association](#)

"We've had a 90% decline in demand for jet fuel in this country."

"...Now that everyone is starting to come back, we're having a problem getting staff. As a result of the international students disappearing... normally once the limit [on the hours per week they can work] is removed [when they finish studying] their hours ramp up. We have not been able to do that because we have not had the international students. That's particularly prevalent in the metropolitan areas, and in regional areas, with the backpackers disappearing... we're having significant problems recruiting people. Vacancies sit open for close to 20-25 working days."

[James Oxenham, Hire and Rental Industry Association](#)

“Backpackers supplement the workforce in these peak seasonal periods. If the international borders aren’t open, they’re not going to be able to easily get staff.”

Australasian Association of Convenience Stores Representative

“The area of staffing certainly was an issue for a number of stores who relied on people such as international students. Retailers had to make other arrangements, recruit locally more expensive labour or have people work longer hours meaning at times higher penalty rates. Convenience stores rely quite heavily on international students and therefore the impact was substantial.”

Elizabeth Skirving, Rural Business Tasmania

“Most [harvest workers] are international; we have a lot of Islanders who come down. We have had quite a few still come down but not at the level, and then you have the backpackers that would migrate ‘round and we have had a few who have been stuck in Australia and managed to get down, but the lack of international backpackers in Australia that actually follow the seasonal work across Australia haven’t come down.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“For companies relying on imports such as equipment, tools, cables and other things that they needed, it had a moderate effect.”

Craig Spann, Australian Live Music Business Council

“We need international acts. Conversely, industry needs to export. Bands need to go overseas... We are not going to be back to anything near full trading until international borders are open. If you’re running a venue in Melbourne it’s those international tours that are your profit for the year.”

State border closures

Ian Booth, Newsagents Association NSW and ACT

“The border closures have had an impact on trade, particularly in rural and regional areas. There’s normally a high flow of grey nomads, particularly on the Newell highway between Victoria and Queensland, and businesses which traditionally rely upon that custom have been impacted when the borders have closed. There’s been a surge of business when the borders have been reopened.”

Matthew Deaner, Screen Producers Australia

“State border closures actually have a higher effect [than international closures] because our workforce is moving from gig to gig to gig for maybe a 3-week shoot or a 6-week shoot or a 6-month shoot. That necessitates the free flow of crew around the country to fill the gaps in productions. You need your crew to be mobile to tap into the work that’s available.”

Robbie Egan, Australian Booksellers Association

“It’s had a negative effect now that we’ve lost a tourist season, but initially it had zero impact... A lot of people depend on domestic tourists.”

David Gill, Commercial and Asset Finance Brokers Association

“We heard of tens of millions of dollars of earth moving equipment that was ordered in Queensland that couldn’t get across the border to be delivered and start work. So, border closures definitely had a real negative effect.”

Scott Harris, Pharmacy Guild of Australia

“Employees in border towns had to travel back and forth across the borders.”

Lyn Hay, Adelaide Business Hub

“The impact was hideous! Really, really bad for small business, especially tourism.”

Mark Kagan, Family Business Australia

“I don’t think the state border closures were a dramatic effect on a lot of our businesses.”

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“We had situations where rosters were thrown into disarray by border closures. Businesses in cross border regions were not given sufficient notice.”

Mathew Munro, Australian Livestock and Rural Transport Association

“While it did seem effective, it threw up a lot of problems for my members who regularly cross borders, particularly in regional areas... There wasn’t a lot of discrimination between those who were just travelling around regional areas and those who were actually moving between capital cities.”

“We had an issue with South Australia and Victoria with SA saying you can’t come in unless you’ve had a COVID-19 test in the last 5 days and VIC refusing to give anyone a test. Unless you had COVID-19 symptoms you couldn’t get a test because Victoria said quite rightly ‘we’re in state-wide lockdown, we don’t have the resources to test everyone so we’re only doing those who have got symptoms.’ If you were a truck driver going into South Australia that meant you were going in there with no tests, South Australia would say ‘you need to go to the nearest testing station or have one within next five days.’ The nearest testing station from the border was a 400km round trip. Some people were only delivering across the border and didn’t want to go an extra 400km... *Both states did what was in their own best interest, but without that national coordination it just did not work.*”

“I know of an example of trucks with three trailers of cattle coming out of QLD and going into the NT and they’re loaded, they’re on the way from a Brisbane hotspot and the border has closed before they’ve got there and they’re out of contact in between so they just present at the border and it’s closed.”

“Some of those NSW/Victorian border closures happened so quickly that they would announce that there would be a permit but the site where you had to go to get a permit wouldn’t actually work until after the period had commenced. Those sorts of things were very frustrating for members because – oh my god, the phone just rings off the hook saying ‘what’s going on?’ and we’re not responsible for it, we can only say ‘they tell us it’ll be up soon.’”

James Oxenham, Hire and Rental Industry Association

“People are trying to operate interstate, move equipment around, bring stuff in to put up events, if they can go ahead – it made it very difficult. And the confidence of someone trying to book an event, not knowing if they’re going to get stuck interstate or get let in or get shut out... It doesn’t get much more serious than that because if you’re slightly wavering, you’re not going to invest thousands or hundreds of thousands in hiring in your event.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“Where the issue was raised was that there were some of my national companies... were saying it impacted heavily on their business capabilities because they couldn’t send specialist electricians or telco people or IT people across the border... Whilst counterintuitive in regard to the economic side of things, I think we’ve got a system in place now where we’re able to manage the transition in border closures now. But we’ve been through a lot of pain.”

Cancellation of public events

James Oxenham, Hire and Rental Industry Association

“That’s the frustrating thing – you get people going to sporting events with 20, 30 thousand [people] or shopping centres, and yet you can’t hold an event, an exhibition, a music festival – things like that.”

Matthew Addison, Institute of Certified Bookkeepers

“Locking down these whole community gatherings but opening up, for instance, the Boxing Day Test, I think that’s garbage. It’s been so ineffective because of its inconsistency and its unfairness.”

“The inconsistency in that message between you’re closed, and you’re not closed because you’re a high-profile tennis player and we’re going to let you in, I don’t think that has helped.”

Mathew Munro – Australian Livestock and Rural Transporters Industry Association

“There were some stupid things that happened. Allowing some large gatherings [such as protests] during a pandemic sent the wrong messages to the wrong sorts of people and when there’s no consistency and when people turn on the TV and see things like that, not only is it a problem for the big one that occurs but all the people that get the wrong message and say ‘well, what does it matter, I’m going down the park with my mates because I saw 10,000 people on TV.’”

Closure of non-essential business

Matthew Addison, Institute of Certified Bookkeepers

“Non-essential, essential... the inconsistency and the unfairness in definition!”

“In the Victorian lockdown, it’s the inconsistencies in the notice periods and the inconsistencies in what is locked down. I think it really hurt.”

Sandy Chong, Australian Hairdressing Council

“As much as they keep putting hairdressing up there as essential, we can’t physically social distance. It doesn’t happen... Not being given a government direction... created a lot of angst for our industry and we also couldn’t negotiate with landlords because we became an essential business, but we also had a lot of staff who did not want to go to work.”

“We really need a comprehensive list on who is essential. It’s like we hover around in this grey space – we never know whether we’re open or closed.”

Scott Harris, Pharmacy Guild

“What is a non-essential business? If there was consistency across everybody, we might not have had issues.”

Mark Kagan, Family Business Australia

“That was just appalling.”

Ben Kearney, Australian Lottery and Newsagents Association

“The one thing that stood out for me was inconsistency of state approaches. And it’s still the case. If you look at things like the leasing codes, they’re all slightly different. If you look at the lockdown requirements, they’re all different. If you look at who was an essential service and who wasn’t, they’re all different across the board... Instead of very early realising that there would be multiple

lockdowns required and getting a consistent framework across states and federal, they've still not achieved it even now."

Colm Maguire, Pharmacy Guild

"The inconsistency of a federation obviously creates conflict when you're trying to manage something from a national organisation... If one state government is doing things slightly differently it becomes difficult to manage or support your members consistently... The beauty of the federation is coupled with the complexity of a federation, that we can't always agree on how things should be."

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

"One of the most troublesome things for us have been the roadside truck rest stops [which are part of the heavy vehicle driver fatigue network and required under national heavy vehicle regulations]. We've had situations in Victoria and South Australia over those facilities being allowed to continue to operate and not operating. In South Australia we had to close dining areas and we got exemptions from the government, yet we had local police forces coming in and man-handling drivers away from tables... What we did in the end is we teamed up with the transport workers union (traditionally we're fighting each other in industrial relations) and we jointly penned a letter to every state premier and chief minister in the country to resolve this issue. What we basically did was threaten the transport of fuel in and out of their states."

"The South Australian 5-day lockdown actually sought to preclude the purchase of specific products, so within that context you couldn't purchase takeaway food. We got to saying, is a coffee takeaway food? Is a prepared salad takeaway food or normal food? So, we had this ridiculous discussion around the fact that we've had inconsistency around the structure and nature of restrictions."

James Oxenham, Hire and Rental Industry Association

"... Even if I talk about the general hire when we're trying to get the clarification about essential services. Construction sites don't own all that equipment you see; they hire it. We're servicing the construction sites, [and] we were servicing the COVID-19 testing centres by putting up marquees, generators and fencing. But we just don't get recognised as an industry."

"They point people back to the websites and you go around in circles reading a line saying 'retail: closed', 'essential services: open'. Some people chose to interpret it a bit differently and stayed open and did click-and-collect, copied the Bunnings model (no one was penalised as far as I know), and other people thought that that signal was one that they needed to close."

Australasian Association of Convenience Stores Representative

"In the early stages of COVID-19 there was a decision that affected truck stops where truckies are mandated that they have to stop and they have to rest after a certain amount of hours. Initially we believed, based on the way the regulations were written, that our stores would have to comply with that and not allow them to sit down and eat in the facilities. Eventually that turned around based on discussions held between major Associations, however had they consulted with industry we wouldn't have had to go through that."

Anna Yerondais, Myotherapy Association Australia

"Whilst [my members are] considered healthcare providers, they're not listed as allied health. We're what's referred to as an unregistered health – so, we're self-regulated. The challenge that posed for us was the government defaulted quite often to informing the public that registered or APRA-registered health or allied health care providers were essential, but then they slowly added more and more... Myotherapists were omitted from the lists in the first stage... so for a short period we were advised by all jurisdictions that we couldn't work. We advocated for change on that, and we had that reversed... Unfortunately, in Stage 4 in Victoria, we were excluded, and we just couldn't get them back up on the essential health-care list."

Working from home

Matthew Addison, Institute of Certified Bookkeepers

"[Bookkeepers] couldn't attend businesses, they couldn't do the work, they couldn't help [business customers] comply... Serious impact on the way business was conducted."

Australasian Association of Convenience Stores Representative

"Working from home had an impact on some traditional sales immediately as people who were normally out working at offices or on the roads stopped coming to convenience stores., this was particularly evident in inner city. Many inner city stores either shut down or reduced trading hours as a result of the closure of offices, no tourists and no students. But the suburban stores by and large have actually done quite well. Some of them have seen some growth in non-traditional categories like groceries, that they haven't seen in many years because people are avoiding large stores and large crowds and tending to shop locally."

Ian Booth, Newsagents Association of NSW & ACT

"In terms of the CBDs and the absence of workforces there, unfortunately there have been some businesses that have had to close... because they just haven't been able to weather the lack of cashflow and their landlords have not been particularly cooperative in negotiating rent relief... Sydney, North Sydney, Chatswood, St Leonards, Parramatta, Liverpool... All of those areas have a fairly high concentration of government departments with large office spaces and fairly large workforces, and to this day, very few have returned. So that obviously has an impact on trade... Strip shopping centres and high street locations have done pretty well throughout. We've had very strong reports of improved trading throughout COVID-19... Things like games, puzzles, crosswords, magazines, card sales... all went up... In rural and regional areas, we've had reports of increased sales by 60%. The guys in the country have done pretty well."

"Most of the products Newsagents have, certainly the agency lines – so that's newspapers, cards, and lottery products – they can't turn around and sell them online because they're only acting as an agent. They have no possession of those products in a legal sense... particularly in relation to lotteries products, that's a heavily regulated product."

Anonymous

"Because a lot of them are independent workers, their own mental wellbeing has really been affected because they operate – a lot of them – in a solo environment. Not having interaction with other people, I think is – yeah, I think the gig economy and people working independently and not having the socialisation has had an impact on the modern person."

Jos de Bruin, MGA Independent Retailers

"Supermarkets have been able to trade so we've been extremely lucky. However, when you go to the CBDs where the lockdowns have occurred – if you take Melbourne, even today, because people have been discouraged to come into the city... Most small businesses are on their knees. They're needing every bit of assistance possible... When you go out into the regions our businesses became very much the hubs of the communities, they traded in."

"With more and more people afraid to leave the home, they did avail themselves to online shopping. We, being family and privately owned businesses, many of us didn't have the resources to be able to develop an online shopping portal."

Sandy Chong, Australian Hairdressing Council

“That’s had a big impact on our industry because I think we’ve lost a lot of employees to home hairdressing, contributing to the black economy. We hear a lot of cases where hairdressing was done at home, especially in lockdown... A negative impact, not a positive one.”

“The difficult thing for [private RTOs] is they can’t assess on a model that’s not a live model... So, a lot of students did not go to college for a long time.”

Robbie Egan, Australian Booksellers Association

“For new bookshops who deal in relationship marketing – it’s a conversation with another human – this was quite traumatic, and they really had to pivot quickly and become click and collect, but they did it without complaint. The crisis brought out the best in bookshop owners... and they adjusted pretty quickly.”

“You have to embrace the Internet and this hastened their comprehension of it. They’ve become far better at social media and far better at e-commerce.”

David Gandolfo, Commercial & Asset Finance Brokers Association of Australia

“Virtually every aspect of what we do has been turned on its head... The working from home piece makes everything we do very disjointed.”

Lyn Hay, Adelaide Business Hub

“Lockdowns have forced people to work from home. That can be a really great thing if you’ve got lots of clients, but it can perhaps be a difficult thing if you’re deprived of networking and connectivity with prospective clients.”

Simon Foster, Australian Business Software Industry Association

“Many of our members’ staff were already working from home... That’s the nature of software companies and that is true pretty much across the board. The larger businesses were probably more affected than the small businesses because a lot of cloud technology is much easier for a smaller business to implement than a larger one.”

“It’s not ‘no’ impact... It’s not great, you can’t meet people face-to-face, and those interactions are different. But relative to others, [it was] a small impact.”

Colm Maguire, Pharmacy Guild

“From a pharmacy perspective in general, it was relatively unaffected and - in some respects - actually performed better. That said, if I delineated CBD or shopping centres, I would say that it’s been heavily affected because peoples’ inability to travel or go into shopping centres for supplementary shopping meant that those locations that have done incredibly well with high rents and high yields were actually on the bad end of the stick for this. But it was unavoidable.”

Robert Mallett – Tasmanian Small Business Council

“A lot of those people working from home aren’t doing business in the CBDs where the vast majority of them would [have been] working.”

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“At a local area, what we actually saw [was] that our non-fuel sales are up 12% year-on-year. There were some geographic differences because businesses located along major highway corridors and those located along the major freeway commute corridors, they obviously saw a decline.”

Gavan Ord, CPA Australia

"The other part [that was impacted by COVID-19] was how they interacted with customers. That depended if it was a young tech-savvy business, they transitioned with no problem to video conferencing, Zoom calls, whereas older business owners that are used to taking in their shoe box of receipts, for example, really struggled with the lack of human interaction."

"It was interesting to see the dynamic between the small and the very small in how they adjusted to working from home and servicing customers remotely."

"The smaller the business, usually the tougher time they had (in terms of the number of employees). Anywhere up to 5, they really did struggle, and 5 and above they found it a bit easier because they did have the cloud technology in place and some of the internal processing systems that allowed their staff to work from home. But with those with less than five, they struggled because a lot of them still had servers and also, it's a bit more laissez-faire, it's not as systematised as a larger practice."

Christine Pope, Australian Traditional-Medicine Society

"Naturopaths, nutritionists and herbalists could transition to online and were fine... [others] they couldn't transition... Some of them said they'd never been busier and then we had people who were locked down for long periods of time because they couldn't transition."

Craig Spann, Australian Live Music Business Council

"According to the latest survey, 75% of my members had no revenue from March until the end of the year, but I suspect it's more. There's no work from home option for a venue."

Positive impacts on small business

JobKeeper

Matthew Addison, Institute of Certified Bookkeepers

"JobKeeper was a great knee-jerk reaction. It gave us 3 months of certainty - we could keep trading when we didn't know what COVID-19 was doing to us. By the time we've got to JobKeeper 2.2, we can't get staff because they're on JobKeeper and they're not going to work. I think it needed to be redesigned... it needed refocusing - industry based, but also a compulsory payment to a worker and it's 'one in all in' made sense on day one but it doesn't make sense on day 90."

Ian Booth, Newsagents Association NSW & ACT

"JobKeeper - yeah, look, that was important. Most people have been weaned off it now in our sector."

"There was the whole thing about the eligibility of JobKeeper support for visa holders. A lot of [international] students... were working in retail and some members expressed to us that it wasn't fair, particularly since these employees were paying PAYG and making contribution to superannuation, and then they were left out."

"There was quite a lot of commentary initially about eligibility for JobKeeper, particularly for people who were only working a couple of hours a week... We've got a special provision in our award which allows for the engagement of school-aged minors up to the age of 18 to work for as little and to be paid for as little as 1 ½ hours a day, and some of those kids who may only work 2 1 ½ shifts a week - you're 15, so normally your weekly pay would be \$30 - some of them were getting \$1500 a fortnight."

Jos de Bruin, MGA Independent Retailers

“It had a massively positive effect on our businesses. It also was, for those in the CBD, a very effective tool for businesses to keep their staff on.”

Sandy Chong, Australian Hairdressing Council

“I think we were very lucky. I think JobKeeper has been a very positive effect.”

“There are nuances about JobKeeper that I think everyone would agree are not great, like your casual worker who worked 3 hours a week for the last 12 months got JobKeeper, but your visa workers got zero.”

Matthew Deaner, Screen Producers Australia

“I just think everyone has gotten a lot out of that and it really helped.”

Robbie Egan, Australian Booksellers Association

“JobKeeper was the key. That kept my members alive. [The Federal Government] acted fast and they got that one essentially right, I think.”

Simon Foster, Australian Business Software Industry Association

“For those businesses that were running into trouble because of client revenue, [JobKeeper] was a 10/10.”

“Our members were a big part of implementing JobKeeper because they’re payroll companies. It had a significant impact on our businesses – whether you consider that negative or not is up for interpretation. Their other work was delayed to be able to implement JobKeeper. The world changed, and so you have to adjust your business to that... If you’re a small software developer and you couldn’t do it, you didn’t have the resources to do it [implement JobKeeper], you lost your customers to bigger players. On the other hand, if you were nimble enough, you might have picked them up. It’s true of small businesses in either case.”

David Gill, Commercial and Asset Finance Brokers Association

“We wouldn’t have survived without JobKeeper.”

Scott Harris, Pharmacy Guild

“For the people who got it, [JobKeeper] was significant.”

Lyn Hay, Adelaide Business Hub

“For JobKeeper it’s a 10 because it helped businesses retain personnel and their labour force. But I think that it’s served its purpose.”

Ian Jones, Australian Institute of Business Brokers

“[JobKeeper was] very positive and very significant.”

Mark Kagan, Family Business Australia

“There were definitely lay offs and people off work, but if they had JobKeeper it didn’t hurt that much.”

Colm Maguire, Pharmacy Guild

“It’s a double-edged sword with JobKeeper because of the fact that there’s just complications with the PBS that weren’t taken into consideration... The major issue with JobKeeper, noting that I think it’s been a great program, for those businesses that had to stay open, revenue wasn’t necessarily a good marker for performance because revenue could track up at the same time as expenses do. You

could end up running a business at a loss with the same revenue line... If you look at pharmacy, if something happens in pharmacy you have infection control, you've got to clean, you have to stay open. You've got costs for hygiene, more staff because you were controlling people outside the pharmacy and not letting them in, so you drove up costs."

[Robert Mallett, Tasmanian Small Business Council](#)

"12/10!"

"If the Government weren't paying JobKeeper and the IR system hadn't been adjusted to meet the needs of small businesses having to alter things at short notice, [short notice] would've been a complete nightmare."

[Mark McKenzie, Australasian Convenience and Petroleum Marketers Association](#)

"We have not had any businesses collapse, largely because of JobKeeper."

[Gavan Ord, CPA Australia](#)

"I would've given JobKeeper a higher score but for the ATO taking a harder line on its interpretation of who was eligible."

[Christine Pope, Australian Traditional-Medicine Society](#)

"The number of members who said that was a lifeline they didn't think they'd get..."

[Australasian Association of Convenience Stores Representative](#)

"JobKeeper certainly was a plus... I guess the downside of that was that – I know of a lot of stores, but not many in our industry so I guess I'm talking a bit more broadly – there was a disincentive to go to work if they were being paid. So I think there was an issue with some of those payments for some of the industries."

[Maz Salt, Australian Venues Association](#)

"Positive is a funny way of looking at these things. Did they help diminish the impact? I wouldn't call them positive, but they were certainly helpful, yes. [JobKeeper] certainly kept a lot of people alive."

[Dominic Schipano, Australian Digital and Telecommunications Industry Association](#)

"JobKeeper was a huge success for us because it meant that we didn't have to retrench people."

"There were so many mixed messages around JobKeeper, 'when's it going to finish?' 'Is it going to be increased/ decreased?' all that sort of stuff. We always kept talking about the September Cliff and it never eventuated because they extended JobKeeper. Maybe there will be a March cliff."

[Elizabeth Skirving, Tasmanian Small Business Council](#)

"JobKeeper has masked a problem that has still to come, and we have also had reports of people not working because of JobKeeper, people think that they don't need to turn up to work."

[Craig Spann, Australian Live Music Business Council](#)

"It's kept the doors open."

"We're incredibly concerned about JobKeeper. If JobKeeper goes I think we will see mass casualties in terms of businesses closing shop, and we're also dealing with a bit of a brain drain of people moving into other industries. It's going to be a really difficult 12 months ahead."

[Anna Yerondais, Myotherapy Association Australia](#)

"A lot of [our members] are self-employed so there was a struggle accessing it."

JobSeeker

Matthew Addison, Institute of Certified Bookkeepers

“Those small businesses have needed labour and they can’t get it because ‘I can sit at home and earn just as much money.’”

Jos de Bruin, MGA Independent Retailers

“It encouraged them to spend within their local community.”

Sandy Chong, Australian Hairdressing Council

“I think JobSeeker was positive because they were contributing to the economy because they were earning more. The other thing that I didn’t realise... is that if you’re on JobSeeker - going back to apprenticeships – a full time course might normally cost \$1200-\$1500, but if you’re on JobSeeker it’s like \$250... I think it’s a help for mental health as well.”

David Gandolfo, Commercial & Asset Finance Brokers Association of Australia

“That’s for people who don’t have a job but all of our clients do.”

Lyn Hay, Adelaide Business Hub

“With JobKeeper and JobSeeker, it was a 10 in the beginning and has now become an impairment in some sectors to actually get staff on board.”

“JobSeeker... I feel for the individuals. Some people were just better off. It didn’t help primary producers get labour. It didn’t help those sectors in manufacturing or hospitality that are the lower paying jobs. So, if you were running those sorts of businesses the ability to secure new employees was negatively impacted because the incentive was not there for them to go and apply for the job because they were virtually getting in their pocket more than what they would if they were being paid – let’s face it – a lower wage. It didn’t impact anyone in professional services but for those who require a labour force that is not necessarily highly educated but competent on the production line or equivalent, then it’s created some issues.”

Sarah McCann Bartlett, Australian Human Resources Institute

“Yes, it helped those who had lost their jobs and I guess therefore maintained demand and reduced the negative effect on the economy by a little bit. JobKeeper was really the big one.”

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“You still had money circulating in the economy and for us that was very important.”

Mathew Munro

“I think it was positive that there was more money flowing around in the economy, but I did have some members saying that it undermined some peoples’ motivation to work.”

James Oxenham, Hire and Rental Industry Association

“People haven’t come back to work because they want to stay on JobKeeper [and] JobSeeker.”

Maz Salt, Australian Venues Association

“I have a lot of members of the view that it was harming the motivation to work for a lot of people.”

Anonymous

“We saw a wholesale resignation of staff who were happy to go sit on the couch for a \$100 a week less.”

Cashflow Boost

Ian Booth, Newsagents Association NSW & ACT

"I think the greatest unsung hero over the whole thing was the Cashflow Boost."

Jos de Bruin, MGA Independent Retailers

"It was such a welcome boost to allow further investment into our businesses being able to be COVID safe, and we did have to employ additional staff to accommodate the additional obligations we had to create a safe workplace."

Robbie Egan, Australian Booksellers Association

"Yeah, that was good."

Simon Foster, Australian Business Software Industry Association

"Speaking to our members and our members' customers, people underestimate the impact of cashflow boost. It really did make a difference."

Lyn Hay, Adelaide Business Hub

"Any cash in a crisis is good."

Sarah McCann Bartlett, Australian Human Resources Institute

"Not bad, fairly small amounts."

James Oxenham, Hire and Rental Industry Association

"That was a good one."

Commercial Rent Relief

Ian Booth, Newsagents Association NSW & ACT

"With the rent relief, where people qualified, I suppose some landlords really dragged their heels on it. We had to assist some people in taking people to NCAT but NCAT is dragged up to buggery so there's a time lag there."

"In the CBD where you had more sophisticated landlords, those guys have played hard ball all the way and that's led to some shop closures in those CBD locations. Then you have businesses in those tourist fringe areas of the CBD, so Darling Harbour has been similarly impacted... It all gets back to how belligerent the landlord is going to be."

Jos de Bruin, MGA Independent Retailers

"Our CBD guys, if they would not have received that, they would've closed their doors."

Sandy Chong, Australian Hairdressing Council

"Not all landlords came to the party. A lot were still fighting with their landlords and not knowing there were places where you could go to get a mediator. Usually in small business, when you know you have to go outside of your four walls and look for someone to help you, you just think 'that's going to cost a lot of money' and that gives you a lot of grief. So, a lot of them would have just stayed in that angst of not being able to negotiate with the landlord."

Robbie Egan, Australian Booksellers Association

"For those that didn't have to fight their landlords, yes, it was very positive."

Scott Harris, Pharmacy Guild

“It was very positive for the ones who got it.”

Lyn Hay, Adelaide Business Hub

“For lawyers it was rent, leasing, entitlements around changes to the retail commercial tenancies act. Leasing and eviction – or not – was a big one. For those legal practices that were dealing with the smaller end of town, they were kept quite busy during that period for those sorts of reasons.”

“That whole strategy was invaluable because it saved so many evictions.”

Colm Maguire, Pharmacy Guild

“I know people who are still arguing over rent costs in Westfields, etc.”

Robert Mallett, Tasmanian Small Business Council

“It was all up and down and around the place.”

“Small business landlords, their inability to evict recalcitrant tenants who either refused to pay rent or damaged property – that was significantly negative.”

JobMaker Hiring Credit

Matthew Addison, Institute of Certified Bookkeepers

“I’m not a believer... It was poorly designed, and Treasury didn’t listen to the feedback that they got in consultation. It is too complicated, and I don’t believe it will meet the policy intent.”

Ian Booth, Newsagents Association NSW & ACT

“We counselled people not to rely on it in making their hiring decisions until the information was available and the information only became available a few weeks ago. It’s another one of those two words pushed together.”

Jos de Bruin, MGA Independent Retailers

“It’s probably something we haven’t got our head around, really. I don’t think that’s made a difference to us.”

Sandy Chong, Australian Hairdressing Council

“I guess I don’t agree with the age limit. I think if you’re 45, which is very young, and you’ve lost your job and you’re trying to get another job, I think that’s a shame.”

Robbie Egan, Australian Booksellers Association

“I’m not even cognizant of this. I don’t even know what it is. It sounds like a good thing.”

David Gandolfo, Commercial & Asset Finance Brokers Association of Australia

“Very few people would’ve taken it up.”

Scott Harris, Pharmacy Guild

“Got nothing out of it and no one’s really made any comments on it. There’s been a few negative comments...”

Lyn Hay, Adelaide Business Hub

“Not sure. I would say that’s a positive thing because it aimed to get people back on track. The problem is that people don’t hear about it quickly enough or soon enough.”

Ian Jones, Australian Institute of Business Brokers

“Very little positive effect there.”

Wes Lambert, Restaurant and Catering Association

“We don’t know about the hiring credit yet.”

Sarah McCann Bartlett, Australian Human Resources Institute

“I think we’ll start to see that coming through sooner rather than later. In this quarter, if you’re getting JobKeeper still you can’t get JobMaker. I can’t comment on the effectiveness, I think it’s a reasonable initiative and it’s probably slightly demographically restricted.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“There’s a huge increase in the number of people who’ve taken up JobMaker.”

Craig Spann, Australian Live Music Business Council

“No one is hiring anywhere.”

Anna Yerondais, Myotherapy Association Australia

“A very low impact.”

Payroll Tax waivers/ deferrals

Jos de Bruin, MGA Independent Retailers

“It just helped with cashflow. Payroll tax is an employment tax, and I think it helped for many of our members to keep their staff on knowing they were getting a waiver, not so much a deferral.”

Sandy Chong, Australian Hairdressing Council

“It would [affect my members]. I think NSW has done well because they’ve lifted the threshold. I think that anything that’s deferred is still going to be a cost, you’ve just put it down the road. I think Victoria hasn’t done that well because they desperately need to lift their threshold – it’s the lowest in Australia. The threshold everywhere else is not as bad.”

Ian Jones, Australian Institute of Business Brokers

“That was really significant for our members.”

Lyn Hay, Adelaide Business Hub

“Anything that does anything positive with payroll tax – like get rid of it or reduce it – is a good thing.”

Consultation – Federal

Federal

Jos de Bruin, MGA Independent Retailers

“Had there been more consultation with us and family businesses in each state, rather than dealing with Coles and Woolworths who represent 80% of the market, there could’ve been additional initiatives that we could’ve developed at local community levels to provide more support to the communities, but not just that – to help grow the small and family businesses rather than grow Coles and Woolworths.”

“Have a look at the ATO, have a look at the ACCC – all highly responsive to the needs of small business. You look at the small business commissioners, or Kate Carnell – highly responsive to the needs of small businesses. They acted immediately and I think that’s what was key to the success of getting through a lot of this.”

Matthew Deaner, Screen Producers Australia

“I’d generally say it was quite disappointing actually. There was various bits of window dressing and limited genuine consultation... It was a little bit patronising and kind of ‘we’ll tell you what your situation is’ rather than truly listening.”

Richard Forbes

“We spoke to the Department of Industry and Treasury and they were very responsive.”

Simon Foster, Australian Business Software Industry Association

“The ATO, particularly in the way they handle STP and their approach to consultation and codesign, made JobKeeper possible. Just a wonderful thing. Unfortunately, some have taken the wrong message out of that and they think everything is possible in such short time frames.”

David Gandolfo, Commercial & Asset Finance Brokers Association of Australia

“The Treasury was highly responsive.”

James Oxenham, Hire and Rental Industry Association

“We had to go searching for that. When we did, we were passed between various departments... Eventually we got through to the COVID-19 Business Liaison Unit. They were receptive to our point-of-view and they followed up once. It’s not like the industries in the news, like the restaurant industry - I imagine they can get hold of Josh Frydenberg pretty easily. Because we don’t have deep pockets and we don’t have a big profile, it’s been a real challenge trying to get through to people... They think about airlines, they think about hotels, but they leave events out.”

Colm Maguire, Pharmacy Guild of Australia

“I can only imagine how difficult it would’ve been for the Government to consult as broadly as some of us may have wanted it to... Given the breadth of issues they were dealing with, off the back of bushfires, off the back of everything else, they should be able to pat themselves on the back... particularly when I sit back and think about all the reports we’re getting from other countries...”

Australasian Association of Convenience Stores Representative

“The Government was slow early, however after a while taskforces and consultation improved. Everyone seemed to be lobbying government when they were deciding what would stay open and what would have to close AACS was submitting on behalf of its members reasons why convenience stores were an essential business and benefited from the Government decision to include the channel as part of those Essential Businesses to society.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“Yes, they would listen, and yes, they would come up with ideas, but I haven’t seen anything. Very, very good at listening but very poor at acting and delivering... The only department I found were very responsive and very active in doing things was the ATO. I thought they were brilliant through that period. Because to do something like JobKeeper, it took a lot, a lot of work. What they came up with and how they handled it – I thought it was brilliant.”

Anonymous

“The Government response to communicating with us was quite slow. We had to almost lead and then government came in and engaged us and learnt from us.”

State

Australasian Association of Convenience Stores Representative

“The people in the [Victorian] Premier’s office were very good and very responsive when issues were raised... But there was no proactive consultation.”

Ian Booth, Newsagents Association NSW & ACT

“[The NSW Small Business Commissioner and the ASBFEO], those agencies have been very positive in their support for small business.”

Jos de Bruin, MGA Independent Retailers

“NSW were really a great example of consulting and working out what businesses needed, and then you got a state like Victoria which was the opposite.”

“Rather than the government driving the consultation initially, it was the small business commissioners.”

Sandy Chong, Australian Hairdressing Council

“NSW was excellent.”

Matthew Deaner, Screen Producers Australia

“State governments were much better. Everyone was very uniformly pretty good.”

Robbie Egan, Australian Booksellers Association

“I focused really on the Victorian Government because Melbourne was the problem child.”

Simon Foster, Australian Business Software Industry Association

“[The ATO] do a really good job of consultation. It’s taken them a while to get there, but they now do a good job.”

Elizabeth Skirving, Tasmanian Small Business Council

“The Tasmanian Government have done a mountain of work and have been widely recognised for that, you know with ad campaigns, Facebook, the like... and very consultative, in bringing the organisations together with those weekly groups and that’s been well received.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“It didn’t matter what we said or did, they went off and did their own thing. The same with South Australia, Tasmania, or whatever.”

Mathew Munro, Australian Livestock and Rural Transporters Association

“The agencies who consulted with us were not necessarily the decision makers. The decisions were being made at the Premier and health officials level, but we were being consulted by a department that was just gathering information and pushing it into those other forums, so while they were actively listening, whether or not anything was actually implemented came down to the persuasion of their arguments that they could put to their colleagues in the other departments.”

“When you’re talking to someone who can say no but can’t give you a yes on anything it gets a bit frustrating.”

Comments about communication

Ian Booth, Newsagents Association of NSW and ACT

“We’ve expressed concerns to the NSW Small Business Commissioner in relation to inconsistencies in government messaging about COVID-19. Politicians...they say things which just aren’t correct. That may have been about using QR registration processes. So, they’re saying in those press conferences that all businesses have to have those, but they don’t – simple as that. That caused quite a bit of confusion amongst our membership.”

Jos de Bruin, MGA Independent Retailers

“We were affected by poor communication through the media that caused panic buying which caused our shelves to run dry... Something that affected us enormously was miscommunication... [The food] was never going to run out. We’ve got so much here at any given time.”

Sandy Chong, Australian Hairdressing Council

“[Governments] always tended to announce something without all of the details behind that announcement and it would be a few days before you would get a response. We would be slammed with queries and not be able to answer it... I think overall the Government does communicate well, but I think unfortunately a lot of people don’t look at government sites and they see a lot of s**t. I think that’s where a lot of the confusion comes, to be honest. Social media has a lot to answer for.”

Scott Harris, Pharmacy Guild

“The Government need to be on the front foot a little bit more on their marketing and providing information or somebody will make it up for them.”

Wes Lambert, Restaurant and Catering Association

“Every health department in every state published the list of everywhere the infected person went so that business, even if it had no infection, was negatively affected. It was a ‘name and shame...’ the businesses weren’t contacted, they would just find themselves on the list.”

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“We were getting announcements made, member enquiry coming through, but no detail other than a press release. But once we got them, they were very good, and we produced a daily COVID-19 update.”

Gavan Ord, CPA Australia

“It wasn’t so much the decisions that were made but how the decisions were made and communicated. Some of the impacts were more severe than they should have been because of how they were decided and communicated. In particular, in states like Victoria, there was no consultation, the decision was just made. We were always behind, trying to get the decisions that had been made to be more workable. It wasn’t so much about the decisions – they all had a reasoning behind it – it was how the decisions were made. To me that’s where a lot of the problems lie.”

Christine Pope, Australian Traditional-Medicine Society

(On other government decisions that had a negative effect) “Government PR briefing on Sundays, because we would get swamped with phone calls every Monday morning and we had no detail and it kept happening and it’s still happening... People want to know that they’re doing the right thing.”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“There were so many mixed messages around JobKeeper, ‘when’s it going to finish?’ ‘Is it going to be increased/ decreased?’ all that sort of stuff. We always kept talking about the ‘September Cliff’ and it never eventuated because they extended JobKeeper. Maybe there will be a March Cliff.”

Anna Yerondais, Myotherapy Association Australia

“Announcements were made by the [VIC] State Premier and updates were not made to the websites following those announcements weren’t made in any reasonable timeframe.”

Anonymous

“Even though we were defined as essential service, there’s information that was - it was very difficult to get the information as required to help them manage the process and manage what they need to do.”

Praise for COSBOA

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“If it wasn’t for COSBOA, I would never get the information I got. I think we need to mention the fact that those roundtables were essential.”

Colm Maguire, Pharmacy Guild

“It was actually quite positive and advantageous that we have industry groups like COSBOA. It took the lead as a collective and was able to garner the view and take forward a view that was almost a collective of multiple industries.”

Australasian Association of Convenience Stores Representative

“The role of COSBOA played a very important part as well in terms of coordinating industry and small businesses. Whilst all the associations independently did their best for their members... the work that COSBOA did in bringing all the associations together and generally hearing the issues distilled what were major issues and what were not played a very important role as well.”

On Notice

Matthew Addison, Institute of Certified Bookkeepers

“In some cases you didn’t want to have a delay... [In some cases] what was the risk here? Give us a week to shut down and allow us to roster our people.”

Jos de Bruin, MGA Independent Retailers

“We weren’t given any notice on a lot of occasions. People were stranded – we have people that have got businesses between businesses who got caught, in each of the states.”

“The only ample notice we got was when restrictions might be lifted.”

Sandy Chong, Australian Hairdressing Association

“Victoria was shocking... when they gave them notice to open, it was something like midnight tonight. It was no notice.”

Robbie Egan, Australian Booksellers Association

“Was there ample notice? No, it was very short notice because this is unprecedented... But it’s understandable, or it’s forgivable – it’s good policy, I don’t think that was a bad thing to do... So, I’m thankful we took a different approach.”

“The recent closure of the border with NSW was a failure to give adequate notice and to do things properly. I think it created a kind of panic that was unnecessary and that was bad policy... But earlier on they gave no notice and shut us down when it was getting out of control, so they’ve done it really, really well with no notice and really badly with no notice. They’ve hit everything with a sledgehammer over and over and I don’t think they’ve come to grips yet with that we’re on top of it.”

“South Australia was ridiculous in my opinion. It was just absurd. But in the end, we’ll be thankful that we all went really hard. We’ve erred on the side of caution and it will prove to be the best approach...”

David Gandolfo, Commercial & Asset Finance Brokers Association of Australia

“I also understand - it’s pretty hard – if you’re trying to stop a train wreck, you can’t wait until next week to stop it.

Wes Lambert, Restaurant and Catering Association

“In Brisbane, with 9 hours’ notice, our industry had to throw away \$8 million worth of produce. In the Northern Beaches it was more than that, but it was stretched over time. In South Australia it was in the high hundreds of thousands... Lobsters don’t keep.”

Colm Maguire, Pharmacy Guild

“From a small business perspective, I don’t think anyone is going to be happy with the notice they got, but was it adequate? I think it was adequate, short but adequate and understandable in the circumstances.”

Robert Mallett, Tasmanian Small Business Council

“In general, it was sufficient. Often, a lot of people thought ‘if there’s going to be a border closure or such and such happening, a lot of people pack up their cars...’ if you’ve got the virus and you intend to lock down to stop the spread, why give people all that much notice so they can pack up and nick off, especially if they’ve got the virus?!” ...I think a lot of people would’ve been happier if they’d had 1 hour notice instead of days of notice so they can get up and spread the virus.

“[The notice] was sufficient because the Government were paying JobKeeper. And if the Government weren’t paying JobKeeper and the IR system hadn’t been adjusted to meet the needs of small businesses having to alter things at short notice, it would’ve been a complete nightmare.”

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“In staffing, that was really short notice, so we had situations where rosters were thrown into disarray by border closures. Businesses in cross border regions were not given sufficient notice.”

“There is this question of ‘why all the urgency?’ Would 24 hours really have made much of a difference?”

Mathew Munro, Australian Livestock and Rural Transporters Association

“If something changes while you’re out on the road, what do you do? If you’re the one who owns the business and you’re in the truck, you have no support out there.”

Gavan Ord, CPA Australia

“That meant us scrambling to get information out to our members on what the changes were.”

James Oxenham, Hire and Rental Industry Association

“The amount of time that something changed put people in a nervous position where they didn’t want to commit [to hosting an event].”

Christine Pope, Australian Traditional-Medicine Society

“I really think they need to seriously consider that they make announcements about closures that do not allow businesses to comply with their legal obligations to advise staff – at a minimum – for example, normally you have to tell casuals ‘here’s your roster with 3 days’ notice’. Well, if you shut down the business the next day the business is legally at risk of having to pay this staff member for something they can’t do.”

Australasian Association of Convenience Stores Representative

The Government wasn’t prepared for what had happened and initially the communication was slow and often delivered through media outlets. As time went on things got better, however the reaction of state governments on closing borders with little notice made it very difficult for National businesses to operate. At times retailers were often dealing with 6 different sets of rules, making it operationally very difficult to maintain consistency across the network.

Maz Salt, Australian Venues Association

“I think everyone would give Victoria a -300 [on notice given before restrictions].”

Dominic Schipano, Australian Digital and Telecommunications Industry Association

“‘Did they have a choice?’ is another question, but did we have enough notice? The answer is no.”

Craig Spann, Australian Live Music Business Council

“I don’t know if that could’ve been avoided. You get an outbreak and you just got to go for it.”

Anonymous

“I think sufficient notice is probably the key aspect... I think we’re all now a lot wiser. The understanding is the more responsive you are, the quicker the response time is, the quicker we can impact the transmission of the virus. I think a lot of people have become more accustomed to the short notice aspect and what they need to do, whereas early on it was quite imposing on business. We’ve been able to learn from what the past has sort of given us experience wise to be a little bit more agile if a decision or an announcement is made.”

Industrial relations

Jos de Bruin, MGA Independent Retailers

“I think we were hamstrung during a time of absolute need for flexibility. We found it very difficult to be able to create a flexible workforce to be able to come inside and handle the needs of COVID-19. We found the complexity difficult. We found that we wanted to open up longer hours to accommodate the public but in having to pay penalties and overtime just to do that, we couldn’t justify that. The entire industrial relations system had a negative effect on us being able to employ more people during a time that we needed to.”

“Our members wanted to pull out all stops to clean the stores late at night, to fill the shelves late at night, to keep the stores safe and keep the stores clean. But owing to overtime and higher penalty rates we weren’t able to do that, so we had to put our staff and our customers at risk by cleaning during the day... We wanted to give a lot of our staff more hours, particularly the part timers – there’s no way we’re going to pay them overtime. And the staff wanted more hours but [we had to say] ‘I’m sorry, we’d love to give you more hours but because you’re part time, we’re not paying you overtime.’”

“The greatest disappointment during this time has been the lack of understanding and the lack of relevance the union movement has had during COVID-19. They have shown total disregard... of all the possibilities of working together as a community. The word compromise doesn’t exist in their language.”

Ian Booth, Newsagents Association NSW & ACT

“They’re matters which have always been there, they’ve just come to the fore during COVID-19.”

“We had some experience with employees refusing to come to work in the early stages, and that tended to be the very young and very old, so people with comorbidities who felt that they were at risk. Quite a number of those went on extended forms of leaves, and the Long Service Leave Act was modified for greater flexibility. In the younger areas, their parents just refused to let them go to work and then their parents were insistent on them receiving JobKeeper. Fortunately, we were able to resolve most of those through a moderate approach. There weren’t any complaints lodged with FWO or FWC that we were involved in.”

Sarah McCann Bartlett, Australian Human Resources Institute

“[An additional positive was] some of the agreements that government and the unions came to around changing particular provisions in awards to allow for more flexible working. It was only minor, but it allowed employers and employees to deal with work/life balance.”

Competition

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“We were cannibalised by the major supermarkets in the early first 3 months of the national lockdown, so from March to June we had particular products that were not available because the supermarkets were swallowing up all of the demand. That kind of corrected itself when we came out of lockdown better than expected.... They probably weren’t getting back to normal until late October or early November.”

Jos de Bruin, MGA Independent Retailers

“The area where we were affected the most was Coles and Woolworths ramping up their online shopping. With more and more people afraid to leave the home, they did avail themselves to online shopping. We, being family and privately owned businesses, many of us didn’t have the resources to be able to develop an online shopping portal.”

“Had there been more consultation with us and family businesses in each state, rather than dealing with Coles and Woolworths who represent 80% of the market, there could’ve been additional initiatives that we could’ve developed at local community levels to provide more support to the communities, but not just that – to help grow the small and family businesses rather than grow Coles and Woolworths.”

Ben Kearney, Australian Lottery and Newsagents Association

“There’s a strong argument that there’s probably been a slightly lazy approach [to closing non-essential businesses] by saying ‘you can go to Woolies and Coles and get everything.’”

Disparity between industries

Industries that did well

Robbie Egan, Australian Booksellers Association

"I'm not aware of a single bookshop that is even contemplating closing their doors and ceasing to trade. [We were lucky] that books are an ideal companion during times of stress or lockdown. Book sales have been extraordinary."

"The basket became bigger. Customers realised 'I'm going to have to queue up if I come back and wait a long period of time,' so they spent \$500, \$600, \$700 rather than spending \$100 5 times. Average transactions rose – that's the anecdotal evidence I'm getting."

Sandy Chong, Australian Hairdressing Council

"All the CBD areas, whether it's Sydney or Melbourne, both of them are suffering a lot."

Mathew Munro

"Overall, demand was high for transport services. We had a pretty good season in terms of the grain crop and there's been very strong red meat prices and demand for those things have been pretty strong. Overall, there are some who have done quite well."

Robert Mallett, Tasmanian Small Business Council

"Tasmania has never made so much money through its businesses, other than travel and tourism businesses, because everyone stayed at home and spent loads of money."

Industries that were adversely impacted

Ian Jones, Australian Institute of Business Brokers

"For a business to transact there needs to be a degree of comfort and confidence around the business and the business community. As a result, [brokers] have been adversely affected extremely heavily."

Wes Lambert, Restaurant and Catering Association

"According to an ABS Report in January 2021, there were still 97,200 jobs missing in accommodation and food services and it was the worst affected of all industries."

Anonymous

"I think it's all pretty clear that the hospitality and venue industry has been ruined."

Craig Spann, Australian Live Music Business Council

"According to the latest survey, 75% of my members had no revenue from March until the end of the year, but I suspect it's more. There's no work from home option for a venue... It's been a wipe out."

"A brand new venue opened in Brisbane end of 2019... It holds 3,500 but current restrictions mean that it can only hold 1,100. When you're operating at 30% you don't make money."

Matt Deaner, Screen Producers Australia

"There's big flow on effects to everyone that's generating energy towards a production. There's caterers, there's the sausage roll guys that turn up on set, there's lighting supply companies, and people that train animals. It just goes on and on across the economy."

James Oxenham, Hire and Rental Industry Association

“We’re 12 months into zero revenue traditional revenue – that’s tough.”

“We’ve got people still running at 85-90% down on revenue because of restrictions, not because people don’t want to have an event, but because they don’t have the confidence to book it until restrictions are more consistent, eased a bit, and there’s confidence that state borders aren’t going to close at the drop of a hat.”

Christine Pope, Australian Traditional-Medicine Society

“Remedial massage [was] heavily affected. In Victoria they couldn’t operate for 3 months...”

‘It depends’ answers (geography)

Mark McKenzie, Australasian Convenience and Petroleum Marketers Association

“At a local area, what we actually saw that our non-fuel sales are up 12% year-on-year. There were some geographic differences because businesses located along major highway corridors and those located along the major freeway commute corridors, they obviously saw a decline.”

“We had a whole lot of people who did not want to go into supermarkets in the midst of the national lockdown who then went into servos to buy canned food and coffee and that sort of stuff because we were an essential business and continued to operate.”

Jos de Bruin, MGA Independent Retailers

“Supermarkets have been able to trade so we’ve been extremely lucky. However, when you go to the CBDs where the lockdowns have occurred – if you take Melbourne, even today, because people have been discouraged to come into the city... Most small businesses are on their knees. They’re needing every bit of assistance possible.”

“When you go out into the regions our businesses became very much the hubs of the communities they traded in, but they did have the burden of regulatory obligation.”

Ian Booth, Newsagents Association of NSW & ACT

“In terms of the CBDs and the absence of workforces there, unfortunately there have been some businesses that have had to close... because they just haven’t been able to weather the lack of cashflow and their landlords have not been particularly cooperative in negotiating rent relief... Sydney, North Sydney, Chatswood, St Leonards, Parramatta, Liverpool... All of those areas have a fairly high concentration of government departments with large office spaces and fairly large workforces, and to this day, very few have returned. So that obviously has an impact on trade.”

“Strip shopping centres and high street locations have done pretty well throughout. We’ve had very strong reports of improved trading throughout COVID... Things like games, puzzles, crosswords, magazines, card sales... all went up... In rural and regional areas, we’ve had reports of increased sales by 60%. The guys in the country have done pretty well.”

Colm Maguire, Pharmacy Guild

“From a pharmacy perspective in general, it was relatively unaffected and - in some respects - actually performed better. That said, if I delineated CBD or shopping centres, I would say that it’s been heavily affected because peoples’ inability to travel or go into shopping centres for supplementary shopping meant that those locations that have done incredibly well with high rents and high yields were actually on the bad end of the stick for this. But it was unavoidable.”

“People were stocking up on toilet paper, but they were also grabbing Betadine gargle and they were grabbing cough lollies and they were grabbing anything they could off the shelf, they were talking to pharmacists. Getting the flu vaccination was another thing that went through the roof.”

Australasian Association of Convenience Stores Representative

“COVID has had a significant impact on fuel sales which had double digit decline and in part drove a decline in foot traffic. The channel did benefit from higher basket spend due to Shoppers buying more items or higher value grocery lines as a result of shopping more locally especially at the peak when crowds were an issue. Overall, however, it has certainly impacted businesses in terms of profitability as evident in those reporting on their ASX results.”

Mark Kagan, Family Business Australia

“Most of the companies and businesses hung on. They thought up other ways to go about it.”

‘It depends’ answers (customers)

Simon Foster, Australian Business Software Industry Association

“[COVID-19] impacted our customers. While it didn’t necessarily affect our ability to run businesses, the customers were impacted and that impacted revenue because they didn’t have the money to be able to buy the services anymore.”

“Payroll companies were pretty heavily affected because many of them have a lot of hospitality clients and they charge per employee – and when the employees were stood-down, they didn’t get money...”

“For some members it’s been a positive because they’re actually selling QR software and check-in software.”

“Anecdotally, in terms of international stuff, it actually had a positive impact on a lot of service export businesses. [For example] doing a lot of business in South-East Asia, these are cultures where previously you would have to visit them in person. It’s actually quite hard to sell to them remotely, so lots of travel involved. They’re in lockdown as well, so business activities occurred over Zoom that just weren’t possible before.”

Richard Forbes, Independent Food Distributors Australia

“Some provide food just to commercial outlets and others provide food to commercial and institutional outlets like hospitals and schools. [There was] definitely more of an impact on commercial than institutional because hospitals stayed open, prisons stayed open, military bases stayed open...”

James Oxenham, Hire and Rental Industry Association

“For the construction and general equipment, probably only about 3/10, but for the events rental, a 10/10.”

“Construction was going well. If you’ve got a forklift licence, which you might have for the events industry - moving stuff around – a truck licence for delivering and picking up the kit – those guys have gone to work for other sectors and taken their skills with them. So, all the skills around the intellectual property and the know-how of how to safely put up these events – and some of them even need building qualifications to do it [and] they need engineers to sign off on the structures –, they’re gone.”

David Gandolfo, Commercial & Asset Finance Brokers Association of Australia

“We’ve got a lot of members who have sailed through this... and are sitting on more cash than they’ve ever had... And then there’s others that have absolutely been smashed.”

Industries that experienced fatigue

Gavan Ord, CPA Australia

“We saw significant increase in workload on our members. At the same time, because of the economic circumstances, they were working harder than ever but being paid less. Their business clients weren’t able to pay them, or they were paying them at a reduced fee.”

“Many of our members would have experienced a 50-100% increase in workload and working hours during this period. They’re implementing JobKeeper on behalf of their clients, they’re providing businesses advice on how to survive COVID, and it was actually in addition to business as usual. Many of our members feel that they were actually critical to business survival during this period, and they feel a little bit underappreciated by government in terms of their critical role in delivery of government support packages.”

Colm Maguire, Pharmacy Guild

“From a workforce perspective, the key issue is fatigue. So, they had to stay open, they were open longer, they were getting sold out quicker, there were supply chain issues, there were irate customers, and increased costs in terms of having to do PPE or purchase screens, all the infrastructure aspects, and then controlling customers outside the pharmacy. The workload aspect may well have meant that there was an opportunity to hire people, but they are a workforce that are absolutely fatigued. You would hear it all the time: ‘the nurses, the frontline workers, the police officers’, pharmacists probably don’t get that view although they have to stay open the same way as a community health location.”

30:00 “[This year] there’s going to be more expectation and increased cost in a distressed industry... Last year was busy because of the pandemic, this year is going to be busier because of the recovery including vaccination and all the changes implemented over the period.”

Sarah McCann Bartlett, Australian Human Resources Institute

“We surveyed our members asking about the impact of COVID-19 on them and their role, and their response was overwhelming. They were grateful that we’d asked – they were so busy looking after everyone else, and this was the first time they’d been asked how they were. Most said they were working excessive hours and were exhausted.”

“It’s been a difficult time for them... but at the same time it’s been a time for them to step up and really demonstrate their value to the business.”

Anonymous

“Our market base is professional services, so we haven’t been hit the same way other sectors have... Some have been never busier because they’re trying to support businesses through COVID-19, either as a response to the crisis or because they’ve had escalated opportunity. And others, there’s been a lot of demand for free services and there’s an emotional context that goes to that as well.”

Appendix VI – COSBOA Team

COSBOA Board

COSBOA Members (See [Appendix II](#))

John Grace (Policy)

Jennifer Gulbransen (Project Lead)

Castaly Haddon (Policy)

Alan Hay (Project)

Tara Hight (Secretariat)

Peter Strong (CEO)

REFERENCES

- Allman, K. (2020, September 25). Who will foot the bill for bungled hotel quarantine? *Law Society Journal Online*. Retrieved from <https://lsj.com.au/articles/who-will-foot-the-bill-for-bungled-hotel-quarantine/>
- Attorney-General's Department. (n.d.). Industrial relations reform. Retrieved from <https://www.ag.gov.au/industrial-relations/industrial-relations-reform>
- Australian Bureau of Statistics. (2020, December 4). Online sales, October 2020 - Supplementary COVID-19 analysis. Retrieved from <https://www.abs.gov.au/articles/online-sales-october-2020-supplementary-covid-19-analysis#:~:text=In%20the%2012%20months%20from,from%20March%20to%20October%202020.>
- Australian Bureau of Statistics. (2020, February). Participation, Job Search and Mobility, Australia. Retrieved from <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/participation-job-search-and-mobility-australia/latest-release>
- Australian Capital Territory Government . (2020). *COVID-19* . Retrieved from Supporting Local business and the economy: <https://www.covid19.act.gov.au/business-and-work/economic-survival-package/supporting-local-businesses-and-the-economy>
- Australian Competition and Consumer Commission . (2020, October 21). *National Press Club Address*. Retrieved from Tackling market power in the COVID-19 era: <https://www.accc.gov.au/speech/tackling-market-power-in-the-covid-19-era>
- Australian Competition and Consumer Commission. (2020, March 24). *Supermarkets to work together to ensure grocery supply* . Retrieved from <https://www.accc.gov.au/media-release/supermarkets-to-work-together-to-ensure-grocery-supply>
- Australian Council for Social Service, 2. (2020, September 15). Cuts to JobSeeker to cost 145,000 full-time jobs. Retrieved from https://www.acoss.org.au/media_release/cuts-to-jobseeker-to-cost-145000-full-time-jobs-deloitte-report/
- Australian Government . (2020 , JULY). *Australian Small Business and Family Enterprise Ombudsman* . Retrieved from Insolvency Inquiry Report : <https://www.asbfeo.gov.au/sites/default/files/Insolvency%20Inquiry%20Final%20Report.pdf>
- Australian Government . (2020). *Australian Taxation Office* . Retrieved from Loss carry back: <https://www.ato.gov.au/General/New-legislation/In-detail/Direct-taxes/Income-tax-for-businesses/Loss-carry-back/>
- Australian Government. (2020). *Australian Taxation Office* . Retrieved from Backing business investment – accelerated depreciation: Backing business investment – accelerated depreciation
- Australian Government. (2020). *Australian Taxation Office*. Retrieved from Temporary Full Expensing : <https://www.ato.gov.au/Business/Depreciation-and-capital-expenses-and-allowances/General-depreciation-rules---capital-allowances/Temporary-full-expensing/>
- Australian Government. (2020). Budget 2020-21: JobMaker Hiring Credit. Retrieved from https://budget.gov.au/2020-21/content/factsheets/download/jobmaker_hiring_credit_factsheet.pdf
- Australian Government. (2020). Budget Paper No. 2. Retrieved from <https://budget.gov.au/2020-21/content/bp2/index.htm>

- Australian Government. (2020, October). Budget Paper: Budget Measures 2020-21 — Part 1: Receipt Measures. Retrieved from https://budget.gov.au/2020-21/content/bp2/download/bp2_complete.pdf
- Australian Government. (n.d.). Budget 2020-21: JobMaker Plan — creating jobs for the economic recovery. Retrieved from <https://budget.gov.au/2020-21/content/jobmaker.htm>
- Australian Government. (n.d.). Quarantine for coronavirus (COVID-19). *Department of Health*. Retrieved from <https://www.health.gov.au/news/health-alerts/novel-coronavirus-2019-ncov-health-alert/how-to-protect-yourself-and-others-from-coronavirus-covid-19/quarantine-for-coronavirus-covid-19>
- Australian Payroll Association. (2020, September 13). JobKeeper recipients paying millions in bonuses to their executives, research reveals. Retrieved from <https://austpayroll.com.au/jobkeeper-recipients-paying-millions-in-bonuses-to-their-executives-research-reveals/>
- Australian Taxation Office. (2020, December 22). COVID-19 Boosting cash flow for employers interim report. Retrieved from <https://www.ato.gov.au/Business/Bus/COVID-19-Boosting-cash-flow-for-employers-interim-report/>
- Australian Unions. (n.d.). Working from home. Retrieved from https://www.actu.org.au/media/1449319/au_workingfromhome_p1.pdf
- Aven, T., & Boudier, F. (2020, April 8). The COVID-19 pandemic: how can risk science help? *Journal of Risk Research*, 23. Retrieved from <https://www.tandfonline.com/doi/full/10.1080/13669877.2020.1756383>
- Avila, Z., & Mattozzi, G. (2020, August). Policy Brief: COVID-19: Public employment services and labour market policy responses. International Labour Organisation. Retrieved from https://www.ilo.org/emppolicy/areas/covid/WCMS_753404/lang-en/index.htm
- Bennett, M., & Kelly, M. (2020, September 27). Covid-19-border-closures-see-pilots-join-grains-harvest. *ABC News*. Retrieved from <https://www.abc.net.au/news/rural/2020-09-27/covid-19-border-closures-see-pilots-join-grains-harvest/12702680>
- Bishop, J., & Day, I. (2020, November). How Many Jobs Did JobKeeper Keep? *Reserve Bank of Australia*, RDP 2020-07. Retrieved from <https://www.rba.gov.au/publications/rdp/2020/2020-07.html>
- Black, E. (2020, September 6). Business Council of Australia calls for investment allowance and fast-tracked income tax cuts. *The New Daily*. Retrieved from <https://thenewdaily.com.au/finance/news-federal-budget/2020/09/06/business-council-of-australia-roadmap/>
- Bonyhady, N. (2020, September). Welfare payments making recruitment tougher, Coalition backbenchers say. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/politics/federal/welfare-payments-making-recruitment-tougher-coalition-backbenchers-say-20200908-p55tjy.html>
- Borland, J. (2016). Wage Subsidy Programs: A Primer. *Australian Journal of Labour Economics*, 19(3). Retrieved from <https://businesslaw.curtin.edu.au/wp-content/uploads/sites/5/2017/05/ajle-vol-19-no-3-borland.pdf>
- Borland, J. (2020). Labour Market Policy after COVID-19. *CEDA*. Retrieved from <https://www.ceda.com.au/ResearchAndPolicies/Research/Workforce-Skills/Labour-market-policy-after-COVID-19>
- Borland, J. (2020, September). The use of hiring credit wage subsidy programs after COVID-19. Retrieved from <https://cedakenticomedia.blob.core.windows.net/cedamediacontainer/kentico/media/researchcataloguedocuments/pdfs/ccep-labour-2020-credit-wage-subsidy-jeff-borland.pdf>

- Bruhn, M. (2020, January 31). Can Wage Subsidies Boost Employment in the Wake of an Economic Crisis? Evidence from Mexico. *The Journal of Development Studies*, 56(8). Retrieved from <https://www.tandfonline.com/doi/abs/10.1080/00220388.2020.1715941?journalCode=fjds20#:~:text=The%20findings%20thus%20suggest%20that%20the%20use%20of%20wage%20subsidies,a%20lasting%20effect%20on%20employment.>
- Business Council of Australia. (2020, October 30). Time to end job destroying border closures. Retrieved from https://www.bca.com.au/time_to_end_job_destroying_border_closures
- Casey, S. (2021, February 2). The radical reform happening right now in employment services. *The Canberra Times*. Retrieved from <https://www.canberratimes.com.au/story/7095742/the-radical-reform-happening-right-now-in-employment-services/>
- Cassells, R., & Duncan, A. (2020). JobKeeper: The efficacy of Australia's first short-time wage subsidy. *Australian Journal of Labour Economics*, 23(2). Retrieved from <http://ftprepec.drivehq.com/ozl/journal/downloads/AJLE232cassells.pdf>
- Coates, B., Helm, T., & Cowgill, M. (2020). JobMaker isn't ambitious enough: Submission to the Senate Economics Legislation Committee inquiry into the Economic. *Grattan Institute*. Retrieved from <https://grattan.edu.au/wp-content/uploads/2020/10/Submission-JobMaker-26-October-2020.pdf>
- Cormack, L., & Dennien, M. (2020, November 12). 'NSW can't control it': states clash on border closure ahead of national cabinet. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/national/nsw/nsw-can-t-control-it-states-clash-on-border-closure-ahead-of-national-cabinet-20201112-p56e3f.html>
- Council of Small Business Organisations Australia. (2020, March 26). *Centralised shopping adds to health risk*. Retrieved from <https://www.cosboa.org.au/post/centralised-shopping-adds-to-health-risk>
- Crabb, A. (2020, March 27). A new class of Australian business is struggling to keep open in coronavirus crisis. *ABC News*. Retrieved from <https://www.abc.net.au/news/2020-03-27/coronavirus-businesses-that-dont-want-to-open/12094470>
- Davidson, P. (2020, October 20). October 2020, In defence of JobMaker: JobKeeper's replacement might not be perfect, but there's much to like, Smart Company <https://www.smartcompany.com.au/budget-2020/jobmaker-hiring-credit-much-to-like/>. *SmartCompany*. Retrieved from <https://www.smartcompany.com.au/budget-2020/jobmaker-hiring-credit-much-to-like/>
- Deimar, E.-L., & Dorney, G. (2020, June 30). Employer liability: family and domestic violence as a working-from-home risk. *HRM Online*. Retrieved from <https://www.hrmonline.com.au/employment-law/family-domestic-violence-working-from-home/>
- Deloitte. (2020, December 9). Tax Insights: JobMaker Hiring Credit Rules released. *Australia 2020/39*. Retrieved from <https://www2.deloitte.com/content/dam/Deloitte/au/Documents/tax/deloitte-au-tax-insights-39-jobmaker-hiring-credit-final-rules-091220.pdf>
- Dennis, A. (2021, January 26). Australia state border closures: On Australia Day 2021, we don't seem one or free. Retrieved from <https://www.traveller.com.au/australia-state-border-closures-on-australia-day-2021-we-no-longer-seem-united-h1tkf3>
- Duffy, E. (2020, September 2). Looming crisis once COVID-19 income support ends. *Savings.com.au*. Retrieved from <https://www.savings.com.au/savings-accounts/looming-crisis-once-covid-19-income-support-ends>

- Duke, J. (2021, January 1). 'We can't recover without consistency': Business groups slam border closures, warn more financial support will be needed. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/politics/federal/we-can-t-recover-without-consistency-business-groups-slam-border-closures-warn-more-financial-support-will-be-needed-20210101-p56r65.html>
- Duke, J. (2021). Risk of 'lost generation' amid global asset bubbles and debt crises. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/politics/federal/risk-of-lost-generation-amid-global-asset-bubbles-and-debt-crises-20210119-p56v5o.html>
- Editorial. (2020, December 14). The shift to working from home can outlast COVID-19. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/business/workplace/the-shift-to-working-from-home-can-outlast-covid-19-20201214-p56ndd.html>
- ET Bureau. (2020, April 21). How countries around the world are helping employees & employers. *The Economic Times*. Retrieved from <https://economictimes.indiatimes.com/news/international/world-news/how-countries-around-the-world-are-helping-employees-employers/articleshow/75259848.cms>
- Evans, S., LaFrenz, C., Baird, L., Fernyhough, J., & Vickovich, A. (2020, August 7). Lack of lockdown consultation raises business hackles. Retrieved from <https://www.afr.com/companies/infrastructure/lack-of-lockdown-consultation-raises-business-hackles-20200807-p55jj2>
- Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Bill 2020. (2020, December 9). Retrieved from https://www.aph.gov.au/Parliamentary_Business/Bills_LEgislation/Bills_Search_Results/Result?bld=r6653
- Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Bill 2020 [Provisions]. (2020, December 10). Retrieved from https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/FWSupportJobsandEcon
- Fair Work Ombudsman. (n.d.). News Updates. Retrieved from <https://coronavirus.fairwork.gov.au/coronavirus-and-australian-workplace-laws/contact-us/previous-news-and-updates#march-2020>
- Finn, D., & Peromingo, M. (2019, October 22). Key developments, role and organization of Public Employment Services. *International Labour Organisation*. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_policy/---cepol/documents/publication/wcms_724913.pdf
- Flores, A. (2020, October 5). The price of Victoria's second lockdown. *mybusiness*. Retrieved from <https://www.mybusiness.com.au/management/7514-the-price-of-victoria-s-second-lockdown>
- Freehills, H. S. (2020, November 17). The post-Covid workplace: IR Reform. *Lexology*. Retrieved from <https://www.lexology.com/library/detail.aspx?g=da08e3b6-fd1e-4272-b84e-b87af3879a40>
- Galloway, A., & Foley, M. (2021, January 3). Federal government urged to come back to table on state border closures. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/politics/federal/federal-government-urged-to-come-back-to-table-on-state-border-closures-20210103-p56rg7.html>
- Ganesh Pardeshi - WhaTech. (2020, August 04). *Report Finds Australian Workers view remote working colleagues as 'slackers.'* Retrieved from WhaTech: <https://www.whatech.com/governance/blog/645696-report-finds-australian-workers-view-remote-working-colleagues-as-slackers>

- Guardian Staff. (2021, February 15). Australia's state by state Covid restrictions and coronavirus lockdown rules explained. Retrieved from <https://www.theguardian.com/australia-news/2021/feb/15/australia-covid-19-lockdown-rules-coronavirus-restrictions-by-state-nsw-victoria-vic-queensland-qld-western-south-australia-wa-sa-nt-act-travel-border-social-distancing-masks>
- Halton, J. (2020, October). National Review of Hotel Quarantine. *Department of Prime Minister and Cabinet*. Retrieved from <https://www.pm.gov.au/sites/default/files/media/final-report-national-review-of-hotel-quarantine.pdf>
- Hamilton, S. (2020, July). A tale of two wage subsidies: The American and Australian fiscal responses to COVID-19. *Institute for International Economic Policy, The George Washington University*. Retrieved from <https://ideas.repec.org/p/gwi/wpaper/2020-12.html>
- Han, E., Tan, M., Turk, E., Sridhar, D., Leung, G. M., & Shibuya, K. (2020, September 24). Lessons learnt from easing COVID-19 restrictions: an analysis of countries and regions in Asia Pacific and Europe. *The Lancet*. Retrieved from [https://www.thelancet.com/article/S0140-6736\(20\)32007-9/fulltext](https://www.thelancet.com/article/S0140-6736(20)32007-9/fulltext)
- Hewson, J. (2021, January 13). A nation divided: Border problems bring home our states of disarray. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/national/a-nation-divided-border-problems-bring-home-our-states-of-disarray-20210113-p56ts8.html>
- HopgoodGanim. (2020 , November 30). *LEXOLOGY*. Retrieved from Temporary safe harbours may not be as safe as they appear: <https://www.lexology.com/library/detail.aspx?g=9d46d9d7-2524-406e-9f94-5782a65e9c5a>
- International Labour Organisation. (2020). The impact of the COVID-19 pandemic on jobs and incomes in G20 economies. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---dgreports/--cabinet/documents/publication/wcms_756331.pdf
- Irvine, J. (2020, August 8). Are the costs of lockdown worth the pain? Economists weigh in. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/business/the-economy/are-the-costs-of-lockdown-worth-the-pain-economists-weigh-in-20200807-p55jqp.html>
- Irvine, J. (2021, January 14). JobKeeper can't be forever but is needed a little longer. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/business/the-economy/jobkeeper-can-t-be-forever-but-is-needed-a-little-longer-20210113-p56tsh.html>
- Izborski, I., Mahajan, S., Moorthy, L., & Vincelette, G. A. (2020, April 20). A policy framework for mitigating the economic impact of COVID-19. *Brookings Institution*. Retrieved from <https://www.brookings.edu/blog/future-development/2020/04/20/a-policy-framework-for-mitigating-the-economic-impact-of-covid-19/>
- Jolly, W. (2020, December 10). Let's talk about the JobSeeker cuts. Do they make sense? *Savings.com.au*. Retrieved from <https://www.savings.com.au/savings-accounts/let-s-talk-about-the-jobseeker-cuts-do-they-make-sense>
- Keane, B. (2020, November 2). Palaszcuk's victory is about more than populism and incumbency. *Crikey*. Retrieved from <https://www.msn.com/en-au/news/australia/palaszcuk-s-victory-is-about-more-than-populism-and-incumbency/ar-BB1aB5NI?%25253BOCID=CALHeader>
- Kelly, C. (2020, December 29). Calls for coronavirus hotel quarantine changes amid new NSW, Qld cases. *The New Daily*. Retrieved from <https://thenewdaily.com.au/news/2020/12/29/coronavirus-hotel-quarantine-australia/>
- Khadem, N. (2020, April 6). Coronavirus shifts consumer behaviour and helps some businesses boom. *ABC News*. Retrieved from <https://www.abc.net.au/news/2020-04-06/coronavirus-shifts-consumer-behaviour-and-helps-businesses-boom/12119508>

- Letters to the Editor. (2020, September 8). Lockdown hypocrisy bordering on the absurd. *The Sydney Morning Herald*. Retrieved from <https://www.smh.com.au/national/nsw/lockdowns-hypocrisy-bordering-on-the-absurd-20200907-p55t0z.html>
- Lloyd, M., & Schwartz, D. (2020, April 14). *Coronavirus sends shoppers back to corner stores, but they're battling big supermarkets for supplies* . Retrieved from <https://www.abc.net.au/news/2020-04-14/corner-stores-supermarkets-supplies-coronavirus-pandemic/12144552>
- Lyon, S. (2020, July 10). How effective are border closures at stopping COVID-19? This is what scientists think. *ABC News*. Retrieved from <https://www.abc.net.au/news/health/2020-07-10/coronavirus-victoria-border-closures-what-does-science-say/12438244>
- Mandal, A. (2020, October 15). Should Australia re-open international borders? *News Medical Life Sciences*. Retrieved from <https://www.news-medical.net/news/20201015/Should-Australia-re-open-international-borders.aspx>
- Mark McKenzie, C. C. (2020, August 13). *www.COSBOA.org.au*. Retrieved from COSBOA: https://12181f63-b7b9-4e2e-b33f-d3d17c4a6b46.filesusr.com/ugd/c7ffff_c03a88cccf4fd948822a10f2e69f6.pdf
- McIlroy, T. Carruthers, F. (2021, January 21). 'More than devastating': One in five tourism businesses could fail. *Australian Financial Review*. Retrieved from <https://www.afr.com/politics/federal/more-than-devastating-one-in-five-tourism-businesses-could-fail-20210121-p56vu9>
- Micallef, C. (2020, November 10). JobMaker hiring credit given green light despite ongoing concerns. *Accountants Daily*. Retrieved from <https://www.accountantsdaily.com.au/business/15037-jobmaker-hiring-credit-given-green-light-despite-ongoing-concerns>
- Mills, D. (2020, December). Australia's biggest COVID-19 failures exposed. *The Daily Telegraph*. Retrieved from <https://www.dailytelegraph.com.au/coronavirus/australias-biggest-covid19-failures-exposed/news-story/36a1641378582a06bb57337d06fb87d5>
- Minister for Agriculture, D. a. (2020, August 21). Seasonal workforce breakthrough a boost for farmers, food supply and economy. Retrieved from <https://minister.awe.gov.au/littleproud/media-releases/seasonal-workforce-breakthrough-boost-farmers-food-supply-and-economy>
- Morrison, P. M. (2020, May). *PM.Gov.au*. Retrieved from <https://www.pm.gov.au/media/address-national-press-club-260520>
- Mortimer, G. (2020, April 3). Constantly evolving, constantly confusing: What businesses are classified as "essential" in Australia? *SmartCompany*. Retrieved from <https://www.smartcompany.com.au/business-advice/politics/essential-services-australia-covid-19/>
- New South Wales Government . (2020). *COVID-19 Help for Small Business* . Retrieved from Business Support and Resources : <https://www.service.nsw.gov.au/campaign/covid-19-help-small-businesses>
- Northern Territory Government . (2020). *Jobs First Plan* . Retrieved from Business Hardship Package : <https://businessrecovery.nt.gov.au/businesses/business-hardship-package>
- OECD Directorate for Science, Technology and Innov. (n.d.). Science advice in times of COVID-19. Retrieved from <http://www.oecd.org/sti/science-technology-innovation-outlook/Science-advice-COVID/>
- Oliveri, N. (2021, February 1). 'We are very frustrated': WA health expert wants overhaul of hotel quarantine system. *9 News*. Retrieved from <https://www.9news.com.au/national/coronavirus->

western-australia-perth-five-day-lockdown-overhaul-hotel-quarantine-needed-says-ama/99347c77-afe9-4d80-bdce-52fa902ba911

- Parliament of Australia. (2020, December 9). QUESTIONS WITHOUT NOTICE - COVID-19: Small Business. *Hansard*. Retrieved from https://www.aph.gov.au/Parliamentary_Business/Hansard/Hansard_Display?bid=chamber/hansards/fd2295d6-3f93-487a-95ba-ab6d5334b30f/&sid=0046
- Patten, S. (2020, September 9). JobKeeper's 'blunt instrument' approach a policy failure. *Australian Financial Review*. Retrieved from <https://www.afr.com/work-and-careers/leaders/blunt-instrument-jobkeeper-approach-a-policy-failure-20200907-p55tbn>
- Phillips, B., Gray, M., & Biddle, N. (2020, August). COVID-19 JobKeeper and JobSeeker impacts on poverty and housing stress under current and alternative economic and policy scenarios. *Centre for Social Research & Methods, ANU College of Arts & Social Sciences*. Retrieved from <https://csrm.cass.anu.edu.au/research/publications/covid-19-jobkeeper-and-jobseeker-impacts-poverty-and-housing-stress-under>
- Prime Minister. (2020, March 24). Media Statement. Retrieved from <https://www.pm.gov.au/media/update-coronavirus-measures-24-March-2020>
- Queensland Government . (2020). *Business Queensland*. Retrieved from COVID-19 Business Assistance Finder : <https://www.business.qld.gov.au/covid-assistance>
- Ramsey, M. (2021, January 14). Premier Mark McGowan renews calls for Commonwealth quarantine facilities. *Perth Now*. Retrieved from <https://www.perthnow.com.au/news/coronavirus/premier-mark-mcgowan-renews-calls-for-commonwealth-quarantine-facilities-ng-b881769450z>
- Reserve Bank of Australia. (2020, August). Statement on Monetary Policy. Retrieved from <https://www.rba.gov.au/publications/smp/2020/aug/pdf/box-a-using-wage-subsidies-to-support-labour-markets-through-the-covid-19-shock.pdf>
- Saul, A., Scott, N., Crabb, B. S., Majumdar, S. S., Coghlan, B., & Hellard, M. E. (2020, December 14). Impact of Victoria's Stage 3 lockdown on COVID-19 case numbers. *The Medical Journal of Australia*. Retrieved from <https://www.mja.com.au/journal/2020/213/11/impact-victorias-stage-3-lockdown-covid-19-case-numbers>
- Scott, S., Clark, E., & Lloyd, M. (2021, February 4). Experts say 'clearly aerosol transmission' of COVID-19 is the gap in Australia's hotel quarantine system. *ABC News*. Retrieved from <https://www.abc.net.au/news/2021-02-04/covid-19-aerosol-spread-concerns-in-melbourne-hotel-quarantine/13120058>
- Scott, S., Lloyd, M., & Clark, E. (2021, January 16). Experts call on Federal Government to acknowledge possible airborne transmission of COVID-19 in hotel quarantine. *ABC News*. Retrieved from <https://www.abc.net.au/news/2021-01-16/hotel-quarantine-gap-prevent-airborne-spread-of-covid-19/13057644>
- Shearer, F. M., Moss, R., McVernon, J., Ross, J. V., & McCaw, J. M. (2020, January 9). Infectious disease pandemic planning and response: Incorporating decision analysis. *Public Library of Science Medicine Journal*. Retrieved from <https://journals.plos.org/plosmedicine/article?id=10.1371/journal.pmed.1003018>
- Sue Mitchell Financial Review. (2020, August 18). *Financial Review Newspaper*. Retrieved from Companies Financial Review : <https://www.afr.com/companies/retail/coles-profit-climbs-7-1pc-as-food-sales-surge-20200817-p55mlo>
- The Age Editorial. (2021, January 6). Border closures are understandable but they need to be handled better. *The Age*. Retrieved from <https://www.theage.com.au/politics/federal/border-closures-are-understandable-but-they-need-to-be-handled-better-20210106-p56s61.html>

- The Treasury. (2012, December 01). Achieving Best Practice Consultation with Small Business: A Guide for Government. Retrieved from <https://treasury.gov.au/publication/achieving-best-practice-consultation-with-small-business-a-guide-for-government>
- The Treasury. (n.d.). Economic Response to the Coronavirus. Retrieved from <https://treasury.gov.au/coronavirus/sme-guarantee-scheme#:~:text=The%20Coronavirus%20Small%20and%20Medium,by%20eligible%20lenders%20to%20SMEs>.
- Toole, M. (2021, February 2). Perth is the latest city to suffer a COVID quarantine breach. Why does this keep happening? *The Conversation*. Retrieved from <https://theconversation.com/perth-is-the-latest-city-to-suffer-a-covid-quarantine-breach-why-does-this-keep-happening-154375>
- Vally, H. (2021, January 12). Vic, QLD and NSW are managing COVID outbreaks in their own ways. But all are world-standard. *The Conversation*. Retrieved from <https://theconversation.com/vic-qld-and-nsw-are-managing-covid-outbreaks-in-their-own-ways-but-all-are-world-standard-152974>
- Van Onselen, P. (2020, July 25). The buck on quarantine stops with the commonwealth. *The Australian*. Retrieved from <https://www.theaustralian.com.au/inquirer/the-buck-on-quarantine-stops-with-the-commonwealth/news-story/eb81cf5c8dd6d3582ba710ee0552409f>
- White, A., Koubaridis, A., & McGowan, S. (2020, September 4). Victorian businesses plead with state government for reprieve as lockdown extension looms. *Herald Sun*. Retrieved from <https://www.heraldsun.com.au/coronavirus/victorian-businesses-plead-with-state-government-for-reprieve-as-lockdown-extension-looms/news-story/2327b79ae082a1892a1aae21563d1daf>
- Wittig, E. (2020, September 30). Australia: Employers held responsible for domestic violence when staff work from home. *mondaq*. Retrieved from <https://www.mondaq.com/australia/employee-benefits-compensation/988852/employers-held-responsible-for-domestic-violence-when-staff-work-from-home>
- Zimmerman, A. (2020, March 30). The precautionary principle in mask-wearing. *Voices in Bioethics Journal*. Retrieved from <https://journals.library.columbia.edu/index.php/bioethics/article/view/5896>

The Small Business Perspective

FEBRUARY 2021