

3 June 2020

Mr Tony Ferrall
Secretary
Department of Treasury and Finance
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Dear Mr Ferrall

RE Premier's Economic Social Recovery Advisory Committee

Thank you for your invitation to respond to the Premier's Economic Social Recovery Advisory Committee on the impacts of COVID-19 on the Tasmanian business community. Please see responses to your questions below.

What impacts are currently being seen by your sector or members (including clients/households/individuals as relevant in your context) and what impacts are anticipated in the coming weeks and months?

The following are impacting the Tasmanian business community and will continue to do so in the coming weeks and months:

- Work health and safety

The preparation of COVID-19 Safety Plans are a major focus for business along with general work health and safety (WHS) compliance. This includes hygiene measures, social distancing, adherence to 4sqm rules, PPE and other required safety measures. Employee mental health and wellbeing are also key concerns for businesses. The financial and economic impacts of COVID-19 is causing significant concerns for both Tasmanian businesses and their employees.

- Financial and economic ramifications

The financial and economic ramifications are vast. A large part of the Tasmanian business community is in a state of shock from the immediate and unprecedented impacts of the pandemic. Businesses are largely concerned about what the new 'normal' will look like. Businesses are likely to be more risk averse and require as much certainty as possible, particularly confirmation of no new taxes or regulations.

The uncertainty of JobKeeper is also a major source of concern for business. Businesses who have successfully demonstrated their eligibility for JobKeeper would now reasonably expect that the support would continue until the end of September. They would have made business decisions, including regarding the employment of staff and the settling of revised tenancy and loan arrangements, based on that understanding. Any changes to this would have further determinantal impacts on jobs and the economy. Severely affected industries such as tourism and hospitality will require phasing out of JobKeeper Payments as their businesses attempt to recover and rebuild.

- Workplace culture

The COVID-19 pandemic has resulted in unusual workplace behaviours that have damaged the employer-employee relationship. Employers and employees taking advantage of JobKeeper Payments and safety measures for their own benefit have resulted in varying levels of damage to these relationships. For example:

- Employees not wanting to come to work out of 'fear' for their health and safety, and employers perceiving this as a result of JobKeeper payments, that is, they'll get paid even if they don't come to work.
- Employees reading things in the media and then accusing employers of doing the wrong thing such as JobKeeper eligibility.
- Some employers have seen this as an opportunity to relieve themselves of 'dead wood' leading to less than desirable workplace relations practices.

Businesses will need support to manage the resulting workplace issues in the coming weeks and months. This may be in the form of workplace relations advice and services such as conciliation and mediation.

- Supply chains

Businesses continue to be affected by COVID-19 supply chain impacts. Particularly as it relates to supply of inputs for manufacturers.

- Business continuity

Businesses need to adapt their practices and manage their workforces appropriately as restrictions ease to ensure business continuity in the event of a second outbreak.

- Psychological impacts

The psychological impacts of the pandemic on businesses is likely to see a prioritisation of funds (nest egg) over investment and harnessing of growth opportunities.

- Consumer confidence

Consumer confidence to spend money will impact Tasmanian businesses now and in the coming months.

- Adapting

Businesses will need to continue to pivot and adapt their business to respond to the new 'normal' environment. Businesses will need to do so in order to keep up with behavioural change of consumers such as how they source products and services.

What factors are likely to shape the medium and longer-term impacts for your sector/members?

- Border closures and visitor numbers

Domestic and international border closures will impact businesses in the medium to longer-term. The uncertainty around domestic borders reopening is preventing businesses in planning to reopen and rebuild. Reopening of the borders and the impact of visitor numbers, both from an interstate and international perspective will also have an impact in the medium to long term.

- Strong Government

A strong Tasmanian Government and the Government's leadership is critical in this time of uncertainty. The Government's response significantly impacts the business community's confidence in the economy and their confidence in business conditions more broadly.

- Sensible regulation

Certainty in the regulatory environment is crucial in supporting businesses to reopen and stay open. It is important to prevent fear that there will be regulatory change as this creates uncertainty and impacts business confidence.

What data or information can currently be provided to the Council on the nature and magnitude of impacts for your sector/members?

The TCCI's response has been informed through TCCI's engagement with:

- the Tasmanian business community
- TCCI's Tasmanian Chamber Alliance (alliance with all regional chambers of commerce) that has met weekly throughout the pandemic
- TCCI's engagement through the Australian Chamber of Commerce and Industry – network and other state chambers of commerce – challenges and experiences
- Federal Group Commissions Survey Results 1 June 2020 undertaken by EMRS - Attached
- TCCI Business Hotline and workplace relations services – detail below
- Buy Something Tasmanian – detail below.

TCCI Business Hotline and Workplace Relations Services

The TCCI Business Hotline was established to support any Tasmanian business with COVID-19 related enquiries. This free service has had an overwhelming response. The Hotline has fielded over 500 calls supporting over 490 businesses.

The Workplace Relations Service has assisted with over 430 enquiries.

The data below is from these services.

Nature of enquiry	Percentage of enquiries
Employee entitlements and employer obligations: This includes: requirements in paying out entitlements, eligibility for personal leave, national employment standards, Fairwork Act interpretation, requirement for provision of medical certificates.	15%
Stand downs, LWOP, shut downs, redundancies	7%
Stimulus measures and financial support - state, federal and other	8%
WHS: This includes: duty of care obligations, PPE, workplace practices, policies, procedures, signage, hygiene.	12%
Business continuity	3%
Government requirements to close businesses	7%
Employee support measures	2%
Reduction in hours	4%
Requirements for self-isolation - employer rights	3%
Travel restrictions for workers	2%
Advocacy support	> 1%
Liquor licencing	> 1%
Award interpretation	> 1%
International trade	1%
JobKeeper	21%
Template letters	4%
Commercial Lease	3%
Buy Something Tasmanian	5%
Train Now Fund	> 1%

Trading Restrictions	2%
Apprentice Information	> 1%

Buy Something Tasmanian website

A joint initiative of TCCI, State Government and Brand Tasmania, Buy Something Tasmanian is a free online business directory providing an opportunity for Tasmanian businesses to tell their story and promote their products and services to customers and clients.

The site was launched on 6 May 2020. In the first three weeks:

1126 businesses listed

109 054 visitors to the site.

What mitigation measures are currently in place that aim to address these impacts?

- TCCI Business Hotline
- Business Something Tasmanian
- Holiday at home campaign
- WorkSafe Tasmania industry safety plans
- SafeWork Australia COVID-19 resources

What impacts are not being mitigated or for which there is no plan in place to mitigate?

- JobKeeper Payment certainty
- Financial certainty
- Regulatory certainty – status quo
- Mental health and psychological impacts – acknowledging additional services have been funded however this has not been widely advertised

What responses, both within the sector and more broadly, are front-of-mind and over what timeframes – what should be stopped, what should continue and what should be started?

Continue:

- Business Loans

The Business Support Loan Scheme (\$20k-\$250k no repayments for three years) were very well received by business, however most were not in a position to explore the loans until it was too late. Continuation of these loans to support businesses to grow, adapt and invest would support business confidence and stimulate the economy.

- Buy Local Campaigns

The pandemic has seen a fundamental shift towards buying and supporting local. Investment in marketing campaigns to support the Buy Something Tasmanian initiative and Holiday at Home campaigns are vital in ensuring this continues.

- TCCI Business Hotline

Supporting businesses to access the support and advice they need to reopen and stay open is critical to maintaining business confidence.

- JobKeeper Payment

Continuation of JobKeeper Payments beyond September for severely affected industries will be critical to the survival of regional tourism and Tasmanian events.

Start:

- Supporting businesses to reopen and stay open and giving a level of certainty through no new regulation or taxes
- Supporting businesses to prepare COVID Safety Plans and manage WHS compliance that support businesses to operate safely, not stifle them with compliance.
- Invest in skills for growth

To enable businesses to adapt and respond to growth opportunities requires investment in skills and workforce development. A skills and workforce development fund to enable businesses to build their capability to harness growth opportunities. Supported by the provision of specialist skills advice, the fund should be employer led (as compared to training provider led) and assist the businesses to identify growth opportunities and associated capability skills development needs. Funding of both accredited and industry recognised non-accredited training programs will enable businesses to respond to the 'new normal' operating environment such as improving systems and processes, business planning, diversification, consolidation and enhancing an online presence. The fund's sole purpose should be to fund development needs based on the business growth opportunities.

- Invest in infrastructure to stimulate demand in the short-term and boost supply in the long-term.

What would help create or build business/consumer/community confidence?

Certainty achieved through:

- limiting changes to business conditions, i.e. no new regulation or taxes
- Strong government and continued leadership
- Investment in business growth (through loans and skills for growth) and resulting positive news stories

What would help your sector/members re-employ where there have been reductions in jobs, or employment growth levels?

- Government tenders weighted towards small to medium Tasmanian businesses
- Certainty from Fair Work that any future changes to the WR system in Australia will not disadvantage or come at a financial cost to employers i.e. [Federal Court casual ruling](#)

We look forward to working with you to support businesses in their recovery from COVID-19.

Yours sincerely



Colleen Reardon
CHIEF OPERATING OFFICER

Federal Group Commissioned Survey Results – 1 June 2020

Research undertaken by EMRS

Purpose: The purpose of the research is to understand how COVID-19 and recent restrictions may have changed community and consumer perceptions in Tasmania.

Deliverables:

Stage 1 (current results being presented) – Initial Benchmark Survey; online survey of n=1,000 Tasmanian adults; representative of age, gender, region; approximately 10 minutes in length

Survey in-field 21st May 2020 – 26th May 2020

Stage 2 (future research) – Fortnightly Pulse Check Tracking Survey; online survey of n=500 Tasmanian adults; representative of age, gender, region; approximately 10 minutes in length

Track 1 – Week commencing 8th June; Track 2 – Week commencing 29th June; Track 3 – Week commencing 20th July; Track 4 – Week commencing 10th August; Track 5 – Week commencing 31st August

1. COVID related concerns of Tasmanians

Prompted COVID concerns summary

Column %	Local businesses	The loss of Tasmanian jobs	The Tasmanian economy	Your health and the health of your family	Your personal finances and the finances of your family	Your personal life
TOTAL CONCERNED	97%	96%	95%	63%	54%	49%
Very concerned	60%	64%	52%	17%	14%	9%
Somewhat concerned	37%	31%	42%	45%	40%	40%
TOTAL NOT CONCERNED	3%	4%	5%	37%	46%	51%
Not very concerned	2%	3%	5%	28%	31%	35%
Not at all concerned	0%	0%	1%	9%	15%	16%
Don't know	0%	0%	0%	0%	0%	0%
Net (Concerned - Not concerned)	94	92	89	26	8	-1

Key Insight – Tasmanians are more concerned about wider issues of jobs, business and the economy than they are about personal concerns related to health, finances and their personal life

Implication – It will be important for the focus to shift from personal and public health to supporting businesses and the economy to reopen and employ Tasmanians

2. COVID related personal actions of Tasmanians

COVID-Safe downloaded

Column %	Total
Yes	47%
No	53%

Column %	Total	South	North	North West
Yes	47%	47%	46%	48%
No	53%	53%	54%	52%

Key Insight – 47% of Tasmanians have already downloaded the COVID Safe app and a further 6% (11% of 53%) will download it in the future; this is well above the national average rate

Implication – the Tasmanian Government and community should have confidence that the app can be used effectively to track and trace contacts should future cases or outbreak occur; the message can now shift to encouraging people to keep their phone with them and turned on (Bluetooth enabled)

Social distancing adherence

Column %	Total
Yes – all the time	61%
Yes – most of the time	36%
Yes – some of the time	3%
No	0%
Don't know	0%

Key Insight – all Tasmanians are now aware of the need for social distancing and there is a very high rate of compliance

Implication – the Tasmanian Government can be confident that Tasmanians have heard the messages about the need for social distancing and have adjusted their behaviour accordingly, this will minimise the need for strict regulations or enforcement

Social distancing expectation

Column %	Total
1-2 weeks	1%
3-4 weeks	2%
1-2 months	9%
2-4 months	15%
4-6 months	19%
6-12 months	26%
1-2 years	16%
More than 2 years	4%
Don't know	7%

Key Insight – Two thirds of Tasmanians expect to engage in social distancing for the medium to long term future

Implication – there is limited need for the Tasmanian Government to regulate or enforce social distancing as Tasmanians already expect to have to do it for the foreseeable future

3. Hospitality Visitation and Intention of Tasmanians

Pre-COVID usage summary

Column %	Go to a café for food and/or drinks	Eat at a restaurant	Go to a pub and/or club
Daily	10%	0%	0%
At least once a week	49%	20%	18%
At least once a month	31%	54%	32%
At least once a year	8%	21%	26%
Less than once a year	1%	3%	13%
Never	1%	2%	10%

Post-COVID usage summary

Column %	Go to a café for food and/or drinks	Eat at a restaurant	Go to a pub and/or club
Daily	6%	0%	0%
At least once a week	46%	18%	14%
At least once a month	35%	53%	35%
At least once a year	9%	22%	25%
Less than once a year	2%	4%	12%
Never	0%	1%	10%

Key Insight – Tasmanians intend to return to their pre-COVID patterns of visiting cafes, restaurants, pubs and casinos

Implication – Tasmanians need to have the confidence and encouragement to turn their intentions into action

4. Barriers to Socialising for Tasmanians

Socialising concern

Column %	Total
TOTAL CONCERNED	66%
Very concerned	12%
Somewhat concerned	54%
TOTAL NOT CONCERNED	33%
Not very concerned	26%
Not at all concerned	8%
Don't know	0%
Net (Concerned - Not concerned)	33

Key Insight – Tasmanians have some level of concern about socialising moving forward

Implication – Tasmanians need to have the confidence that it is safe to return to social situations so long as they respect hygiene and social distancing protocols

COVID measures importance summary

Column %	Hygiene practices of staff	Regular cleaning of surfaces	Social distancing	Having COVID-19 business certification
TOTAL IMPORTANT	98%	97%	90%	70%
Very important	82%	78%	51%	35%
Somewhat important	15%	19%	39%	35%
TOTAL NOT IMPORTANT	2%	3%	10%	25%
Not very important	1%	2%	8%	16%
Not at all important	1%	1%	3%	9%
Don't know	0%	0%	0%	5%
Net (Important - Not important)	96	94	79	45

Key Insight – Tasmanians are most concerned about hygiene practices and regular cleaning when they attend hospitality venues

Implication – Tasmanian hospitality businesses must ensure that there is adequate training and visible practices to give patrons the confidence that the venue is clean and hygienic

5. Intrastate Travel and Intention to Travel of Tasmanians

Pre-COVID travel

Column %	Total	South	North	North West
TRAVELLER	68%	64%	75%	70%
At least once a week	0%	0%	0%	0%
At least once a month	9%	8%	10%	10%
At least once a year	59%	55%	64%	60%
NON-TRAVELLER	32%	36%	24%	29%
Less than once a year	22%	24%	16%	24%
Never	9%	13%	7%	5%
Don't know	0%	0%	1%	0%

Travel type by State region

Column %	Total	South	North	North West
Business	3%	5%	1%	3%
Leisure/Holiday	68%	69%	72%	64%
Both	28%	27%	27%	32%
Don't know	0%	0%	0%	1%

Key Insight – over two thirds of Tasmanians took overnight trips and stayed in paid accommodation at least once a year prior to COVID-19, with a significant majority for leisure purposes

Post-COVID travel by State region

Column %	Total	South	North	North West
TRAVELLER	72%	71%	75%	70%
At least once a week	0%	0%	0%	0%
At least once a month	10%	8%	13%	12%
At least once a year	61%	63%	62%	58%
NON-TRAVELLER	23%	25%	16%	27%
Less than once a year	18%	17%	12%	23%
Never	5%	7%	4%	3%
Don't know	5%	5%	9%	3%

Key Insight – Slightly more Tasmanians intend to take intrastate overnight trips and stay in paid accommodation post COVID-19, with the potential greatest for an increase by those living in Southern Tasmania

Implication – with an appropriately targeted stimulus there is an opportunity to convert the intention that exists for Tasmanians to take overnight intrastate trips

First post-COVID travel by State region

Column %	Total	South	North	North West
Within two weeks of it being possible	8%	6%	9%	11%
Within one month	20%	20%	19%	20%
Within 3 months	28%	29%	30%	26%
Within 6 months	24%	26%	22%	22%
Within 12 months	13%	15%	8%	13%
Don't know	7%	3%	12%	8%

Key Insight – well over half of the Tasmanians that intend to take an intrastate overnight trip will do so within the first three months of restrictions being lifted

Implication – appropriately targeted stimulus activity should commence as soon as intrastate travel is possible within Tasmania