



IMPACT OF COVID-19 ON AUSTRALIAN BUSINESS

A Joint ACCI-UniSA Survey

November 2020



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1 Executive Summary

COVID Normal will become the new normal for Australian businesses. The impact of the pandemic has changed the way we trade, operate and communicate.

While there is inherent lag in the economic effects of the pandemic and yet more businesses will face foreclosure, this survey has found people in business are remarkably resilient and able to radically transform operations in a short period of time in order to survive.

The survey also shows the necessity for governments and the private sector to begin the process of de-risking our economy from further outbreaks or similarly crippling events.

Sweeping restrictions and lockdowns had a severe impact on business, evidenced in the Victorian responses, when targeted and proportionate health responses were proven effective in NSW. The longer and greater the restrictions on business activity, the greater the decline in revenue.

There is an opportunity to use the outcomes of this survey to future-proof Australian businesses from the brunt of other incidents, to avoid re-instating borders restrictions and sweeping lockdowns, and reduce the long-term scarring which will become visible into 2021.

It's also apparent the greater the disruption to business operations, the more likely people in business will seize opportunities to reduce the impact, as shown by the increasing interest in e-commerce and acceleration in the adoption of digital technology.

Supply chains were the single greatest threat to most businesses, with more than a third of businesses exploring supply chain diversification to increase resilience. Business owners are also looking to broaden their client base, with half citing the need to find more diverse clientele.

The recently signed RCEP trade agreement will also help to future-proof Australian businesses from break downs in supply chains, providing opportunities to explore new markets and diversify trade contacts.

Overall, small businesses have the advantage of being able to adapt quickly and be nimble in the face of rapidly changing external factors.

Other small businesses learned from previous experience and made sure they had enough capital to ride out some of the unexpected external disruptions.

Businesses remarked on how they were successful in maintaining their current business operations through changes made pre and during COVID. They also highlighted the need for further substantial changes to their business models going forward, as a result of COVID learnings.

“

We still have enough ideas and kind of passion and fuel in the tank to dream new dreams and to try some new things

Business revenue

The data indicates substantial losses by Victorian businesses compared to a much more favourable outlook in NSW and the rest of the country. A greater than 80% reduction in revenue was reported by 32% of Victorian businesses, suggesting potential risks to business sustainability across this state. NSW businesses by and large are doing better with only 15% of businesses reporting a greater than 80% reduction in revenue, with 12% actually showing revenue to be improving.



Fully online and e-commerce configuration

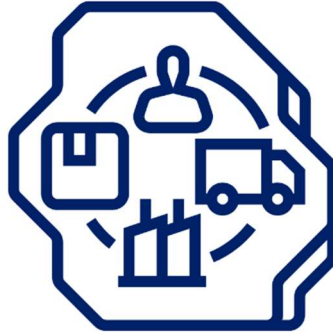
In cases where businesses are fully online and e-commerce configured, disruptions from COVID-19 have been minimal. Many businesses have moved to online modes of operation as part of their normal business practice and have been progressively doing so especially for the last 5 years



Problems with inbound and outbound supplies

Maintaining supply chains was highlighted as one of the most challenging issues for businesses to overcome during the pandemic. Businesses that were already set-up for remote operations were able to utilise this capability during the pandemic. Others were hampered by freight and transport disruptions and had to manage the resulting cost related issues. Some businesses, expecting disruptions to supply chains, held more inventory to be able to meet short-term demand. While it is an expensive option, as a temporary measure, it was effective in maintaining their business operations.

Maintaining supply chains



is the **most challenging**
issue for business

Drawing from experience

Some businesses were able to draw from past experiences. Experience developed from previous crises helped some businesses cope with COVID-19. Learning from past crises prompted many businesses to implement changes in order to be better prepared for potential future problems. Drawing from previous experience, not always business related, some managers were better able to deal with the pandemic disruption. Greater emphasis on external monitoring of the environment and being more aware of external changes influenced business thinking to help reduce uncertainty. This change in managerial thinking is observed across states and industries.

Workforce welfare and productivity - the psychological impact

There was significant emphasis on how businesses manage and protect their workforces, thus their ability to continue trading. In addition, more recent concerns focus on the challenges associated with the impact of long periods of lock-down on the mental health of staff, business associates and their families, whose wellbeing impacts on business productivity. Increasingly, businesses are highlighting the psychological impact, not just the economic cost, of the ongoing pandemic and

prolonged lock-downs. The latter perceived as longer lasting and not yet addressed. Businesses are finding it difficult to assess what changes need to be made and how they should be implemented, as well as the differences in staffing practices, norms and expectations which mean uniformity in approach will not be possible.

22% of businesses were **not** fully **aware** of the **legal** workplace **health and safety** and **insurance** requirement for employees **working from home**



Greater workforce flexibility

Office and staff management issues are a major consideration. For many managers, some office presence is needed, but managing staff who are at home, with only some coming into the office on a rotating basis, has been possible. There was, however, resistance from some staff to 'exiting' the lock-down and return to the office, which has been problematic for businesses. On the other hand, some staff work very productively from home, with one positive outcome, being time for other aspects of life, such as exercise and wellbeing. This supports greater workforce flexibility.

Around **1/3rd** of businesses
will consider continuing to allow



employees to work from home

Managing the workforce across an online, as well as a normal office space

Businesses highlight the importance of employees understanding the part they play in new strategies or plans and that regular online meetings facilitate the extra communication needed, given the different working arrangements. Managing an online workforce, as well as in a normal office space, is challenging given risks to health and potentially reduced productivity. As expectations around when a new 'normal' might arrive vary considerably in the minds of senior managers, businesses are still relying heavily on virtual workforce management principles and staggering staff shifts in and out of the physical office. This helps to establish some sense of collective organizational culture, exit and re-entry processes, information sharing and strategic direction that focuses on flexibility around staffing. Some industries singled out concerns with staffing arrangements and labour reforms, given the potential for staff to take advantage of their flexible working arrangements. Views expressed also suggest businesses will require greater flexibility in staffing arrangements as they move forward.

Thinking of new opportunities

Some managers are constantly thinking of new opportunities through training, to expand their mindset and experiences. For firms already digitally organized more opportunities, especially with international customers, are being identified, especially in the highly competitive big emerging economies in the Asian and Pacific regions. Translation services that are online are reducing traditional language barriers, further aiding the growth opportunities outside Australia.



Future employment outlook

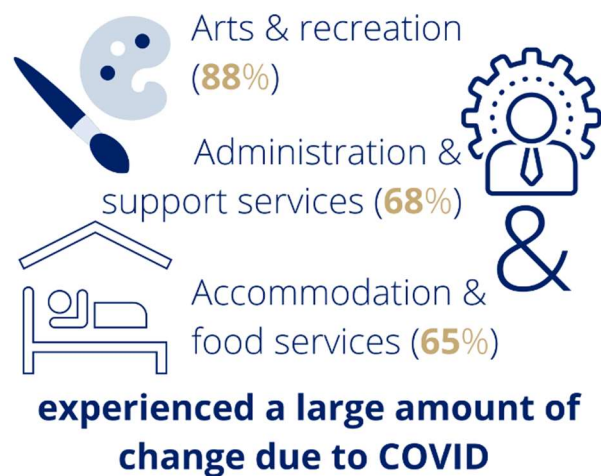
The data suggests there is potential for different employment outlooks in line with the different revenue scenarios of Victoria and NSW. Many Victorian businesses (53%) identified that they were not looking to grow or expand through employment (definitely not & probably not) in the foreseeable future. In contrast, NSW (and other states) have a far more positive employment outlook over the next 6-12 months.

Impact of the pandemic is difficult to calculate

Businesses across Australia vary considerably state by state and within industries in how they have operated so far. Some businesses have adopted the view that COVID-19 and its impact will be temporary and that return to 'normal' is possible, but that they could not have managed without governmental financial support. They have used the time to rethink "where to now?" and perhaps the implications for a new business model.



Change is occurring across many sectors, some far more than in others. For example, arts and recreation (performing arts, fitness, gyms, health related club activities) and admin and support (which included travel agents) are reporting notable change. It appears these industries are least likely to be able to manage the current disruptions, due to their high requirement for people to provide face-to-face contact. Approximately two thirds of businesses have reported change in their business operations. Changes are most noticeable in industries where there is high person to person contact and social distancing requirements are having the greatest impact. These include retail trade, accommodation and food, arts and recreation and admin and support.



Business integration into the E-Commerce space

The COVID-19 crisis has accelerated business integration into the digital space. There is increasing interest in e-commerce and cloud and digital infrastructure, across all industries and states. This was observed through the expansion into e-commerce, cloud and digital infrastructure in a wide range of areas, including 'Custom made, handmade, Australian Made' products and services (Retail trade), Telehealth services (Healthcare, social assistance), Web and Social Media products and services (Retail trade), On-line training delivery services and online classes (Education & training) and Arts related services (Arts & recreation).



Single customer and country diversification

Reliance on a limited number of customers was highlighted as an issue for some businesses, especially those selling product in only one or two countries. Sales have dropped off, or new orders failed to materialize, due to supply chain disruptions. Businesses are finding it increasingly difficult to locate and service new clients, as salespeople and managers have limited opportunities to travel to meet prospective clients.





Diversifying supply chains

For businesses that have been trying to diversify their supply chains it has proved difficult in certain industries, but efforts are being made to find supply sources in Europe and Scandinavia to offset risks in China.



The geo-political tensions with China, are impacting Australian business confidence in dealing with China. Expectations are that these tensions with China are unlikely to ease in the near term. However, this is not reflected in businesses that have had long-standing business partnerships with Chinese companies. Trust at a business-to-business level remains high. A distinction also needs to be made between inbound and outbound trade with China, with imports from China perceived as more problematic than exports.

For firms already expanding their online communication and big data platforms the pandemic has simply sharpened their motivation to keep focused on new technologies to innovate and maintain their competitive edge. However, the technology needs to be appropriate to the product or service. There is also the perception from those in the technology-based sectors that take-up of technology is slow, with many SMEs and across many industries that would benefit considerably from the technology in terms of productivity. Insights around privacy issues and how to handle the data on consumers and employees with regard to privacy, such as European and GDPR data rules, are also considered to be underdeveloped in SMEs.

77% of **businesses** indicated they would benefit from **more information** concerning  **e-Commerce** operations and **legal data** requirements in **overseas markets** 

Support from the government and local authorities

Businesses were largely very positive about support from the government and local authorities during this time. Evaluation of the efficiency and effectiveness of such

support measures did however, vary considerably. Government assistance for staff, such as *JobKeeper*, is regarded as highly valuable. However, some businesses noted difficulties in filling casual labour positions, due to the increase in the *JobSeeker* supplement. Other businesses have raised concerns that the Federal Government needs to be careful in winding back schemes. This emphasises the need to regularly review schemes to make sure they are working in ways intended.



There was a mixed response from businesses on whether they could have managed without *JobKeeper*. Many indicated they could have managed without it but used it because it eased the pressure considerably in maintaining employee levels.

Some businesses indicated they would like to see changes in the Federal Government's skilled migration scheme because of the negative impact on their business. In particular, age brackets are regarded as too low for some businesses to be able to attract the experienced skill based professional. Similarly, it is not considered flexible enough to allow skilled migrants to be fully utilized because of the high savings ratio requirements.

What could have been done differently

Businesses regarded assistance measures such as export grants to be important in the early phase of business development when firms face critical set-up decisions overseas but considered them to be less helpful when they are past the development phase. There is a wide-spread perception that government support from the

individual states and territories vary considerably. This variability makes it especially problematic for small firms as they navigate various processes and procedures, especially at the beginning of venture creation and early development phase when assistance is most critical. This assistance, however, has been more uniform since the COVID-19 measures were implemented to assist businesses.

Federal Government readiness to adapt to new ways of doing things

Businesses also raised concerns about Federal Government readiness to adapt to new ways of doing things and to make sure enough legislative, regulatory and governance controls are in place to support Australian business development.

Federal Government prepared for other national emergencies

While businesses acknowledge the short-term support from the Federal Government in particular, they highlight the overwhelming need for the Federal Government to be better prepared for other national emergencies, not just the pandemic, but also bushfires. This requires long term planning.

2 Introduction

In September 2020, the Australian Chamber of Commerce and Industry (ACCI) and the University of South Australia (UNISA) undertook a joint study of the challenges facing Australian businesses operating during and after the initial impact of COVID-19. Businesses across a wide range of industries and sizes are represented in the sample with the majority being micro and small businesses. Australian businesses were invited to complete the survey between the 25th of August and the 4th of September with a total of 279 responses. In addition, 21 senior managers were interviewed during this period to provide further in-depth understanding of the impact on businesses, including workplace arrangements, supply chain disruptions, changing customer preferences and strategic adaptations.

Survey demographics and qualitative analysis are integrated to present a range of issues and concerns highlighted by senior Australian business managers, brought together in a comprehensive overview of the early impact, followed by the initial and ongoing return to business across states and industries. What emerges is a complex array of responses to the external disruptions, global and local, including customer reactions, supply chain adaptations, workforce management practices and government initiatives. The report also provides insights into the current thinking of senior managers and their perceptions of the future opportunities and concerns that the post-COVID environment is likely to generate for Australian business recovery, business models, strategic approaches and the role of government.

There are tough times ahead and this calls for leadership and innovative thinking, that sets up flexibility within the firm to respond quickly as information from the external environment is integrated into new thinking, and innovative new approaches are developed to adapt swiftly and work with others to take advantage of the windows of opportunity. This is how Australian businesses can build their organizational strategic capabilities. The 'voices' of these senior managers are captured in the observations, analysis and recommendations presented in this report.

We thank them for their time, expertise and reflections as this report would not have been possible without their commitment and insights, nationally and globally.

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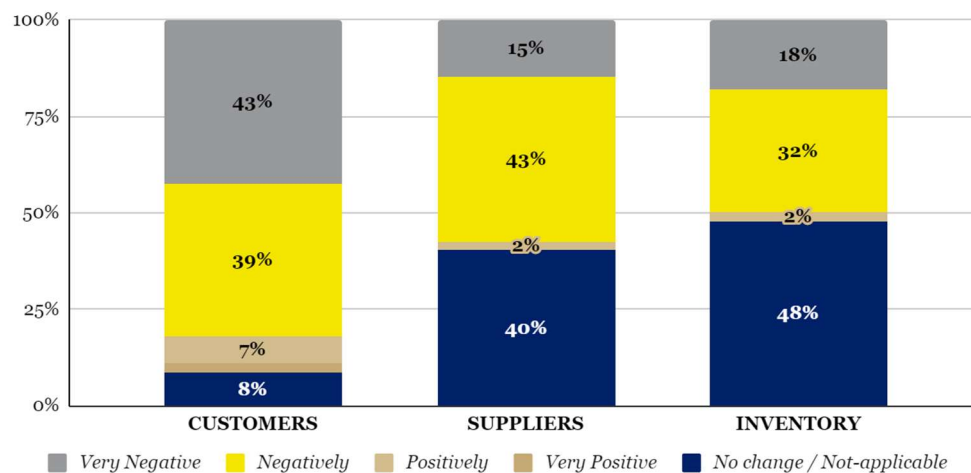
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¹ Australian Chamber of Industry and Commerce ACCI 2018 Fourth Trade Report – Full and Summary reports available – See: https://www.australianchamber.com.au/publication_taxonomies/surveys/

3 Extent COVID-19 has impacted businesses in terms of customers, suppliers, and inventory

To what extent has COVID-19 impacted your business in terms of customers, suppliers and inventory?



Businesses indicated they were very negatively affected across suppliers, inventory and especially customers.

Customers

For those industries/firms already advanced in developing digital platforms and ways of doing business, the impact on customers has been minimal. Not only because digital customers are growing rapidly, both domestically and overseas, especially in emerging economies, but also because the iPhone for example, facilitates easy customer reach and payment opportunities, that provide greater exposure to a growing international customer base but also ease of payment. Emerging markets are leading in this digital wallet technology. To illustrate:

I didn't have a pandemic in mind when I've structured [this business]it to say that in an online connected world I should be able to put a computer, send a computer to the station and then just do everything remotely. So, this has just fortunately fallen into our lap. (SnrMgr 4).

We've kind of recently gone all in with open source. We had our own proprietary concept management system before that time as a lot of people did and we'd also gone in kind of 100% with Cloud, with AWS, Amazon web services. And so, we're

an advanced consulting partner, one of the early adopters... And then really the last seven years has been just a maturity process for us both organic growth...waiting for our customers to mature around open data systems. (SnrMgr 15).

It's [our business] always been completely digital ...becoming that way is what enabled our industry to take off... there's two elements to that. One is the fact that the smart phones are everywhere...the telephone carriers will subsidise it and people get them very cheap...The second part of that is that in developing or emerging countries...over the last you know five or six years...Your phone ... It's a digital wallet so and those phone carriers have deals where the phone carrier is like a credit card provider right... People can now buy stuff using their phone carriers... really driven that growth because...you've got access to an extra billion to two billion people and charging one tenth of what you were charging to you know Australian and Americans but now you've opened that up. (SnrMgr 6).

This is not the case for all businesses though, for example, in industries (e.g. Arts) that have been badly impacted despite knowing they are vulnerable if they cannot travel (e.g. tour). To illustrate:

Just as COVID struck I think we were in the process of figuring out how to go from being the pirates [small firm] to the navy [much bigger player] ... We started to work on a number of much larger initiatives and productions which needed multi new planning, multi kind of tier investment from government, government agencies, private funding, plus us which we hadn't really done before... More importantly I recognised a couple of years ago that we had to prepare ourselves for [non-travel] ... Our growth...till current day, has very much been based on touring - touring as a model is dead! Touring is the kind of facts mission of the performing arts... It's a very over supplied market...that hasn't responded in any way to environmental concerns...that is very saturated...The bar particularly in our area to entry is fairly low... (Snr Mgr 1).

Or in the seafood industries where the closure of borders and the lock-down of businesses such as restaurants and tourism in general have been major disruptions globally. To illustrate:

This year was gonna be a year where we were expecting to [have] around [twice the amount] ...from...the previous year because as the[y]...mature there's more to harvest...and...this was gonna be a year when we made a profit and it was all gonna

be rosy! But once COVID hit because we're a high value, low volume product [high end seafood] that is generally sold into south east Asia for food service - all the restaurants shut! ...We had to practically rethink what we were going to do... It [impact] was immediate (Snr Mgr 14).

Suppliers and Inventory

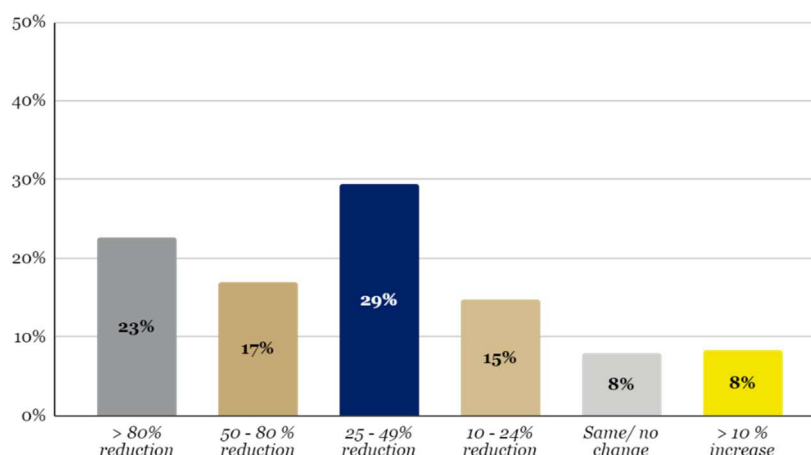
There are difficulties, things are slowing down. Just specific pieces of equipment that we...need to get our hands on...we're just working through that... It hasn't dried up, but it really is, it's taking longer. But to be fair we're not getting any stress from our customers in terms of...'you're delayed'!! I think people [customers and suppliers] are being pretty reasonable...in terms of you know factoring in COVID-19 as a force majeure which hasn't always been the case. (SnrMgr 8).

Among businesses reliant on supply chains that are international some made efforts early in the pandemic to increase stock to offset the risk of disruptions to supplying their customers. To illustrate:

What we did was hold more stock here, on ships...Similarly internally what we did was kind of beg, borrow, steal or put pressure on suppliers to increase our orders so that if we were delayed on more than one... Now that has an impact in terms of working capital employing both stock out in the system and inbound but we're better off having stock than being totally dry...for the health of the brand. (SnrMgr 3).

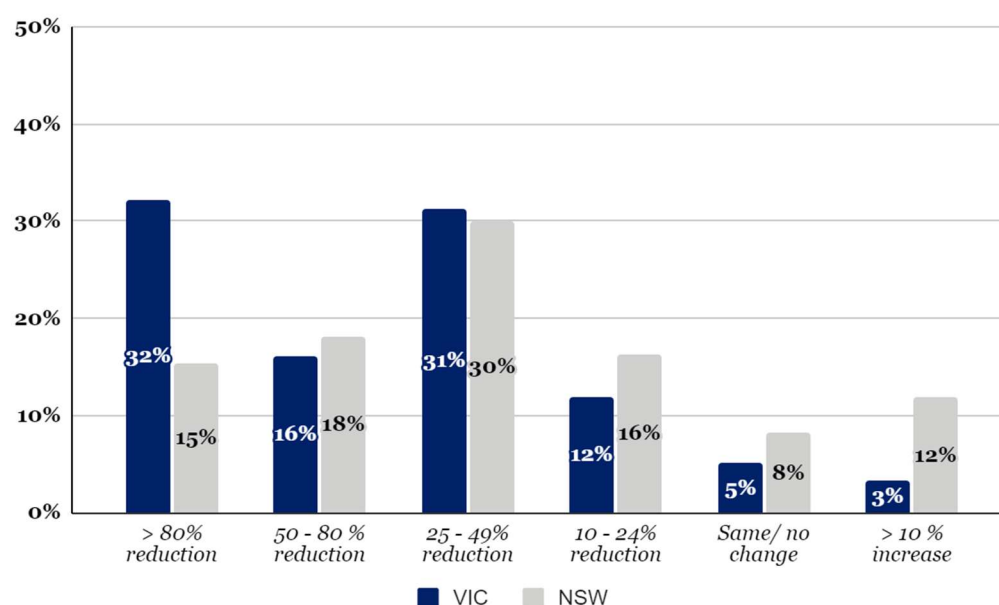
4 Extent COVID-19 has impacted businesses in terms of revenue

To what extent has COVID-19 impacted your business in terms of revenue?



Businesses continue to indicate that the current environment is extremely challenging financially but not all are performing poorly. However over 80% of businesses surveyed across the sample indicated they were experiencing a decline in revenue. This could be seen as a gradual improvement as compared to similar results recorded during April, May and July in 2020 in the ACCI SME Business Conditions Survey (3rd edition)². Fewer businesses are now indicating they are facing a > 80% reduction compared to July (35%).

To what extent has COVID-19 impacted your business in terms of revenue? (VIC / NSW)



Victoria (N = 118) and NSW (N = 110) representing (86%) of the sampled businesses, show a clear difference across predicted revenues by state. Victorian businesses are twice as likely (32%) as NSW (15%) to be facing a > 80% reduction in revenue. This is further reinforced with NSW having a generally more positive outlook in predicting a > 10% increase in revenue (12%) as compared to Victoria (3%).

This suggests for Victorian businesses a much less favourable outlook than in NSW and the rest of the country. NSW businesses by and large are doing better with some improving. The inference drawn is that Victorian businesses are especially

² [*ACCI SME Business Conditions Survey \(3rd edition\)*](#)

concerning given the reported >80% change in revenue. There is therefore a more concerning issue in the state of Victoria compared to NSW and across the country.

From the point of view of NSW, however, we do not know the full extent of business growth in NSW.

Revenue

Business operations before COVID-19 were discussed indicating a range of differences. Primarily, those businesses already relying on digital modes of delivery and thereby an extended reach of customers (increasingly international) - are growing especially in the last 4-5 years. Despite that, increasing revenue has been difficult for many firms. To illustrate:

It's grown enough to let us grow from two people to 30 people...We always reinvest into our own company for our own IP...profits wise hasn't really grown, but revenue has and that's enabled us to keep growing the business... So, we're not... just doing services here in Australia...like doing apps and...technical development...the revenue would be a lot higher because the costs would be a lot higher... The US... we really have one main client over there and they pulled back quite heavily for COVID so that was that's XX [factor]... (SnrMgr 6).

In retail, for example, a growing number of SMEs have moved progressively to online shopping, which has grown their businesses, exponentially, however it does make them very dependent on overseas sales. To illustrate:

Annual revenue has typically grown at about 20% a year for the last four or five years. So business is just growing quite rapidly, fuelled by a couple of different channels...70% overseas. Our customers are typically direct to consumer customers via our own website or via partner direct to consumer websites...or in the UK...really pure play direct to consumer websites. We also have quite a robust global business in home shopping so QVC and TV Shopping Network. We have presenters selling the product on buy TV. The third channel which is the primary driver of our revenues is specialist beauty...ranges...from department stores like a Myer or a Marks and Spencer in the UK or Selfridges in the UK all the way through to more recently the driver which has been specialist kind of global beauty players like Sephora or similar...Higher end specific beauty and cosmetic retailers....Our suppliers typically were local agents who were acting on behalf of either regional or generally South

East Asian suppliers or European suppliers...Our supply lines were actually quite stretched and complicated (SnrMgr 3).

For some businesses the impact has been difficult to calculate as the business cycle has been such that they may have been caught in the middle of a major R&D phase. This has meant many potential new projects are now on hold. They are having to rely on working with bigger partners to shoulder the financial strain and to promote their innovative products by enhancing their marketing skills. This is especially difficult for innovation-focused firms with large R&D overheads. The full effects are likely to have considerable flow-on effects in the future. To illustrate:

But we're a company even with a 'harming' we're still profitable. This isn't putting us out of business...We've had an entire 15/14 years...of having to make sure that we can survive without any revenue. We're the opposite of most companies. We're quite used to tough conditions and not having any money.... When COVID hit 'yes' it's halved our revenues and it's kind of delayed...We don't want to be capital raising when you're halving revenues, etc. We can add lots of value by working with the big [manufacturing] companies on for example [product development] because that's worth at least several times probably what biofuel [main product] is...We're going down the route of proving that. The PR person you know she's just two days a week and we're just getting our website re-done so that it sends the messages we want out there so that when we do go out [listing]and put out stories and stuff people can come to the website and know exactly what and see the right messaging we want for people without giving away secrets as well... Oh just being resilient as a company! (SnrMgr 13).

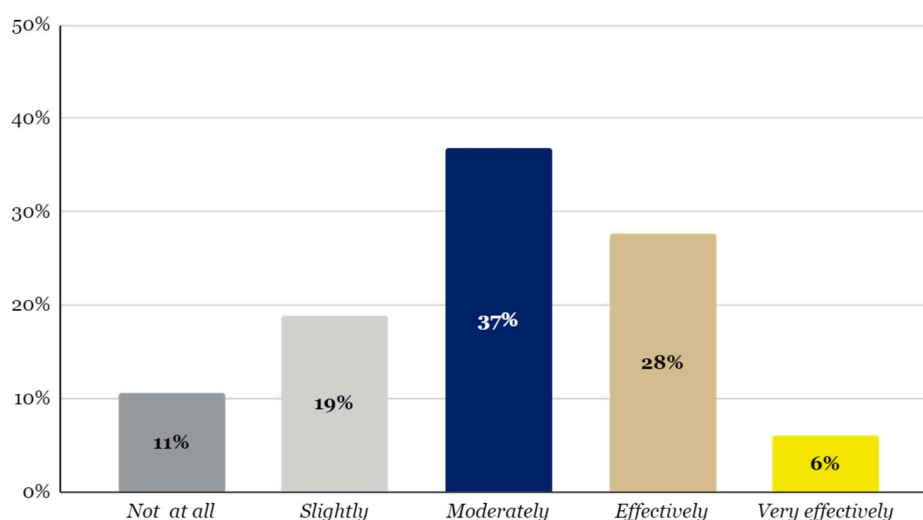
Other businesses have been significantly impacted negatively with revenue, particularly those in the people industries and in sectors where international customers are fundamental to their operations. For example, the university sector and independent tertiary education providers, such as VET, have been negatively impacted. Some issues were structural and pre-existing, however, making the impact of COVID-19 especially damaging and more so moving forward. To illustrate:

The [VET] regulator ASQA ...a very difficult organization to work with. But...late last year the Chief Commissioner and CEO of ASQA moved on...since then...a marked shift in the sort of posture of that agency...A greater degree of collaboration. Much better to work with...Higher education providers do fairly well. They're a small player

in the overall [tertiary education] sector are independent providers but they offer a lot of niche programs that universities don't offer for a range of reasons...The last 12 months independent providers have been doing OK, pre-COVID anyway...[VET]focused on a range of other things and on...the demand driven system...and international across both things were going quite well. Then we moved into COVID...There was quite a bit of disruption in the VET sector [previously] with the bushfires...There was some government intervention there to try and assist providers... and that had a lot of downstream effects... With international was obviously the most challenging one. Less so for [VET] higher education...because the independent providers are in a different position to the universities... Those that are here, unlike at the universities...heavily geared in China... A lot of them [university students] had gone overseas...And couldn't get back in. (Snr Mgr 12).

5 Extent businesses are adapting to the current situation

To what extent is your business adapting to the current situation?



Two thirds (70%) of businesses indicated they were making adaptations in response to the current and developing situation.

In cases where businesses are fully online and e-commerce configured, disruptions from COVID-19 have been minimal. Many businesses have seen the move to online modes of operation as normal business practice and been doing so progressively, especially for the last 5 years. Previous online businesses found the COVID-19

disruptions have supported their existing adaptations and further improved their business delivery model in terms of product features and interface with suppliers and customers. But it is harder without the face-to-face customer interactions. To illustrate:

It was an improvement actually... everyone's [staff] gone trial by fire. They can actually do business now online. Not just technically. They have an expectation that they can confidently do it. So, they don't sort of see it as a second-rate business meeting! (SnrMgr 15).

Part of what we do is highly technical computer models. On the buildings we design and also a number of years ago we really are at the cutting edge of doing this stuff and we had them all on the Cloud. And so that helped us enormously in that when we do a project, we're often doing them across four different offices in different countries. So, the idea of that collaboration across offices and countries while being remote using Cloud models that's been central to our success during the COVID time. We've invested a lot of money and a lot of research and effort into the kind of online tools that we use with clients, but you know this works to a point. But it's hard to build long-term client relationships when you're not face to face. (SnrMgr 17).

We observe that business cycles can have upswings and downswings and many existing businesses with a reasonable number of projects in mid cycle rather than nearing the end, have been fortuitously placed in a favourable situation. At least for the next year or two before their financial situation and difficulty in finding new customers, largely overseas, becomes apparent. To illustrate:

So, I think the impact and what worries me more than anything is in two years' time because we're fortunate that we've had a number of very large projects which span multiple years. And COVID's happened in the middle of it. If it was happening before the start of one that would be a different matter. And often our projects take [several] years at least of effort before they actually start and it's just the nature of [new] projects. And so, they're good projects to have at the moment but my fear is because we're not travelling our ability to start early relationships...to sow the seed for projects in two, three- or five-years' time. That's what's kind of hitting us at the moment. (SnrMgr 20).

SMEs that are online reported that supply chains are often international and that they rely on freight capabilities which created problems in maintaining the channels as COVID-19 unfolded. This meant moving more products inbound and outbound on airfreight, which was expensive, rather than shipping initially to maintain supply. A range of specific measures required for businesses to keep going during the pandemic has been highlighted, such as overcoming problems with inbound and outbound supplies. Businesses that were already set-up for remote operations have been able to utilize this capability during the pandemic. Others have been hampered by freight and transport disruptions and had to manage the resulting cost related issues. To illustrate:

We are, luckily, our business allowed us to go remote. So, we've been able to do that... The secondary problem with the inbound supply chain was that typically these local agents, if you're not dealing directly with the originating supplier of ingredients or packaging, if you're dealing with an agent, they tend to be running a margin gain and so they're not holding a lot of stock for you. They're not financially...super robust... if there's any shock in the supply line they can be very unresponsive. You know they don't want to buy stock on your behalf and hold it...They don't want to hold any buffer stock and so what happened...with inventory and our supply lines both inbound and outbound...kind of a dual effect coming from COVID which is obviously the lack of availability of air freight and a huge expense of running air...And then the second part was interruptions on the inbound supply lines whether that was delayed ships out of China or as China shut down... Or sometimes it'd be the local agents going broke and then we're having to find new alternate sources of supply. . It was not a well-planned operation but sufficient in the fact that we would spend to get an outcome and that probably was the worst scenario that you could have for COVID to hit... Because you've got those multiple weaknesses. (SnrMgr 3).

Some businesses have been able to draw from past experiences, having applied such measures before. Experience developed from previous crises has helped some businesses to cope with COVID-19. Learning from past crises had prompted many businesses to implement changes in order to be better prepared for potential future problems. To illustrate:

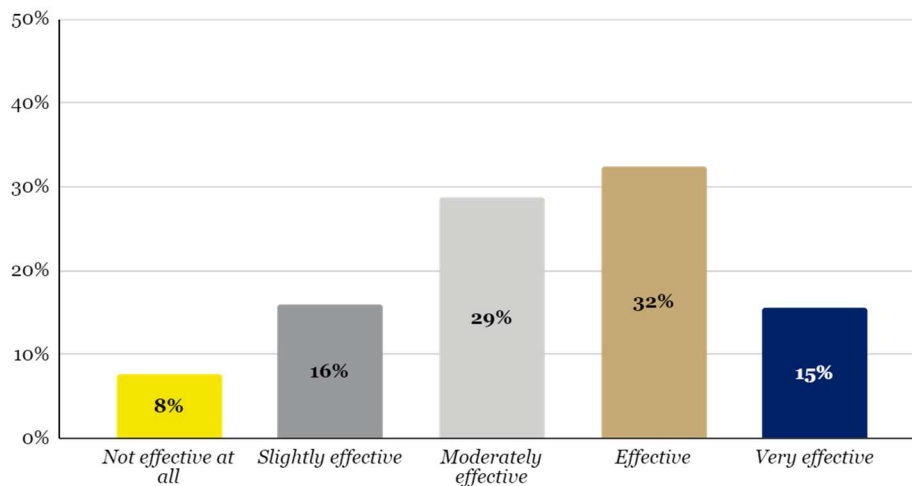
We saw this opportunity to do something different and that's what it is. Lo and behold COVID comes along and it works in our advantage...Hang in there!'the third crisis'! quote on quote 'that I'll survive'! I survived the dot.com crash...and now this... And all those three times I've benefited from it! In fact, the GSE my exports doubled... There are three things you should understand. Number one; firstly, there's obvious things like the automatic stabilisers in terms of the Australian dollar. When things turn overseas the Australian dollar drops which means that if your product is tagged to a Euro or US dollar all of a sudden your income just balloons out... Number two; when the crisis like this happened, if you're in the cheaper end of the market in terms of dollars right, not value but in terms of dollars, if you're cheaper, then people look at you going 'just get that'! That certainly happened last time and I think that's happening this time as well. Number three; I also use it as an opportunity to clear out the old crap; start again! Let's just go with guys that are at the leading edge. There are so many new technologies that's happening...so I'm reading... a lot. (SnrMgr 4).

The previous experience that managers have been able to draw from to deal with the pandemic disruption has not always been business related. To illustrate:

So, I've personal experienced some pretty challenging places. So, I served in Somalia and East Timor...in Exmouth when Cyclone Vance come through and out of the place... And I was down the coast for a bushfire as well this year...So I guess from a management perspective I have experience in what these things mean!...helped me set the conditions for the team and maintain...a practical and positive demeanour... As we navigate through it. (SnrMgr 8).

6 Success of the measures taken by businesses to keep going during the first 3-6 months of the pandemic

How successful were the measures you have taken to keep your business going during the first 3-6 months of the pandemic?



Most (76%) of surveyed businesses felt the measures they had taken to keep themselves going were working, with the majority of these measures operating effectively (32%) or very effectively (15%).

Staffing issues have been a major concern for most businesses and have had to be managed. These remain an ongoing concern. We observe businesses quickly reaffirming that all their systems and processes for remote access were working well. Then quickly moving staff to online and remote operations. To illustrate:

So, we did a number of things. The first one was to make sure all of our IT systems and infrastructure was in place so that everyone could work from home... [operating a highly] complex building computer model that we're doing on one of the projects. We know that it's [helpful for our] manufacturers and so we had to work to make sure that we could fully do that with everyone from home. It was amazing that it actually happened quite easily... Well and that's just a credit to our IT folks in terms of systems they've set up. So, and the fact that we're already working online on a lot of stuff, so the first thing was infrastructure. Have we got infrastructure in place to fully be at home, online, doing this? And the answer to that was 'yes'! We had to do

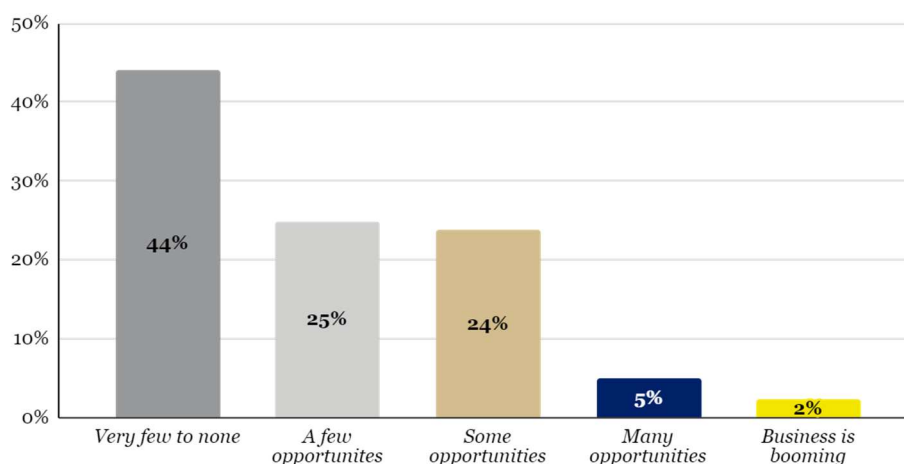
some things and we quickly did those and that was fine. The next part was to assess what the scenarios were for us on jobs being cancelled... And what financial impact that would be...It was kind of a constant scenario planning... It was just to make sure it was safe financially and out of that what we did was number one thing preserve cash and delay a number of...cash expenditures. Until later on in the year. So obviously that's in order to preserve cash. And then really understand what the situation looked like going forward but also do a lot more detailed planning for next year, early on so that we could see beyond the end of this year. So, we really wanted to make sure that you know we got to the point where we said yes, we can make this year work. (SnrMgr 19)

There was significant emphasis initially on how businesses manage and protect their workforce and thus were able to continue trading. More recent concerns focus on the challenges associated with the impact of long periods of lock-down on the mental health of staff and business associates and their families, whose wellbeing impacts, in turn, the welfare and productivity of their workforce. There was, however, resistance from some staff to 'exiting' the lock-down and returning to the office, which has been problematic for businesses to address. On the other hand, some work very productively from home, with one positive outcome, greater workforce flexibility and the additional advantage of being ready for the next disruption. To illustrate:

One person came into the everyday...just by himself and everybody else worked from home and then when we got down to having no cases in the ACT. I said 'well OK let's now just go to exit'... Because for me then it was about mental health of people you know...now being isolated...'I said look you can come in if you want to. So it's not out of bounds, you can work from home if you want to, you can come in if you want to, but you need to let us know so we can control the amount of people... that were coming in but I'd like to see everybody come in at least once a week... Just to touch base'. And then it became pretty apparent that everybody was quite comfortable working from home. Maybe we'll be a little bit more forceful for that time to [people to] come back in! Look it's, it actually worked out pretty well...In fact it's probably made us a bit more flexible...if you want to work from home then work from home on given days... But I think most importantly we're just in this mode ...if there's a reasonable chance it happens again...we just go to Plan B and get going. (SnrMgr 8).

7 Businesses' perceptions of opportunities (access to new customers, markets, products and ways of doing business) emerging during the first 3-6 months of the pandemic

Has your business experienced greater or less opportunities (access to new customers, markets, products and ways of doing business) for growth during the first 3-6 months of the pandemic?



Businesses are still struggling to find opportunities for growth across customers, markets, products and ways of doing business, with close to half (44%) experiencing very few to none. A select few among businesses (7%) appear to be accelerating in the current climate.

Some managers are constantly thinking of new opportunities and use training to expand their mindset and experiences. To illustrate:

So, I, at the moment, I'm doing another Masters..., a Masters in Computer Vision and Machine Learning. So, I use these so you know I do these Masters to get ideas you know about something that's pertinent in my industry and machine learning is way up there. So, I'm now starting to put AI machine learning in our products.... I'm thinking all the time. It's probably one of my inbuilt things that you know you wander round the streets going 'how can I just drop that, how can I make this better, how can I'? If I tweak that three years later this is going to happen... I've really got to know how to apply some of these algorithms and do it. (SnrMgr 4).

Customers

For firms already digitally organized, more opportunities, especially with international customers, are being identified, especially in the more highly competitive big emerging economies in the Asian and Pacific regions. Translation services that are online are reducing traditional language barriers, further aiding growth opportunities outside Australia. To illustrate:

Because we've been in a different area so we are starting to get into it but there's just a lot of competition. You know especially getting into like China and India and Indonesia and you know... Well you've got the language barrier but then also you've got the government or the corporate or not corporate you know... To get into those countries you need to have a local partner... And you need to have the right [product]... What... might succeed here in the Western market isn't going to necessarily succeed over there... So you can't really do a [product] that suits all markets. You need to do [products] for specific markets... Everyone just does multi-language right... You know that's why the translation industry has really taken off... we had the local [product], we had it translated to like 20 different languages. (Snr Mgr 6).

Professional service businesses, such as small private education providers, are observed to be integrating effectively their e-commerce facilities with face delivery in a seamless manner with some adaptations around hygiene. This is supporting existing customers and creating new opportunities for growth. Recent opening of domestic borders and international flights bringing in students are very positive signs too in supporting this momentum with adaptations around quarantine payments. To illustrate:

OK, so it's impacted on us but not financially at the moment. Except we did go online for about two months with our students. They hated it but we did it and then with the Territory, because the Territory is such a good place to be at the moment. There are no cases, hasn't been for quite some time but everything's back to normal. So, we're back to classroom face to face again with the students. I mean they're all very careful. They're hand washing and doing all that sort of stuff [For new international students we are paying for their hotel] Quarantine for 14 days in Howard Springs Centre here in Darwin - is \$1,500. So, we've agreed to pay that. (SnrMgr 10).

Like the university sector, small vocational education training (VET) private suppliers are catering to international students in Australia not able to return home with 1-2 years still to go on their qualifications. Most VET providers are managing the online delivery well. While supporting industries such as tourism used to be an important source of work for their students, this sector too has been impacted negatively by COVID-19 leaving few part-time work options for international students. Apart from the financial strain of increasing competition there is the added concern that international student welfare is now a growing problem. To illustrate:

Most of the independent [students]...had stayed in Australia and still have...a year or two years left on their degree...a lot of our members [private providers] were already fairly well geared into delivering online so that they managed to get into it alright. In the VET sector independent providers have around 90% of international students...So with 90% of them [VET students] there's significant exposure and the biggest difficulty was that because they're fairly short courses most of them are finishing around now but the pain is going to start really happening now. And because...students can't come in and they can't leave, we're likely to see students trying to move providers internally for low cost so there's...a strong possibility we're looking at some quality issues but also welfare issues which have already been playing out...the states have done if you like the heavy lifting in terms of support to students. (SnrMgr 12).

Other businesses talk about the new mindsets of customers now open increasingly to new ways of doing things in a digital world, drawing from more science-based evidence to support their future decision making. To illustrate:

Yes [more opportunities]. It's not just that [COVID-19], it's more the mind-set of our customer. Like their buying process will fundamentally shift it... And so, what some of that COVID does and what increasingly has to be done in a community psychology around climate risk is get to the reality of things. Not just the inter-subjective reality of how difficult things might be because of the economy, because of whatever... [Instead] we worry about subjective reality where we have emotional wellbeing, happiness issues... It needs to actually be a discourse based on science, based on facts, not with hubris, not with spin. Carefully analysed maybe over months, maybe over years, not weeks and iteratively led towards a solution in the

end...So we're getting to the stage where a typical client for us is they are data collectors and data users and they have some sort of risk associated with managing their data. Either poorly [themselves or] by other stakeholders or they'll lose it themselves... They don't want to lose any traction with the data they're generating. So, we help them catalogue it. (SnrMgr 15).

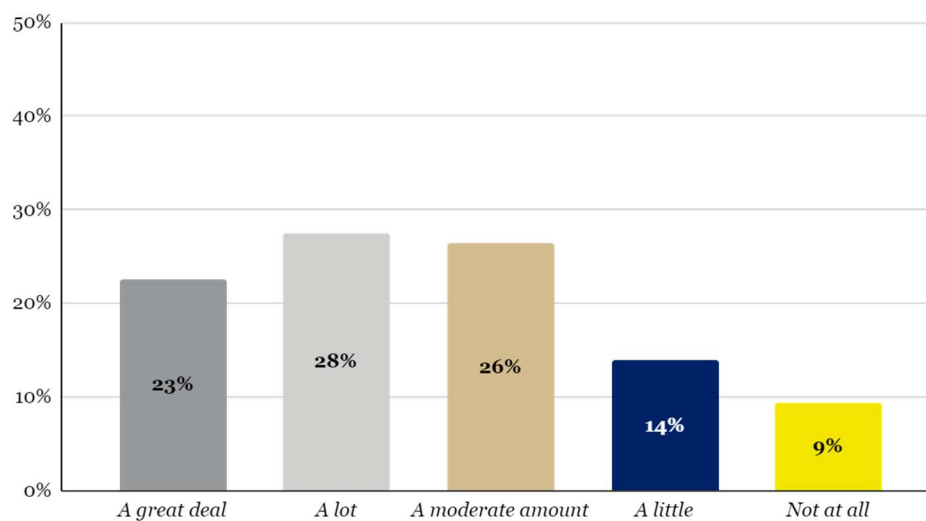
Suppliers

Opportunities are observed with businesses delaying a quick return to supply high end food produce into Asian markets. The COVID disruption of international supply chains into Asia has led to some instances of oversupply and poorer quality product available domestically in select Asian markets driving price competition. The perception is that what is produced in Australia is the best available. Thus, a very positive future is envisaged. To illustrate:

No one had ever experienced anything perhaps this bad. Yeah, there are peaks and troughs in the industry, we're actually seeing what has happened with people selling [high end seafood] at a loss and some businesses going under particularly in mainland China as an opportunity because [product] take two to three years to grow. Right now there's farms going broke and there's farms not re-investing...for the future...they're not re-stocking the farm...So in two to three years, we see an opportunity and we think that demand will be stronger and prices will be higher because there'll be less [supply]in the market coming out of [China]...We anticipate that in two to three years we'll be coming in to...the joyous times that we finally got over COVID and markets are responding in a positive way! (SnrMgr 15).

8 Extent to which the COVID-19 crisis has impacted businesses' workforce planning (reduction in hours, reassignment, retraining of staff, relocation of staff, workplace arrangements)

To what extent has the COVID-19 crisis impacted your workforce planning?



Workforce planning has been strongly impacted with close to 90% of surveyed businesses making changes.

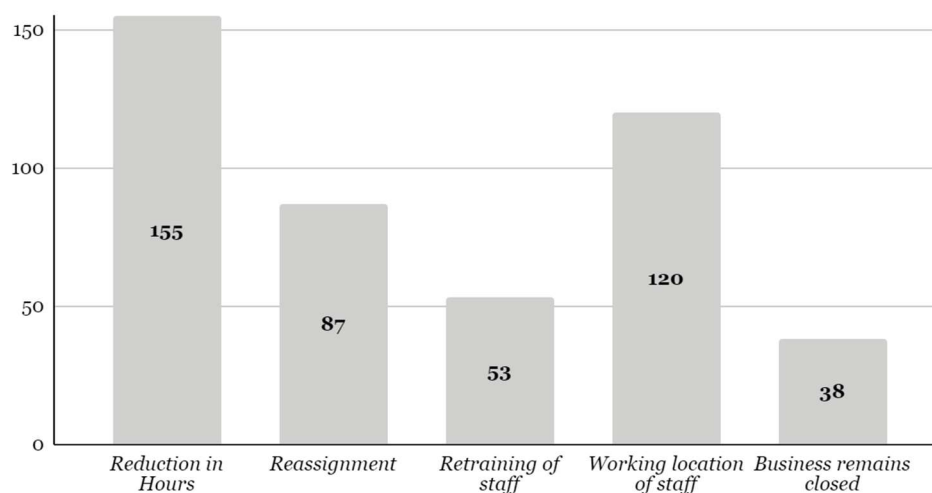
We observe concerns around keeping the workforce healthy. This has meant considerable changes to workplace expectations and requirements around health-related practices for many businesses, currently, and in the future. To illustrate:

I had some issues yesterday. Our youngest staff member she had a cold. Anyway, she was at home which was fine so I told her she had to get a COVID check before she could come back, and she was not impressed to put it mildly!... I explained again why and so she's had the test and I've said: 'We're happy for you to work from home while you're in isolation. You won't have to use leave or anything like that'. I mean we accommodate each other but we need her to be cleared before she comes back! (SnrMgr 2).

Cost saving initiatives are also being observed as many small businesses call on past experiences to find ways to protect cash flow, such as reducing rental space while at the same time keeping staff working remotely happy and engaged. Many small businesses are not intending to utilize large office spaces in the future. To illustrate:

When you spend some time in crisis management you kind of see the storm coming... This is not going to go well... And I thought...why pay rent... And I reckon it was one of my top five decisions this year because it saved us a fortune! ... We were always very mobile... Because we travel a lot, so it was just like 'OK we're all going to work from home now, everybody!' I gave everybody their chairs, their screens – everything! Everybody got everything that was at their desk that they wanted and then I made a decision not to sell any of the office stuff. I thought it's going to take time and effort.... So, I gave everything away and that went down really well. 'Does anybody want the couch'? 'Oh my God that would be amazing'!...'Who wants the microwave'?...In all honesty the value of the giveaway would not have been worth [it]. I don't think if we'd sold it all.... And it just made everybody happy! (SnrMgr 16).

Which of the following most accurately describes these impacts? (can select multiple)



Impacts on workforce planning were mostly a reduction in staffing hours and relocation of staff (working from home etc). However, 38 businesses out of a sample of 279 (14%) remain closed.

Office and staff management issues are a major consideration. For many managers, some office presence is needed but managing staff at home with only some coming in on a rotating basis has been possible. To illustrate:

We're all very lucky in that we had just upgraded all our networking and got our server set up! When it hit, we could just send everybody home. We had issues, we had to set up access there...most people luckily had good internet. There was a handful that didn't...there's a couple that have been going because some can walk in. I go in half the week because I can drive in... (Snr Mgr 6).

Because we all do most of our work on a computer and the network's always been set up such that some of us can work from home and there was only 16 of us, there was then. 14 of us could actually work from home and still operate reasonably well. It wasn't as good as being in the office, but it was, I mean, at 90%. (Snr Mgr 2).

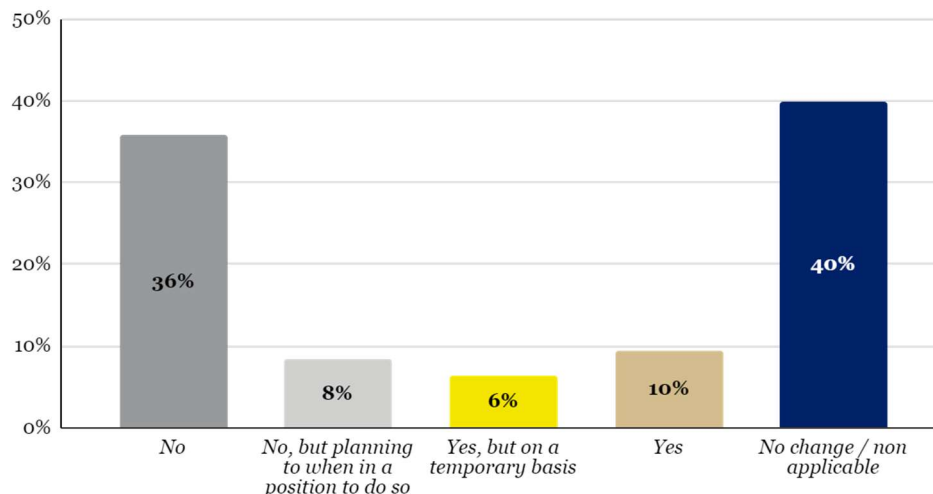
However, we also observe business concerns regarding the longer-term impact of staff working remotely from 'home' and the isolation from an office environment that is not easy for some employees as well as the leadership team. It also poses insurance concerns around staff not being in 'safe' environments that are not monitored. To illustrate:

I mean I didn't like it myself when I was at home. Yes, people are [missing the comradery of the office]. I think people apart from the odd few generally need other people around to work and to add to exist... I mean it has a huge insurance aspect, but it also has a connectivity issue with your employees - doesn't it - those sorts of things. (Snr Mgr 2).

9 Extent of businesses re-hiring of staff stood down in the initial stages of the COVID-19 crisis

Have you re-hired staff that you were forced to stand down or put-off in the initial stages of the COVID-19

crisis?



Most businesses (36%) have not rehired any of the staff they stood down.

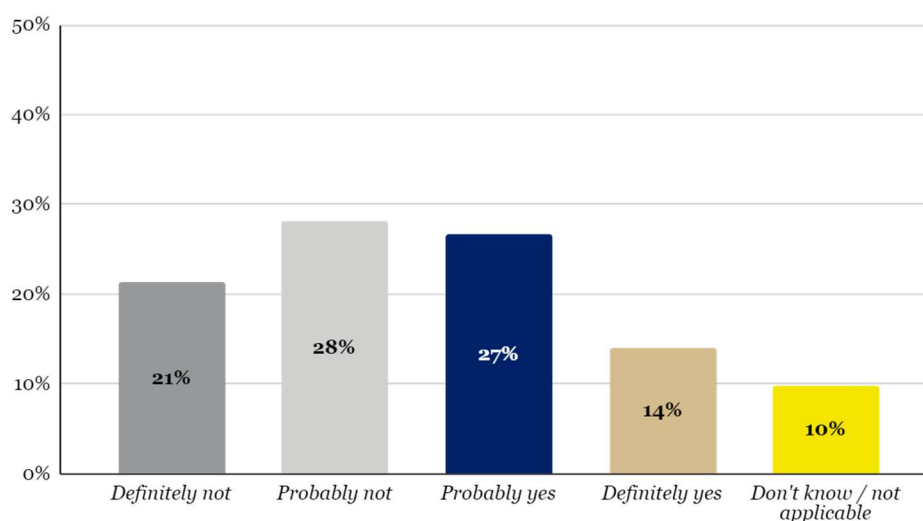
There were examples of small businesses in the agribusiness sectors that had adapted from previous disruptions by casualising their workforce and utilising e-commerce processes to reduce the impact of external events on earnings. For this reason, when COVID impacted domestic trade and international exports, they were able to minimise the staffing costs immediately and not be concerned about the impact of re-hiring in the short term. Businesses were able to use *Jobkeeper*. Additionally, having experienced multiple disruptions over long periods of time, one business explained how they had made a conscious decision to accumulate enough capital to ride out financial expenses for 1-2 seasons. Thus, the full impact of COVID on their sector and business is yet to be felt. To illustrate:

Well, all we did was, we had sold [product] pre-COVID, that money went in the bank account, [and] we've got low overheads... We've got only [2] casual staff... [we] take much, much more care of a product that needs to be high end. If we are careful with

it and we have hands on and look after everything we do and we have two casuals [now] to help us but we oversee everything they do. So pre-COVID we had two casuals. We haven't changed any of that, so we weren't a big company with... millions of dollars' worth of overheads and 500 staff [anymore]... This is why I was saying we're in a luckier position than the rest of the people in the [agriculture] industry. So, we've made cash in the bank because we've accumulated it ready for next year. We were ready for the next season, but the next season didn't come... So we kept that money... We'd still take our money to live on. We'd take our wages. We had JobKeeper come in for one of our casuals, the other one didn't qualify. I was on JobKeeper. When we had to do JobKeeper, our sales were 14% of the year before. So, we were well under the 30%, so we qualified... We had a casual and one director could get the JobKeeper, so that helped. At the same time, we weren't in a chaotic spot that we had to shut down or we couldn't sleep at night. We then budgeted and planned how long we could go without, through the chaos, through this dilemma. (Sn Mgr 21).

10 Businesses plans to hire new staff over the next 6-12 months (new unique roles that businesses plan to hire)

Is your business planning on hiring new staff over the next 6-12 months?

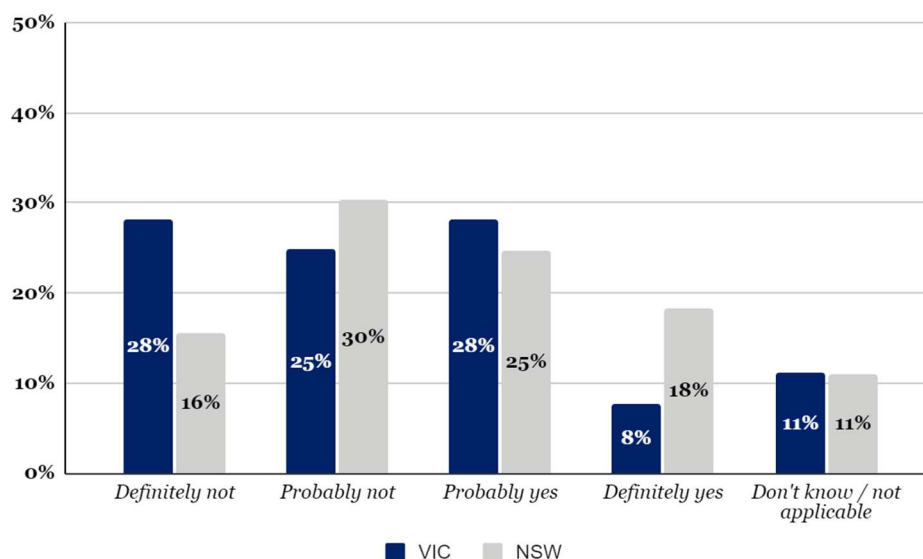


Half of businesses are planning not to hire new staff during the coming 6 - 12 months, however 40% indicate they probably or definitely will do so.

Those businesses that are intending to hire new staff in new roles are focusing on a range of areas typically including client services, which have been a focus for some time, with COVID highlighting why they need to make the changes now. To illustrate:

I mean we've had no real tangible change through COVID...We've been maturing the company in different areas; operational capacity, our capability, our agile approach to developing projects and all this kind of stuff. We've had to mature that because we needed to step up from just being a web developer and mere data specialists and I guess the last part of the process that we were still having hesitancy with is actually hiring a sales team. Basically, I've been a sales person for almost 20 years and that was kind of good enough and then we've had systems into the company which allowed us to support sales... Because those sorts of systems if they're not liberated from your operational systems they get constrained as soon as you win work and the people who would normally run it are busy delivering it. So, I always knew this was a problem and we just sort of like pulled the trigger I think it was by May this year to hire a relatively expensive, for us, Director of Client Services, at the same time as hiring a BDM and we're just waiting to see how that goes. (Snr Mgr 15)

Is your business planning on hiring new staff over the next 6-12 months? (VIC / NSW)



Victorian businesses are predicting they will definitely not be hiring new staff over the next 6 - 12 months (28%) compared to NSW (16%). The inverse position has occurred with NSW businesses taking a more optimistic approach of definitely recruiting (18%) compared to VIC (8%).

We can suggest that the picture here is essentially following the revenue scenarios of Victoria and NSW outlined in Q2. We have a very polarised situation emerging here too. The two extremes represent either catastrophic outcomes or business confidence with a very positive outlook in terms of future employment. What we can draw from this data is that many Victorian businesses (53%) are not looking to grow or expand through employment (*definitely not & probably not*) in the foreseeable future. The greatest differences between states (Victoria vs NSW) can be observed at the polar ends of the table above (*definitely not & definitely yes*) suggesting that Victorian businesses are much more reluctant to hire – if at all. In contrast, NSW (*and most of the country*) have a far more positive outlook, overall, in the next 6-12 months, with many businesses Australia wide possibly able to change their outlook as conditions improve.

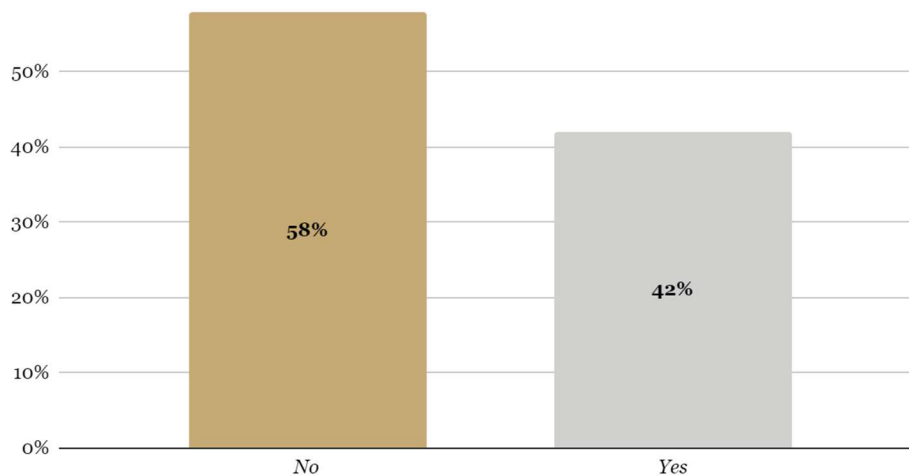
In short, the emerging picture of businesses located in Victoria is that they are reporting they are *definitely not & probably not* going to employ staff for the next 6-12 months. This is not the picture emerging in NSW or the rest of the country. This trend in Victoria when placed against the data in Q2, mirrors the scenario for revenue projections.

For those businesses involved in manufacturing, safeguarding employees from infection with COVID during future outbreaks is a priority, as any infection means whole areas or labs would need to close and that would negatively impact R&D and current production targets. Melbourne and Victoria, with the second wave lock-down, have been particularly constrained from making commitments to future staff increases. There is also a need to constantly encourage staff many of whom are still working remotely and to update them of changes. To illustrate:

Constantly out there saying 'this is what's going on', 'hey everybody, here's an update'! So that people don't feel uninformed by the lack of physical connection. And then what we're trying to do is scenario plan for what I, maybe I'm pessimistic on this one, but I just think it's an eventuality not a possibility that now this second

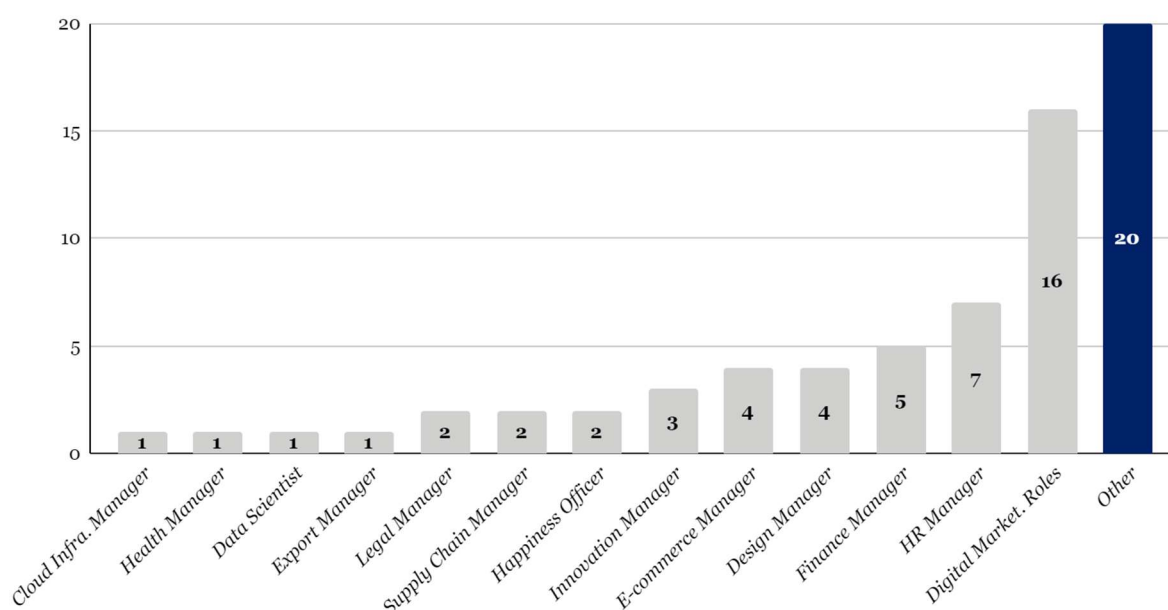
lock-down in Victoria I think will creep up the East Coast. I think it will happen in New South Wales to some extent and then...when and if something similar happens in Queensland with our manufacturing facility? Now the Victorian model has said that sanitary products can keep being produced but we have to be extraordinarily vigilant on safety and controls in our manufacturing environment because you know one or two people getting the virus can be very impactful for us. So that's what we're trying to do is just OK what if, what happens when, should we just start to over produce again now and get some stock on the books. But all of these things have a financial impact on staffing and hiring - a lot of them. (SnrMgr 3).

Are you looking to add new unique roles to your business over the next 6-12 months that you previously did not have?



Of the businesses interested in hiring new staff over the next 6 - 12 months, 42% will be hiring for completely new roles.

What new unique roles is your business planning to hire? (can select multiple)



Businesses are primarily interested in roles focused around digital marketing, digital content management, e-commerce and HR facing roles.

People based in face to face industries have been the hardest hit by the COVID impact on business operations. Businesses in these service-based sectors that are very dependent on their employees are increasingly recognising, during this period and beyond, how important people are to their success and ongoing competitiveness. To illustrate:

What this [pandemic disruptions and close-down] has really done it has brought to the forefront I think it's really crystalized that, and in my organisation which is a service provision organisation, that your business is your people! (SnrMgr 7).

Businesses are reporting that they need new staff who can provide enhanced marketing skills that are adapted for an online communication environment. To illustrate:

And it's terrifying. For instance, we at the moment have a very sub-optimal marketing team. They're just not very good and that has been so evident. The

amount of work that's taken to work around has been astronomical because they're just not up to the challenge... I actually meant re-thinking what that space meant as a way of saying 'let's stay involved, let's tell you what we're doing'! But let's make sure things are, let's assume that the people who we are important to have a deep craving for connectivity and presence and let's use their marketing to do that... And our marketing team they lack the creative and strategic skills to do that. (SnrMgr 1).

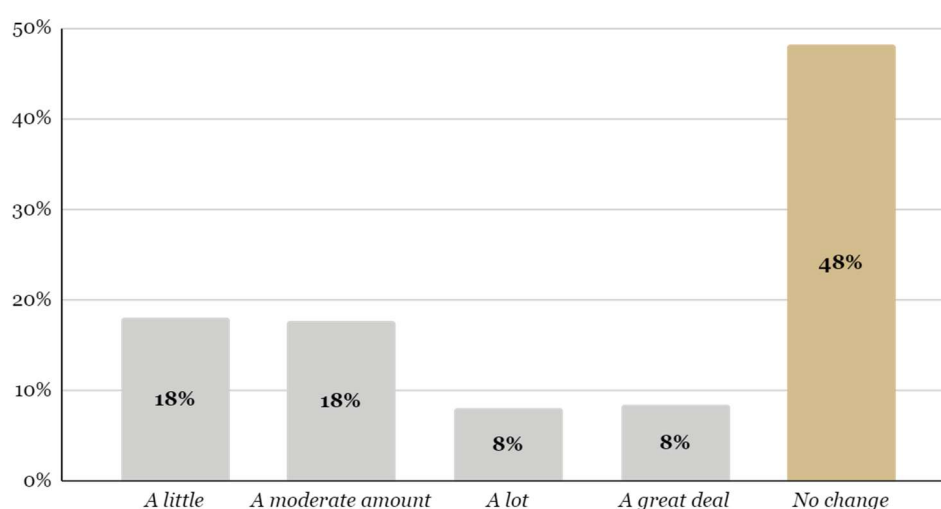
Well we figure we'd just we've never employed a marketing or salesperson we just sell by people looking at the product... But we're going to have to look into maybe getting a social media type person because none of us are any good at that. We know our limitations and we know it's a professional area that we don't do! (Snr Mgr 2).

Specifically, for smaller R&D innovation-focused firms that have matured to the point where they need to market their products/services, more professionally a COVID environment has highlighted the financial management and marketing issues. COVID is driving the need to address both issues more urgently in an e-commerce connected business context. To illustrate:

It took us...10/15 years to get all the [innovation] and the technology to get it to work. We now know that it works and it is out there and there's...bigger commercial opportunities...So we need to pursue those and as part of that pursuit we need to get our message out there. We're also looking potentially to capital raising so we can...double the workforce, etc. etc. So, we're in that kind of expansion mode but COVID has had an impact on that of course... So, when COVID hit...our revenues weren't hit until about a month ago... Where basically they got halved... and it's kind of delayed sort of because we don't want to be capital raising when you're halving revenues, etc. (SnrMgr 13).

11 Changes to businesses' workplace arrangements in light of a greater number of employees working from home

Have you needed to make changes to your workplace arrangement in light of a greater number of employees working from home?



Most businesses (56%) are not planning on making significant changes to the workforce arrangements in light of more staff working from home.

Many small businesses reported being able to quickly move employees quickly to a home-based structure, given their previous adaptations to greater IT infrastructure and support services. To illustrate:

So, we did very quickly do the responsible thing and move to a home-based structure. We are able to do that because we've got good IT infrastructure and support services and as I said we pivoted very quickly to be able to if we needed to adapt everything to our electronic platform...But in doing that you need to set up your home base for your staff. (SnrMgr 7).

Small businesses reported having to organise better communication that was regular and engaging of staff working at home or remotely. To illustrate:

So, we made our HR Department - kept up with COVID updates in terms of what's happening and so the communication was amped up a lot! (SnrMgr 11).

The amount of adaptation and time required in e-commerce communication platforms is also impacting leadership demands and styles. A COVID era that requires more e-commerce related interactions between leadership and staff is driving new ways of leadership engagement that are both challenging in design and physically demanding in terms of time and energy. To illustrate:

It's had a profound effect on leadership because first of all nobody looks as good on Zoom or Teams as they do in person. Right? So, your facial expression and you know where it's showing up really startling?... And so, it's like how do you be visionary? You know like on a call to Kenya at 5.30 at night and by the time we're on with them I've been on screen all day... Everything you do, every movement of your lip, every wink from your eye as a leader is looked at... I made a noise yesterday on the phone and everyone pulled back and I went 'oh my God that noise wasn't meant for you guys, that was just me making that noise to myself to boost myself up a bit'! As a leader everyone wants you to be like chirpy and visionary. Very hard. It's very hard because most of the time when you're doing that you've prepared for that or you're in situ and you're able to use the energy in the room and there's no energy in the room...My computer needed fixing...I don't know about all leaders...I'm extremely hands on in this environment and have been since the day I started but now I'm like magnitudes more hands on because I'm working remotely! (Snr Mgr 16).

Businesses are now highlighting the psychological impact and not just the economic cost of the ongoing pandemic and prolonged lock-downs, the psychological impact perceived as longer lasting and not yet addressed. It will have a significant impact not only on individuals but also on business productivity, if not addressed with new business strategies and government initiatives. Businesses are finding it difficult to assess what changes need to be made and how they should be implemented. Differences in staffing practices, norms and expectations means uniformity in approach will not be possible. The psychological impact is deemed important and difficult to address as the pandemic continues. To illustrate:

And so, this psychological impact, how people's behaviour changes, for me is the great X factor in this opening up view and I think that there will be another big shift in, in consumer behaviour. We've all sort of expected 'oh when things get back and going you know we'll just be back in restaurants. And I just don't, I don't necessarily see that happening...Unless there is a vaccine people will be very cautious and that

will flow through into traffic which will flow through into economics which will flow through into survivability for a lot of businesses and similarly for us. And as I've said [S..] is a big customer. Will they be as big a customer in two years' time? I severely doubt it. I really do because I just think physical retailing will be challenged for a while until there's a vaccine and even when there is a vaccine you know is this the, one of the next 10 things to come out or is in another 15 years or when was the Spanish Flu 1918? Or is it another hundred years before the next one comes? Who knows? But I think people's behaviour will change to be more cautious about how they're interacting and who they're in contact with and that will affect business in all ways, shapes and forms. Look at a KPMG...How many consultants do you want coming into your business? Do you want 100 people who you don't know coming in to do analysis on your business? I don't! I don't want anyone coming on my premises! (SnrMgr 3).

Oh yeah like lock-down and I'm just I'm trying to think of everything I can to help the guys. Like last week I said all I can do is think about you guys in [Melbourne] lock-down and I reminded them [across the state and internationally]...And then I said let's make this weekend a pizza party on us and said 'please get you and your family pizza'...And I think that works... Like it was just [easy]because it's real!...I grew up in America and...a lot of Americans have pizza on Friday nights...And I think that works...We just keep doing little things like that...Like one of the things I did a few weeks ago...it's all low cost, nothing exhaustive!...'I'd like to buy everybody who's got a child under 16 a gift'! And that went down really well because the parents picked the gift online with their kids and said 'this is from work...Because...mummy or daddy has been working'!...I didn't really think too much about that idea. I actually think that was one of the better things that went down well... I just get intentional about thinking about it!... I guess it's just because I don't think I feel like I'm doing a very good job! (SnrMgr 16).

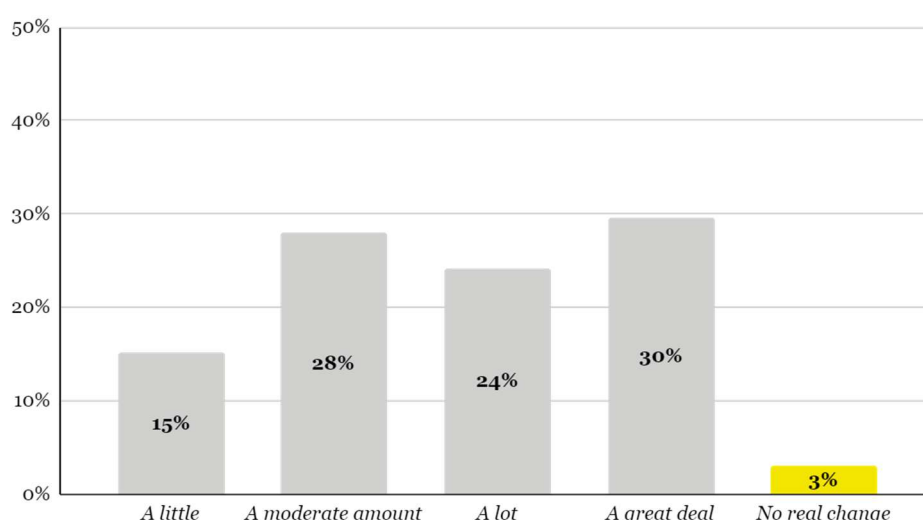
We observe some businesses wanting to create the 'return' to the office as a priority given the additional synergies of engagement which are much harder to manage when employees work remotely. To illustrate:

We had a couple who actually seemed to prefer working from home but basically we're not in favour of working from home. You get so much interaction within the office that we'd rather people were here. But so, I guess for two or three days there

was a lot of chatter which was fine because we hadn't really seen each other but after that pretty much settled down to before. (SnrMgr 3).

12 Extent of industry changes since the beginning of COVID-19 (changes in workforce, product changes, service changes, customer and supply chain changes)

To what extent has your industry changed since the beginning of COVID-19?



Most businesses surveyed felt their industry had changed since the beginning of COVID-19, whether these be viewed as negative or positive changes.

Businesses across Australia vary considerably state by state and within industries in how they have operated so far. Some businesses have adopted the view that COVID and its impact will be temporary and that return to 'normal' is possible. Yet they could not have managed without governmental financial support. We observe businesses using the time to rethink "Where to now?" and perhaps the implications for a new business model. To illustrate:

Strategically we're not just taking it and going 'oh this is great!'. All we're doing is we're taking it and then trying to use this time now because we know COVID is going to... We are just trying to use it to get up into a stronger position for when we and

everyone else can start crawling their way out of the hole yeah out of this pandemic. But then we'll be in a very, very nice spot. Like without JobKeeper we would have had to have let people go! (SnrMgr 6).

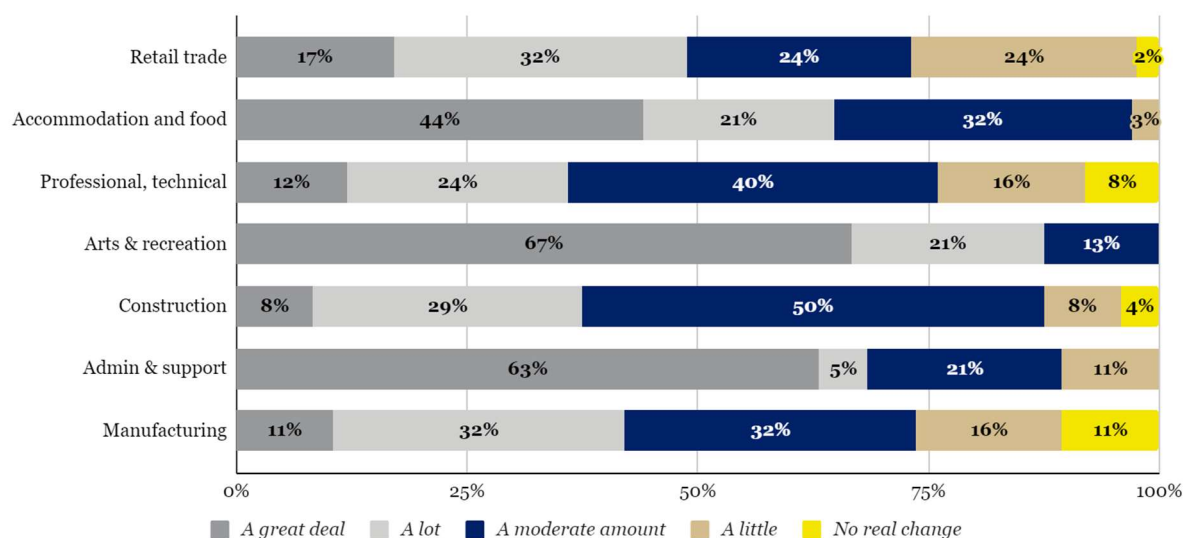
Expecting the disruptions to be ongoing in one form or another for a considerable time ahead and in preparation for other external threats to business uncertainty, we observe businesses are making greater effort to develop more sophisticated and engaging websites to drive customers to their sites. To illustrate:

Our website is confused. I guess boring and it's very uninteresting! So, we are trying to make it more appealing to I guess the general public...So that we get perhaps better known so that we get more sales that way. (SnrMgr 2).

Some businesses, expecting disruptions to supply chains, have held more inventory to be able to meet demands for a temporary period and have directed funds to this strategy to maintain supply. While it is an expensive option, it is a temporary but effective measure for maintaining their business operations. To illustrate:

I think that because we had a little bit of an awareness, we were starting to make some moves. The first action that we did was to produce more stock, to start to get product onto ships where shipping lanes were open and there was capacity available...So essentially over-produce a little bit in order to get to the point probably in six weeks' time into Europe and five into the US we had larger volumes of stock arriving...So you didn't need to air freight as much! (SnrMgr 3).

To what extent has your industry changed since the beginning of COVID-19? (By largest industry response in survey)



The largest represented industries in the survey ranked (based on number of responses) were Retail trade (n =41) followed by, Accommodation and food (n = 34), Professional, technical (n = 25), Arts & recreation (n = 24), Construction (n = 24), Admin & Support (n = 19) and Manufacturing (n = 19). It should be noted that based on ABS Industry classifications, Tourism / Travel Agency businesses are classified as Admin & support. Nearly every business surveyed in the above industries has indicated they are undergoing change, with some industries impacted differently from others.

While we can suggest that change is not classified as positive or negative, change is occurring, and these changes are being felt in some sectors far more than in others. For example, in arts and recreation (performing arts, fitness, gyms, health related club activities) and admin and support (tourism) fundamental change is being reported. We can surmise that these industries are least likely to be able to manage the current disruptions given their high requirement for people to provide face to face contact. Approximately two thirds of businesses have reported that there is a great deal of change occurring. It is even more pronounced in arts and recreation who reported a great deal of change was happening. The change is being felt unevenly across the various industries in Australia, especially strongly in those industries where there is high person to person contact. A similar picture emerges for accommodation and food.

In education, such as small private education providers (e.g. VET), considerable effort has been made to support international students caught in Australia and domestic student prevented by border closures from returning to other domestic locations. Also concerns around staff welfare have had to be adapted quickly. This has meant a great deal more effort in the people engagement factors, from both a customer and staff perspective. To illustrate:

What we've done, well, acted quickly.... I hate to say this because it sounds bad, but we didn't just focus on the wellbeing of the students and that was very important but that was not all we had to do. We had to focus on what can we do to make sure that we're still gonna have doors open at the end...What can we do that we can provide the students with opportunities to stay because they can't get out of the country...We put payment plans in place and we provide them with food. But there was also that further education...How can we keep them here so that they can stay in and keep studying...It was more that instant action thing. That said, it's all important and don't forget the important stuff which is staying alive! At the end of the day, we haven't lost any staff or anything! So, we had to cut our consultants down because we were doing online but they understood that. They wanted to keep working so we kept them working. I think it was just a matter of really sitting down and thinking, cause I was stuck in [interstate] for five months! I couldn't get out ... (SnrMgr 10).

Arts as an industry has been hard hit and maintaining staff members is a major concern. More realisation that they need to have reserves to manage such disruptions is also apparent. Thus, the tension of managing now and being more future oriented. To illustrate:

We need to ensure all our staff stay on wage, we need to ensure that we have allocation of money...of resources put aside to allow us to continue to develop new work otherwise I can't use the staff I've got. And we know from the research that organisations that invest heavily in periods of downturn and can maintain their staff come out the other side was...a massive advantage. So, I want to be one of those! And finally, we need to have enough money to get to the end of April '21 and still be not only a going concern but have enough money to get back up to speed as a business! (SnrMgr 1).

Essentially, what we can convey is a great deal of change. Further, the industries that have fundamentally changed are retail trade, accommodation and food, arts and recreation, admin and support and professional services.

We observe for professional services relying on a predominantly international customer base this has been a challenging time, faced with COVID lock-downs in their domestic market. More so with the inability to build new connections quickly and to renew existing customers. Human connection is seen as fundamental not only to professional services but business in general. The question of how long it will take to find a new normal or to return to any sense of what was before seems still difficult to conceive. To illustrate:

It's a shock for so many folks but good for others. But the point I'm trying to make is that that human desire to connect... But COVID is a transitory thing. The question is just how long though. We absolutely can see and know that it will return. There...will [be] some intermediate transition times where...social distancing, we've done a lot of work with facilities now around the world trying to help them on that. But it will eventually flip back to a model of social gathering, but no one knows exactly when. So that's a long-winded way of answering your question... Now from a business point of view we absolutely have to get on the plane you know. I've written and spoken with Simon Birmingham [Federal Trade Minister] about the same. The only way that we can export really successfully is we have to have business travel bubbles. (SnrMgr 17)

In Appendix 3 - Q10, we provide a *summary of the extent to which* industry has changed since the beginning of COVID-19 using a series of qualitative responses taken from the survey. The picture that emerges shows how this change is being felt and in which states this change is most pronounced across the range of industries using the ABS classifications above. We provide a descriptive analysis below along with illustrative quotations from responses to this open-ended question.

Within the '*Accommodation and food*' sectors in *NSW*, a *moderate to great deal of change* is reported in how small businesses are interacting with Customers, Supply chains, Changes in workforce, and Service changes and this is driven by perceived '*Limitations on customers numbers*'. In *Victoria*, the *change is more intensely observed* with a *great deal of change* reported by small businesses in Changes in workforce, Product changes, Service changes, and Customers with negatively perceived changes driven by 'Decisions made to ensure my business will survive with the lock-downs. It's killing us!!!!', 'still closed by order of the Victorian Government', 'Shutdown completely by Government', 'Industry has shut down. No accom at all' and 'restrictions have meant no business'. This negative attitude is perceived as strongly linked to prolonged lock-downs, 1 and 2.

If we continue with '*Administration and support*' in *NSW*, a *moderate to great deal of change* is reported in how small businesses are interacting with Service changes, Customers, Changes in workforce, Product changes, and Supply chains, and this is negatively driven by perceived 'Working Hours reduction', 'Changes in operational procedures to comply with health regulations', and 'All Travel Cancelled'. In *Victoria*, the *change is more intensely observed* with a *great deal of change* reported by small businesses and this is driven by negative perceptions of 'assisting clients with *JobKeeper*, etc', 'Unable to operate', 'more illegal practices/cash money/false advertising', 'travel bans and lock-down', 'With borders closed nothing to sell', 'Everything!', and 'Unable to take bookings for 2021 - Not prepared to risk 2022'!

If we move to '*Arts and recreation*' in *NSW*, a *great deal of change* is reported in how small businesses are interacting with Service changes, Customers, and Changes in workforce, and this is negatively driven by perceived 'Overhead in staffing increased x3'. In *Victoria*, the *change is more intensely observed* with a *great deal of change* reported by small businesses and this is driven by negative perceptions of 'Industry shut down from COVID Restrictions' and 'we are not allowed to open'!. Again, these negative perceptions in *Victoria* that are emphasised are perceived as linked to prolonged lock-downs, 1 and 2.

When we address '*Construction*' in *NSW*, a *lot of change* is reported in how small businesses are interacting with Customers, Changes in workforce, Product changes, and Supply chains, and this is driven by perceptions that are "All positively" viewed. In *SA*, a *lot of change* is reported in how small businesses are interacting with Customers and Supply chains, and this is driven by negative perceptions that relate to 'Movement within Australia'. In *Victoria*, the *change is more intensely observed* with a *lot of change* reported in how small businesses are interacting with Customers and in-Service Changes and this is driven by negative perceptions of 'Can't do on site jobs' and 'restricted work hours and places'! While one respondent reported *little change it was* driven by negative perceptions 'as an employer I have been doing less hands-on work myself making sure there is enough work for employees'. These perceptions in *Victoria* that are *negatively* emphasised are perceived as linked to prolonged lock-downs, 1 and 2.

If we address '*Education and training*' in *Victoria*, a *lot to a great deal of change* is reported in how medium sized businesses are interacting with Customers, Changes in workforce, Product changes, Service changes and Supply chains, and this is driven by negative perceptions that are driven by 'Funding changes', 'travel restrictions', and 'We are banned from operating by Government - we cannot earn a single dollar!!' These perceptions in *Victoria* that are *negatively* emphasised are perceived as linked to prolonged lock-downs, 1 and 2.

For example, international students unable to return home in the university and VET sectors are facing work scarcity, food shortages and emotional hardship, which has been left largely to each state to address. This has proportionately been more obvious because of the larger international student numbers in *Victoria* and *NSW*. It is potentially damaging to Australia's reputation. To illustrate:

The main vehicle in Study Melbourne's been doing it...Study New South Wales, they provided the financial support or counselling and a range of support measures were provided through those study hubs and they've been invaluable. Some of our [VET] members...for example we've got a member in Adelaide who is in hospitality and

they're a large hospitality school and they had some of their students...in one of their chef programs. They...cooked a number of meals and gave them to students...

And we've had members in Melbourne and Sydney do a similar thing. I've actually got a photograph of one of them [VET provider] a while ago where they had students...twice round the block lining up for meals. Now that's a significant problem for Australia's reputation. (SnrMgr 12).

Additionally, in the education, tourism and medical industries, the lock-downs have made it almost impossible for students to undertake the required work placements to complete their VET qualifications. It is also posing a problem for the Federal Government's *JobTrainer* scheme. The latter is also an issue for universities in medical training. For example, it is reported that Melbourne, Queensland and WA based students have been unable to complete their practical placement requirements in their qualifications because of the lock-downs which impact education and tourism industries simultaneously and adversely. To illustrate:

Now for Certificate IV in hospitality you might have completed all your learning that you can possibly do in Melbourne, but you've got no hope of doing that work placement in Melbourne... You've got no hope in Cairns because the hospitality industry up there is in the proverbial... But [VET] members are telling us it's a real problem...I spoke to a member earlier this week who said they've got a nursing student in Broome... Who can't get a placement and so they're looking to go to Adelaide for a placement... No, it's a serious problem and in higher education [universities] there's similar kinds of things occur... A lot of universities have relationships with providers that have already agreed, businesses have already agreed to take students and nursing's a good example... Medicine's the obvious one. You can't start medicine until you've got the placement so that's different but... And its things like osteopathy. You've got to demonstrate skills in that workplace environment, things like that. So, it's a significant issue and then layered on top of that is an issue with like JobTrainer comes on board with a billion dollars' worth of training and 340,000 places. Many of those places have a mandatory work placement requirement... Because we're going to have a lot of students who are due

to complete now who can't. Gradually they'll complete. Businesses that a year ago would have taken on 10 students for a placement... (SnrMgr 12).

If we consider '*Finance insurance*' in *NSW*, a *great deal of change* is reported in how a micro sized business was driven by negative perceptions that 'Regulation has sadly increased and made business more difficult. Then add that our commission revenue was stolen off us - we are about to fold'!

If we address '*Manufacturing*' in *Victoria*, a *moderate amount of change* is reported in how a medium sized business is interacting with Changes in workforce and Supply chains, and this is driven by negative perceptions that 'Customers [are] delaying purchases'! This perception in *Victoria* is *negatively* perceived as and linked to the prolonged lock-downs, 1 and 2.

So, it was really interesting so in the lead up to COVID. It was an incredibly successful time and this year was looking absolutely extraordinary in particular. And that's been a five-year kind of trend for us every, every year. And last year was very good, this year was looking just extraordinary. So COVID has taken the top off that! (SnrMgr 19).

If we consider '*Professional and technical services*' in *NSW*, a *lot of change* is reported in how a large business is interacting with Customers, Changes in workforce, and Service changes, and this is driven by negative perceptions that relate to 'Fee structures', as well as a *little change* that relates to '*Border closure*'! While one respondent reported a *great deal of change* driven by negative perceptions that relate to being 'Completely closed since mid-March'. These perceptions in *Victoria* that are *negatively* emphasised are perceived as linked to prolonged lock-downs, 1 and 2.

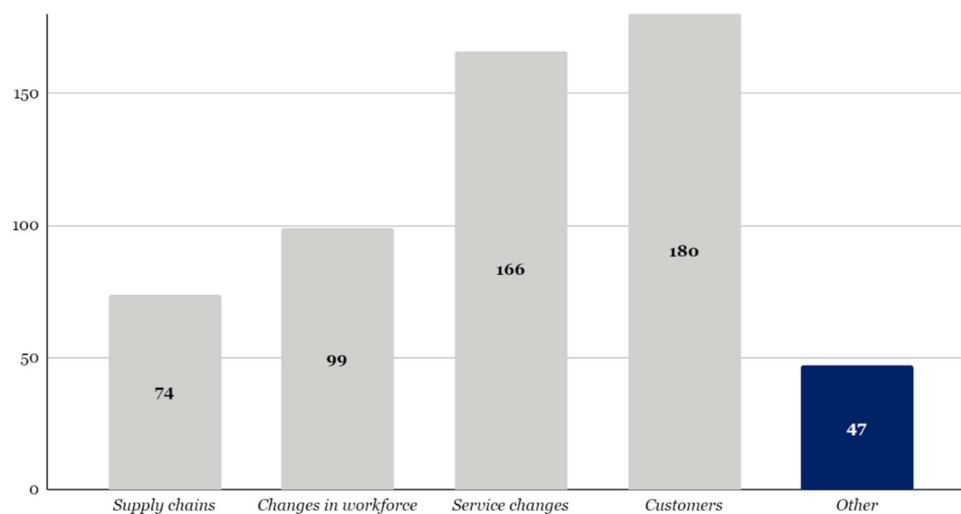
If we consider '*Rental real estate*' in *NSW*, a *lot to a great deal of change* is reported in how micro-businesses are interacting with Customers, and this is driven by

negative perceptions that relate to 'Drop in demand and \$ Value for product' and 'I'm a relocation agent. As migration has fallen so much, there is now very little work'!

If we address '*Retail trade*' in *NSW*, a *little to a lot of change* is reported in how small businesses are interacting with Customers, Changes in workforce, Product changes, Service changes and Supply chains, and this is driven by negative perceptions that relate to 'Difficulty getting hold of materials', 'Inability to sell face to face', and 'freight'. In *Victoria*, the *change is more intensely observed* with a *lot to a great deal of change* reported in how micro-businesses are interacting with Changes in workforce, Product changes, Service changes, Customers, and Supply chains, and this is driven by negative perceptions of 'e-commerce becomes a must-have [rather] than optional before the pandemic', '4sqm rule has affected our business by 50%', 'Can't let new customers in. Can't get supplies. Can't put new staff on. Can't train staff. Can't work properly', 'Complete closure of stores' 'Customer Growth & Spend' and 'Closed Borders'! These perceptions in *Victoria* that are *negatively* emphasised are perceived as linked to prolonged lock-downs, 1 and 2.

Finally, if we consider '*Wholesale trade*' in *NSW*, a *lot of change* is reported in how small and micro-businesses are interacting with Customers, Product changes, and Service changes and this is driven by negative perceptions that relate to 'My business (2 years old) brokers deals between food manufacturers and retailers, petrol and convenience, QSR's and other food service companies.... all except retail have seen a dramatic slow-down and definite shutdown of any new products or innovation of product until there is more certainty in the market'. However, positive perceptions relate to likelihood of an increase in sales and demand'.

Please select which options most describe the changes in the industry? (can select multiple)



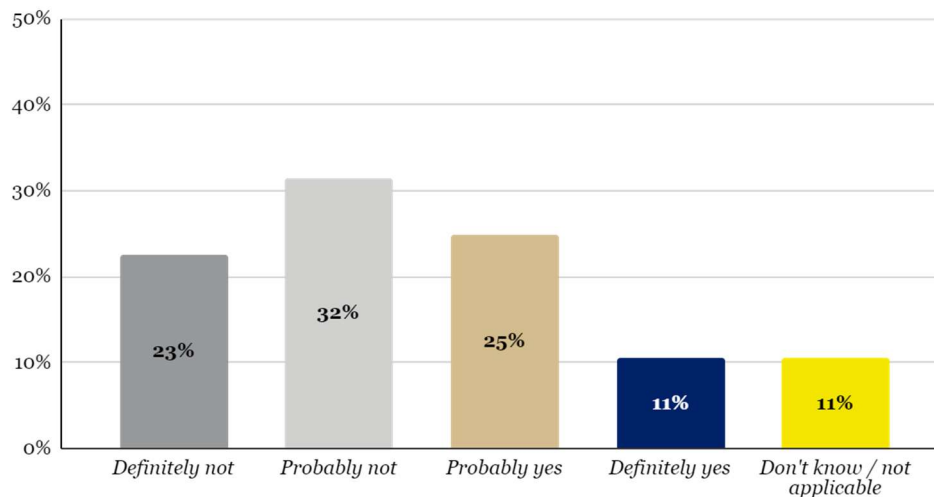
Changes to customers and services are noted as the biggest impacted areas for changes in industry.

Another concern is the 'second lock-down in Melbourne'. The thought of managing subsequent lock-downs has been observed as problematic for businesses. Managers highlight that future planning is extremely difficult to manage with the realisation that new business solutions and thus business models are needed. These new models require strategic ambidexterity in order to balance simultaneous exploration strategies (growth through new product development from new technologies and innovation) and exploitation strategies (consolidation of existing technologies and products). To illustrate:

So, you're trying to manage the sort of the fine balance of the [new product development] at the same time as make sure that you're managing business continuity...as I said they're good challenges. Just as our consumers are challenged, I think we're [management and staff] challenged and we just have to be adaptive as they [competitors] are... And I think that what we're learning now is that we can adapt the different models. As I've said you know e-commerce just becomes normal! (SnrMgr 3).

13 Impact of the COVID-19 crisis on businesses' integration into the E-Commerce space (e-commerce, big data, AI, cloud and infrastructure growth)

Has the COVID-19 crisis accelerated your business integration into the E-Commerce space?



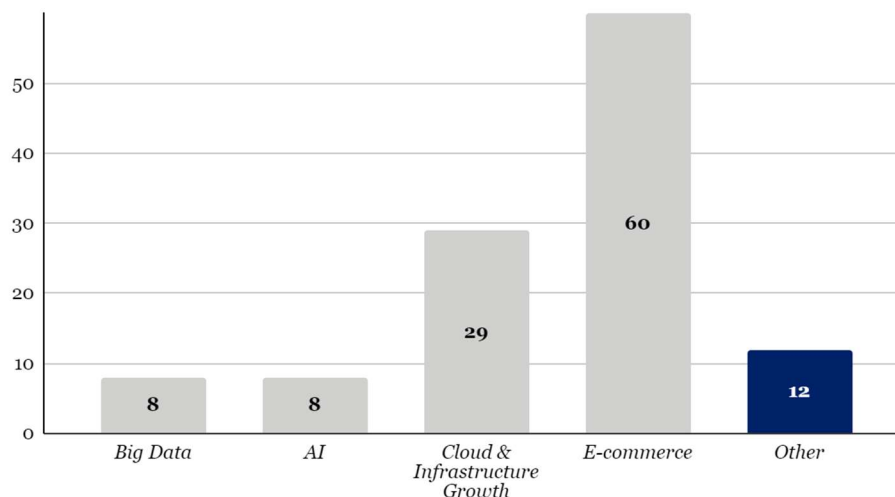
Most businesses (55%) have indicated that the COVID-19 crisis has not changed the timing of their integration into the E-Commerce space.

Many businesses report that considerable progress had been made previously to 'shock' proof their business from external disruptions by making ongoing changes to absorb further e-commerce related adaptations. Doing so has been driven primarily by the need to be competitive but it has the added advantage of being able to rely on e-commerce-based solutions during times of external disruptions. To illustrate:

But by using AI technology or like AI we can actually [arrange] it in a way where you don't need to have the years of experience [in industry knowledge] and so what I'm saying here is... what COVID has done is brought a lot of uncertainty and think of it like a game of chess. We don't know what the moves are going to make by a customer. It doesn't mean that they don't make decisions and won't invest in technology. It just makes it a little bit more [vital because] 'well I don't know what's going to happen to my role. So, I don't know what to do'... And that's the

uncertainty...The thing about what we [are doing is that] the problem we're solving regardless of COVID or not COVID it's still real. (Snr Mgr11).

Which areas is your business most interested in? (can select multiple)



Expansion into E-Commerce and Cloud & Infrastructure growth is where most businesses are focusing their attention.

In Appendix 4, we provide a *summary of the extent to which the COVID-19 crisis has accelerated business integration into the E-Commerce space* using a series of qualitative responses to the survey. The picture that emerges is an interesting one that shows interest across a full range of *e-commerce and cloud and infrastructure growth related* areas in specific industries and states. For example, we observe that in areas of business related to *‘Custom made, handmade, Australian Made’ products and services (Retail trade, NSW), Telehealth services (Healthcare, social assistance, NSW), Web and Social Media products and services (Retail trade, SA), On-line training delivery services (Education & training, VIC), online classes (Education & training, VIC) and Arts related services (Arts & recreation, VIC)* there is *expansion into e-commerce and cloud and infrastructure growth*. This is where most attention is currently being focused.

For example, the E-Commerce space for businesses in the arts has been a major priority since the pandemic as they were aware these changes to their business model should have been happening earlier. To illustrate:

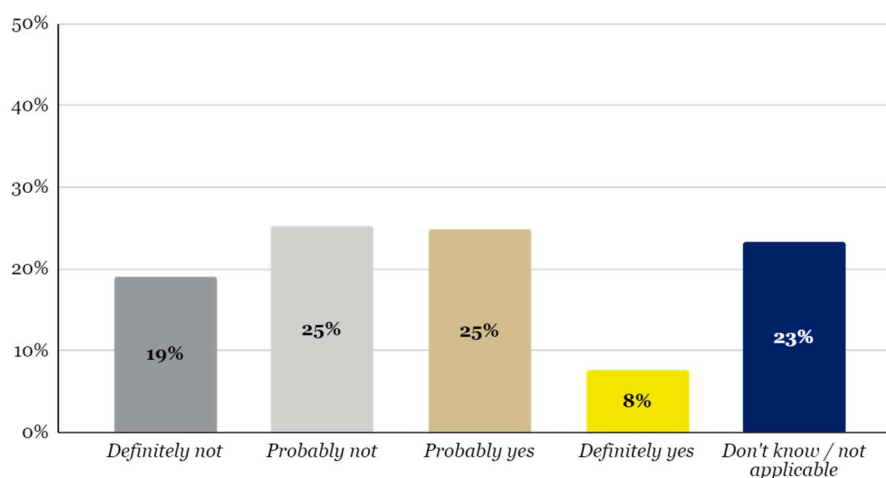
I think what we're trying to do is to figure out, I think, because it struck me for a while that we were on borrowed time! (SnrMgr 1).

In the bio-tech industry technology is driving fundamental changes to the business model and subsequent success in international markets for businesses making the changes. To illustrate:

The whole industry has really pivoted to that sort of technology and we've had to adopt that very fast. We've been very fast to do that, and I think that's actually also facilitated some of this growth that we're seeing! (SnrMgr 7).

14 Plans to continue with workforce changes made during the crises (e.g. a greater % of employees working from home)

Are you planning to continue with workforce changes made during the crises going forwards?



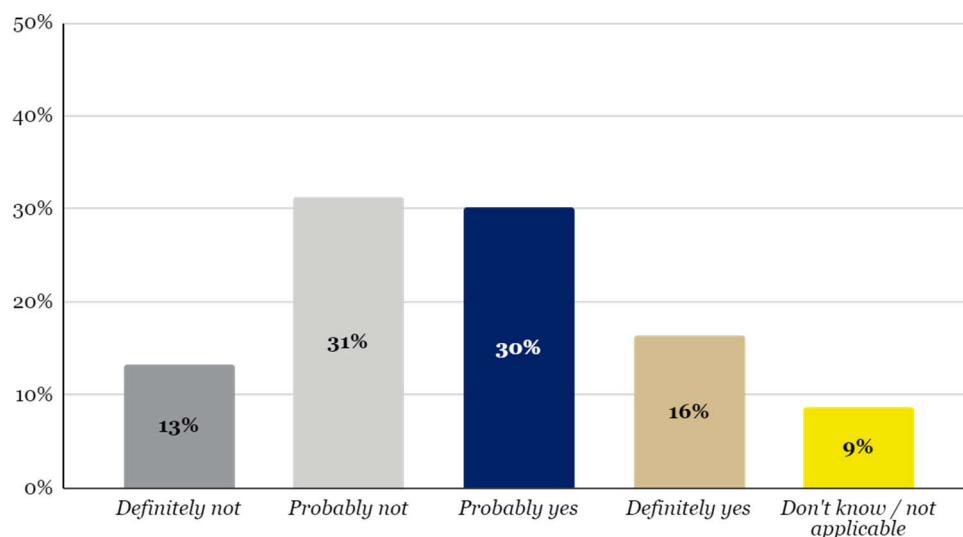
Just under half of businesses surveyed (44%) will not continue with their workforce changes made during the initial few months of COVID19. Many businesses appear to be 'sitting on the fence' and waiting before deciding on any further changes.

Businesses highlight the importance of employees understanding the part they play in new strategies or plans and that regular meetings, online, facilitate the extra communication needed given the different working styles that people now have to manage. Managing the workforce across an online, as well as a normal office space, is a challenging dilemma given risks to health and thus productivity. As expectations around when a new 'normal' might arrive vary considerably in the minds of senior managers, businesses are still relying heavily on virtual staff-force management principles and staggering staff shifts in and out of the physical office. This helps to establish some sense of collective organisational culture, exit and re-entry processes, information sharing and strategic direction that focuses on flexibility around staffing. To illustrate:

And what we did, and it's been very much embryonic, and it is, it is working, is by assigning everyone you know visible parts of the puzzle to get it to that high-level outcome. People can see what their work's contributing to, they're connected to the overall aim, they can see their name on lights and so they know that they have to kind of produce that piece of work by Wednesday. And that piece of work then flows on to their colleague who then produces something by Friday and that means by the following Monday that project will reach its outcome on time and then we'll be able to go and produce another project and so it's a very granular way of managing people. And it's certainly middle common denominator because some people just don't need that as I said earlier....So I think that's very important when we're all sitting in our living rooms because it's a strange world to live in you know! (SnrMgr 3).

15 Impact of the pandemic on businesses' approaches to finding new clients or generating leads

the pandemic changed the way you find new clients or generate leads?



Businesses are evenly split on whether the pandemic has changed how they find new clients or generate leads.

Reliance on few customers has been an issue for some firms, especially relying on one or two major customers in a single country market in a COVID-19 lock-down. As sales have dropped off or new orders failed to materialize because of the supply chain disruptions, finding new clients became increasingly difficult in situations where managers could no longer travel to meet prospective clients. In reality, these underlying issues have been exacerbated by COVID-19. Increasing competition in some industries has made it challenging for firms to locate and build new client bases. To illustrate:

That was a big kind of impact for us because they were our, at the time, they were quite a large share of our revenue like 60/70%. But then also then our one of our Australian clients also has also come up against issues and not really COVID related the Australian one... So that's dropped off. What has helped us is that...my strategy always from the start is that I want to have different revenue streams... So, you know you're not relying on one because you know you always get bad times, right? So

actually, so the...publishing side has...actually increased by 20% to 30% globally because everyone was locked at home. (SnrMgr6).

No we need to get out and travel that was one of the biggest issues was that we normally,...we'd be attending trade shows,...my marketing guy would first go and make our first contact and then they'd bring me along and,...we'd go out to dinner and get drunk and carry on and form relationships and once you form relationships you find that,...particularly in China and Hong Kong it takes three or four efforts before you start getting any serious business but then it's glued on....Our main guy [HK] who takes more than half our products,.. He takes our product before anyone else's almost...a very similar way of forming relationships...you have to be on the road. They want to meet the owner. They wanna know that what they're getting is special and...you've gotta develop that relationship! You can't just do it on Zoom! (SnrMgr 14).

Businesses report reaching out to contract traders that specialise in connecting international buyers and sellers in their industry to locate new customers for Australian producers. This is observed to be problematic while Australian borders and international flights to potential customers are closed to overseas travellers. To illustrate:

Yeah, well, [state based] contractors, so guys who have their own businesses trading [high end products] and instead of using our own internal guy we've reached out a bit because he got to the stage where ... 'I just can't do anymore' he said. 'We need to get outside the box here'. So, we've got a few traders on board to help us move some products. (SnrMgr 19)

Some businesses are such that patterns or pathways with international vendors or suppliers are unpredictable, given the nature of the industry or industries and regions they serve. The impact of disruptions, such as COVID can occur during cycles that are already erratic in nature. The impact has thus been made worse than might have been expected because of prevailing industry and regional variabilities. To illustrate:

So, you know three years ago it was 70% oil and gas projects around the world and then it's now more 90%, 95% defence. So, it really does depend on...different

cycles but post-COVID it's just 99% defence. I've got a couple of quotes that are in the in-tray for South America, some [projects] over there... Look again...what was five years ago compared to four years ago is very different so it's... Five years ago, it was 90% oil and gas, four years ago it was 90% defence. (SnrMgr 8).

In contrast, supply chains in other industries are very predictable and completely reliant on airfreight to international locations in Asia, for example. Any disruptions can close the industry completely, as customers can no longer be serviced internationally. To illustrate:

OK, so when COVID first hit all the planes stopped flying right and most of our, well all, your [high end] seafood...generally travels in the belly of a plane to its market and the planes stopped flying!... So, then [2 months later] they [government funded commercial flights] started doing freight flights but they were very, very expensive like four or five times more than before! (SnrMgr 14)

Time away from the office or lock-down has also given staff opportunities to reflect on practices and other ways to engage with customers, given the impossibility of meeting face to face in the present circumstances. To illustrate:

The opportunities would be the staff and if because we're not going to trade shows which I mean that's how we get sales! But I guess the staff are more focused on reflecting about the business and how the software is running and how we can perhaps improve things because they've got time to. (SnrMgr 2).

Finding new ways to develop relationships with new international customers as well as servicing the client without having to physically be on location is driving new business models in a COVID-19 era. For example, in the mining sector. To illustrate:

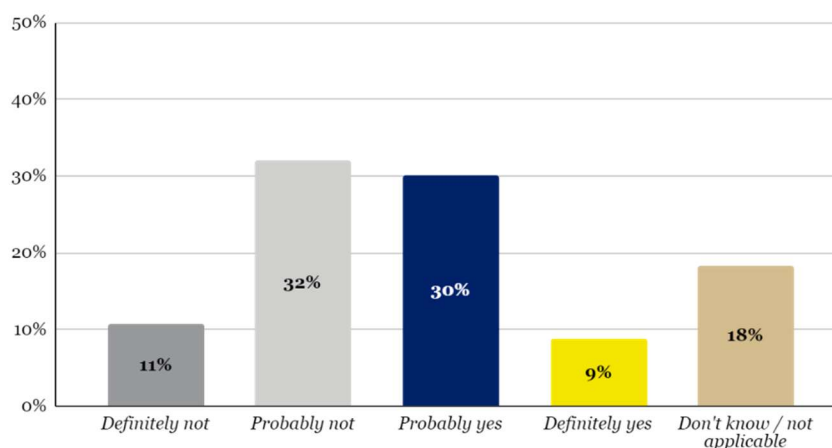
Our responsibility is to get the projects and then to find a way to build capacity in country not to supplement it and fly in and fly out. I don't believe that is sustainable international development [anymore]. So, our board agrees...COVID has just fast tracked that strategy...It's kind of been handy in that regard. (SnrMgr 16).

Other sectors, such as professional services, are observed to support their presence on the ground in overseas locations. This is deemed important in order to assist their clients, especially in Asia, where the relationship is very important to build trust and to establish credibility. To illustrate:

Well a few years we took the strategy that we really needed to place more of our senior people in all the countries in Asia. Traditionally we were seen as a fly in, fly out expert you know. We were the international expert coming in and it's still important for us to be seen like that... like in China. But they want to know that they're getting their national best, they don't want us doing it in a design workshop down the road. That kind of thing. So, they want to know if we fly in/fly out. But at the same time, we really realised we had to get much more senior people in countries throughout the region and my gosh we were fortunate we did that because in COVID that's what's been so important because I haven't been able to fly. Normally we have a disproportionate amount of our senior leadership on aeroplanes at any time. Flying throughout the region. And so, to have those senior folks on the ground has been just essential and we were fortunate to have done that before COVID. (SnrMgr 17).

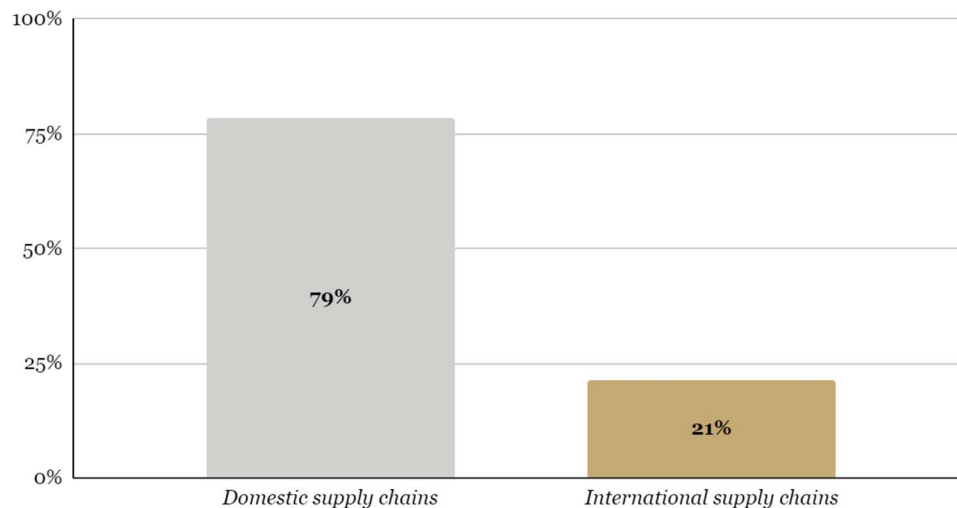
16 Businesses perceptions of diversifying business supply chains over the next 6-12 months (domestic or international supply chains)

Are you looking to diversify your business supply chain over the next 6-12 months?



Businesses indicate they will mostly continue with their existing supply chains over the next 6 - 12 months, with many possibly sitting on the fence till they have more information.

Is your business most focused on diversifying domestic or international supply chains?



Of the businesses nominating that they will diversify their supply chains, most (79%) are focused on domestic rather than international supply chains (21%).

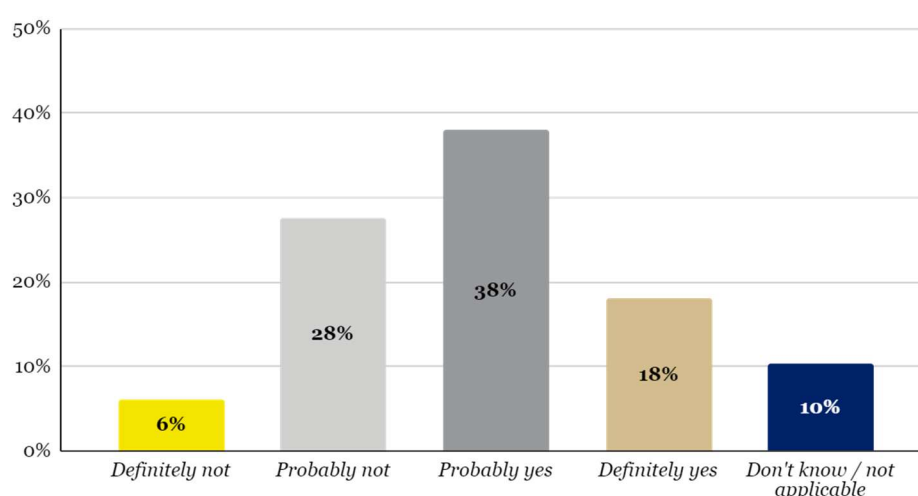
For businesses that have been trying to diversify their supply chains it has proved difficult in certain industries, but efforts are being made to find supply sources in Europe and Scandinavia to offset risks in China. However, a distinction between Chinese business partners and the Chinese Communist Party is highlighted. Politics and business are hard to separate but many seek to do so. To illustrate:

Most of our steelwork we do in China which is obviously becoming more and more challenging for a wide range of reasons. Also, Europe so we build things in, we build some of our equipment in Norway and Latvia and then other things we just do in Australia... Look always we've been, I've been reconsidering it for a long time... And that's mostly just sitting around the political narrative... But at the business level people are people... That's just my opinion but it is a bit sad because we've got very good relationships on a personal level with suppliers in China. But I won't send any

of my people over there right now...Well for two reasons; one is COVID and the other one is the geopolitical. (SnrMgr 8).

17 Businesses' perceptions of diversifying business customer bases over the next 6-12 months (domestic or international customers)

Are you looking to diversify your business customer base over the next 6-12 months?



Most businesses (56%) are looking to diversify their customer bases over the next 6-12 months.

Diversification of the customer base is observed to be a prudent strategy given the global interest in Asian emerging markets, but this remains industry specific. For example, the bio-tech industry. Australia is seen very favourably in this industry sector. To illustrate:

I don't think COVID has had any influence on that shift in terms of the reduction of biotech coming from the US because we still have as many clients, an increasing number of clients as we're growing...We're just seeing more interest coming and the mix is changing coming from Asia. And I think largely that's because of the restructure of our organisation and we're very attractive to them but there's also

other reasons why we're seeing work being driven into our organisation from those regions which has got to do with the favourable regulatory landscape, the R&D tax incentive...I mean nowadays it doesn't matter where you go in the world if you say the words clinical trial people actually have an understanding and a sense of what a clinical trial was and it doesn't really matter whether they're highly educated or from a really low socio-economic group because it's now everywhere. And so what has happened for our industry and we have been an industry fortunately that has been really not significantly impacted negatively but we've actually had a positive impact in terms of what's happening with COVID and in Australia, because Australia has managed COVID relatively well...I mean what is required in terms of all of those other geographies is still what's required here. We all follow good GCP. Our medical system and our infrastructure is of a high quality so we've got you know we are trustworthy, our data integrity's good. (Snr Mgr 7).

Not so positive an outlook for Australian businesses catering to the Chinese market in high end food products. Alternative Asian buyers that offer the same scale are very difficult to locate outside China. The domestic market relies on Asian tourism and the two factors have been problematic. To illustrate:

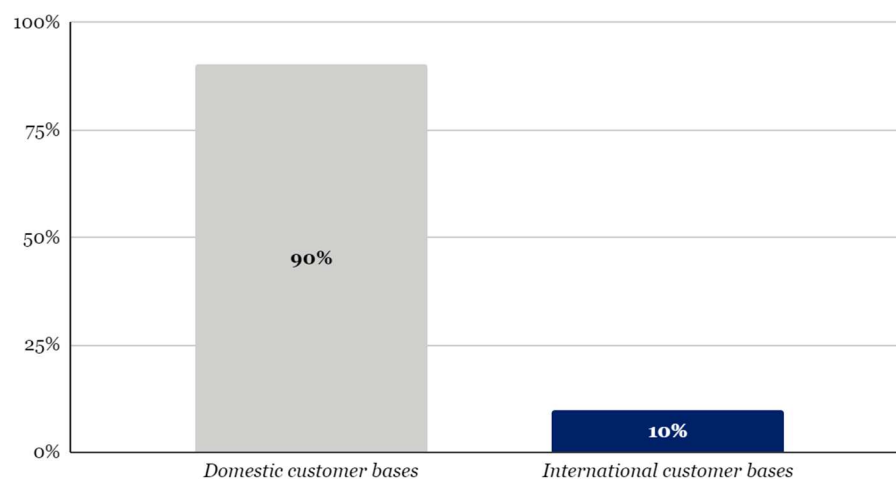
Then, when COVID came in and our domestic market failed [too], it's practically gone to zero... Chinese eats my market [high end food products], more than Hong Kong. Singapore's quite good. We have a very, very good relationship with Singapore but mainland China is the main [market]... The selfish bit is I wish the government of Australia and the governments of China got on because one of the issues I have is that people are scared to order in case they don't get their product because there is a sort of bad, bad feeling in government to government. Because people [Chinese customers] think that the product will come over there, there'll be some sort of issue and they, they won't get it because we're Australians. This has been the issue for the last couple of months! (SnrMgr 9).

Businesses leaders are observed to be using the time in lock-down or disruptions to work practices to find new 'head space' to focus on new innovations, R&R and ways to attract new customers that may need to be more domestic in reach. We observe

the sentiments expressed that success only comes from consistent effort and persistence. To illustrate:

They [MDs] do talk to each other...They appear to have creative minds. Things just pop into their heads and I mean it might fail but I mean you've got to have many failures before you have success as you know but they just might not...Yeah I guess at the moment we're sort of not coasting but we're just going through the thinking through how we're going to market the product! (SnrMgr 2).

Is your business most focused on diversifying domestic or international customer bases?



Of the businesses that plan to diversify their customer bases over the next 6 - 12 months, nearly all (90%) indicate they will be focused domestically.

For example, distinction also needs to be made between inbound and outbound trade with China. While there are industry differences, strong business partners are sometimes able to mitigate the risks to their Australian counterparts. Inbound is perceived as more problematic than outbound trade. To illustrate:

There's something you can rely on with the Chinese and that's the customer is kin and so they're still very open. But they're helping us quote different projects, we're working on one for the Antarctic Division right now and so getting things out of China is no problem. Getting things into China that's a different story... So, you want to buy something from China, no problems. Sell stuff in China? Oh, big problems...

[getting worse] We don't sell a lot to China... So, it's not affecting us... But I know people that do, I know the people that do and it's just I understood there was like eight ships of iron ore that were sitting in a port and they won't accept it!!! (SnrMgr 8).

We observe, however, businesses indicating that the Chinese consumer has little problem with Australian products, tourism or travelling to Australia, rather it is the Federal Government and Chinese Government that are preventing a movement forward. We observe some business sentiments indicating that China remains a profitable market and they do not intend to diversify at this point. To illustrate:

Australia is well known and respected in China for the quality of the products produced because we have all sorts of rules and regulations, as much as I hate them, that actually make Australians produce...some of the best in the world... And sustainable and that's becoming a big thing to them. Chinese consumers are aware of sustainability issues now... And [product] safety, you know, we've got some of the highest [product] safety laws in the world over us and that's respected in China because they know that they're...gonna get...quality Australian produc[t]... Eventually I can see... talk about the market in China being a problem in the future because of other people's misfortunes. (SnrMgr 18).

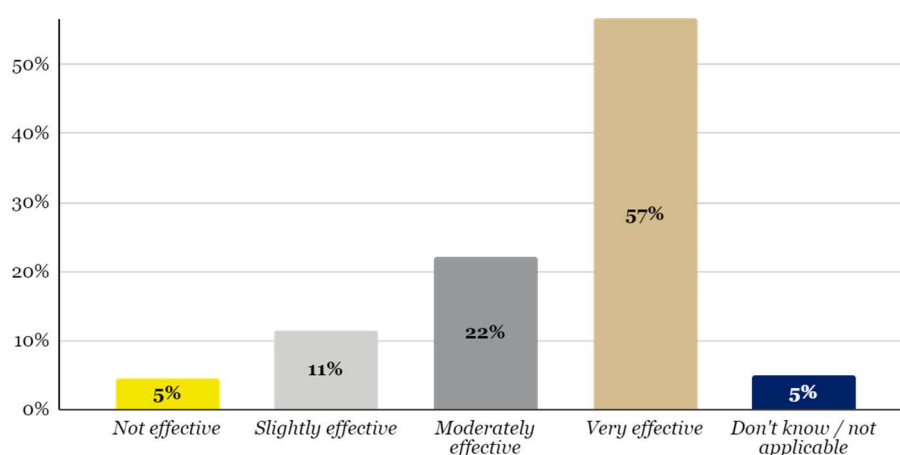
In some industries, such as big data mining, China is not a preferred market, or a market considered worth the effort to enter because of the prevailing attitude to the storage and handling of personal data. To illustrate:

Offering this to the Chinese government or Chinese businesses we'll get laughed out of the place. To say I'm going to collect your data, it's going to come back... To an American or an Australian data centre... You know I'd get laughed out of the place. So, look probably more to the point they'll shut me off with a fire wall... So, these guys don't play fair, they never have... And now things are coming home to roost where people are being taken to task about it and so I'm not, I don't hold a lot of sympathy for them for the way they've acted... Like now England are thinking of banning Huawei. Well you had this coming dude! ... So, it's that way but in terms of getting into international companies that are in China or Chinese equipment like wind turbines that are put in Europe, it's very easy to turn around to a European company saying, 'We don't trust this to go back to China, do we?'... I'd rather have an opportunity than you know in a perfect world where I could go into China and do

business just like I might be able to do in Singapore or Japan or Taiwan. But I can't see that happening for a few hundred years! (SnrMgr 4).

18 Businesses' perceptions of effectiveness of government support provided to businesses (e.g. *JobKeeper*, targeted industry relief packages, payroll tax relief, grants)

How effective have you found the government support provided to your business?



A majority of businesses (90%) surveyed have found the government support provided to be effective.

Businesses were largely very positive about support from the government and local authorities during this time. Evaluation of the efficiency and effectiveness of such support measures did however, vary considerably.

Government assistance for staff, such as *JobKeeper*, is regarded as highly valuable. To illustrate:

Yeah so, I mean we, we've still, we started, well because we're all very high in the work priority we still suffered quite a lot, so we are on JobKeeper. So, the business is on JobKeeper and you know to be for us JobKeeper has been a saviour. (SnrMgr 6)

Well look in the first instance at federal level you know the JobKeeper has made a huge difference... At the end of the day, when I say huge difference that's probably not right, but it's made a big difference because during the period we have just been living on shareholder funds and that burden has been shared. So that's really appreciated so I think at the federal level they've done exceptionally well. We've had a couple of levels of government reach out to go well what can we do? ...So, in terms of the COVID response I think it's been exceptional. (SnrMgr 8).

It is important to add, that there is a mixed response to whether or not businesses could have managed without *JobKeeper*. Many appear to have been able to manage without it but did use it because it eased the pressure considerably in maintaining employee levels. It was thus seen as a shared response effort. It also meant not having to rely on business capital that needed to be focused on R&D to generate growth. To illustrate:

JobKeeper was a huge burn to us. It was the difference between JobKeeper and not JobKeeper was effectively that we've been able to save money this year. We will have a net increase of close to 50% to our reserve, funds in reserve, our kind of net out cash equity position. That's going to be important because '21 is going to be really hard and will definitely be a deficit year. So, we need those funds in the bank! (SnrMgr 1).

Well, I don't think they [State Govt] could, I mean really they went above and beyond. I think one of the biggest mistakes and we're finding it now was trying to get processing staff because we're unavailable at the moment with the Chinese New Year [approaching] is JobKeeper is too high and people won't get off their a.... and come in to work! ...just put it back to where it was and we're done and dusted now, surely! (SnrMgr 14).

We observe state government support measures in the form of relief packages to specific industries. For example, (e.g. high-end products) to keep freight moving on heavily subsidised chartered flights through domestic carriers (e.g. Qantas) and allowing international freight flights (Singapore Airlines, Cathay) in and out of the country. This appears to have kept alive early on in the pandemic many businesses that would otherwise have folded given their reliance on international customers. Others do not need the specific support now in a pandemic but were able to do so in

the past when they were growing which has prepared them well for the current business disruption. To illustrate:

COVID galvanised the Western Australia government like I've never seen before! So, they, there was a probe and response team come out immediately. Now they're gonna help us. I was pretty impressed and a number of other people I've spoken to were pretty impressed with the quick response. They gave you confident that...we can get through this! (SnrMgr 14).

Because we've as in we've had dealings with Austrade and they haven't been overly helpful, but we've had some dealings with Trade and Investment Queensland. I mean they do have good contacts and they can put us in touch with them. But it's just as simple for us to go to a trade show and show the software. (SnrMgr 2).

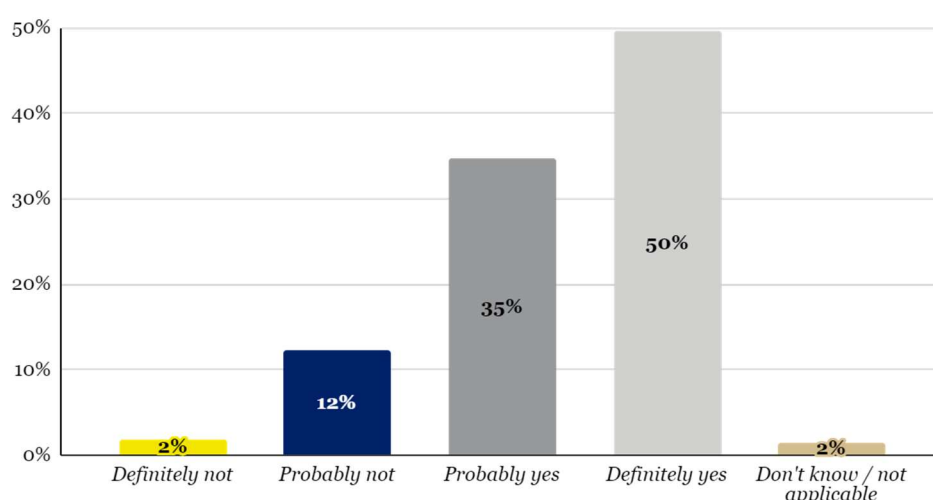
Because we are based out of Brisbane, we actually have a lot of government support from a trade point of view, an export point of view in Asia in particular. I've really got to pay credit to Trade and Investment Queensland. All their efforts throughout the Asian region... The reason why I say that is that when you're a certain professional services exporter we absolutely need government endorsements that we are trusted people. You know we're not selling cans of beans or something!...It's a leap of trust in any professional services engagement and to have...trade missions is actually really important because many of our clients...[are] very high-level folks because their projects are often national level projects. So...it's a serious national pride issue! (SnrMgr 17).

Assistance measures such as export grants are helpful but are needed in the early phase of business development when firms face critical set-up decisions overseas, and not when they are past the development phase. To illustrate:

So, when you're starting out, when you're starting a business and I could sit here and talk to you for a few hours about all the that goes on when you're starting a new business... But it really does help a lot to have that...the export development grant... To get yourself set up in a different country which is really hard to do from Australia when you're sitting 10,000 kilometres away from Europe... It's really hard to do! (Snr Mgr 4).

19 Perceptions of government maintenance of current levels of support provided to businesses over the next 6-12 months?

Do you believe the government should continue to maintain the current level of support provided to businesses over the next 6-12 months?



Most businesses surveyed (85%) believe the government should continue to maintain the current level of support provided over the next 6 - 12 months.

Perceptions of government support from the individual states and territories vary considerably. This variability makes it especially problematic for small firms as they navigate various processes and procedures, especially at the beginning of venture creation and early development phase when assistance is most critical. This assistance, however, has been more uniform since the COVID-19 measures were implemented to assist businesses. To illustrate:

Because the [state Tasmanian] government they don't support any small business, hardly any small business at all. They say they do but then you have to jump through so many hoops it is literally impossible... When u know you reach \$20,000 turnover 'oh well oh you're just short of, no you need to be turning over \$300,000'...Oh hello you know? You're never going to get to \$300,000 if you don't get to get a little bit of assistance or at least some guidance you know somebody to mentor you...So you get to \$300,000, 'oh look you're not going to believe this but

you've just gone past the threshold, if only it was \$150,000'. They just change the goalposts at every five seconds.... Absolutely hopeless right! The [state] government should be helping with that kind of advisory service but to genuinely help you. (SnrMgr 5).

So, as an industry through the trade advisory group we started lobbying [WA] government and they came to the party with a package, \$100million dollars to support trade... it would have been April... It was a pretty quick response by the [state] government...it still continues now [September]... they've been subsidising. So, for instance, Qantas might be doing, three flights a week out of Perth...they'll be full of mostly [high end seafood] ...and maybe some high-end fruits. Singapore Airlines have got one going four times a week mainly doing pork in to Singapore... Cathay Pacific do one flight a week on a Wednesday to Hong Kong which we get on... So, we're paying what we would have paid pretty much close to what we would have paid pre-COVID and any gap that's made, to make that flight profitable is covered by the [WA] government...we're hoping more planes are gonna start flying particularly for our frozen products. We're now investigating sea freight... Because they [state govt] realised they needed to keep markets open because the worst thing you do to a market is close it! Let someone else kill it for you!...[the govt support] was more important to us than JobKeeper! (SnrMgr 14)

Federal government's efforts to rebrand Australia and reassert our unique selling points was highlighted by a number of industries, most frequently those in the service sector most reliant on inbound customers, for example, the education sector. To illustrate:

[Important] that they [Federal government] can market the whole of Australia as an education place. We are the third highest at the moment outside of the USA, Britain I think, and... they're not doing too well with COVID. So...you'd think we'd be promoting it[Australia] as an education place to go. See these people spend like \$40,000 a year that's not on their school fees that's outside of school fees. That's why it's such a big market and then their families come over to visit so tourism comes in to it! There's a whole lot of things that happen, that keep people employed because of this education system and I think that would be the biggest ... I mean,...it's ok to give people money but at the end of the day I don't know that that

helps people to think about growing.! I think it just...helps them maybe get over a hump but that whole promotion I think is the probably the way to go. (SnrMgr 10).

The view is expressed frequently that government support at the Federal level seems to be much more focused and helpful with key people assisting in a much more positive way than at the state level. To illustrate:

You know that Austrade is a bit of a different government department. They seem to, they seem to do well you know. They understand what's going on and they're responsive so they seem to be pretty good yeah. (SnrMgr 4).

However, other factors, such as different freight charges make it very costly, for small businesses especially, to move inputs and products in and out of the country. For example, firms in Tasmania trying to move products have a particular issue with freight, even those that are fully web based. These systemic problems need addressing. To illustrate:

Every business in Tasmania is crippled by the freight rates that we're charged... Is goods and services are so much higher in cost because of the freight equalisation thing. They've got a ship called The Spirit of Tasmania right. Why can't they put a similar ship on that route [for freight]? But the thing is this is so blindingly obvious! (SrnMgr 5).

Future industry development support was also highlighted by many businesses, especially initial government funding to provide support for technology eco-systems and creating industry incubating hubs. These initiatives are seen as important future investments by the government, to foster the development of a science and technology-based future for Australia. A hydrogen economy is one example. To illustrate:

So, government, what would it look like? Government might provide a whole bunch of buildings there you know usually at very reduced rates to get your start-up going. That would help a lot. Here, - we'll help fund some of the people to do some of your administrative stuff - that would help a lot for a start-up! To have access to other big companies that would help a lot. And sort of you create this, you see that and people come to it and then it just has a life of its own. So, I would say the government would provide this and after a while, they might still be in there, but it probably runs itself very much like Silicon Valley! Silicon Valley is now to a stage where it's ready to explode. Way too expensive! There's too bigger companies, it's

just turned into big corporate-ville! Like a New York or something. So, what are the other places? You might find that Berlin takes over or somewhere in Poland...I don't know! You know these are some of the things that are happening. I guess Spain was a bit like that with the solar industry? That's why they had half the plants here in Australia... How can they, how do they end up owning half the [industry] here in Australia? Well because they incubated all through government. They [Spanish govt] said we're going to tax; we're going to subsidise this! We're going to provide this! Well now they've got an industry that they've created out of thin air! ... So, one of the ways Australia could really is create that hydrogen [eco-system]. If they, if they threw an incubating thing at [the] hydrogen economy - not just throw it at universities! (SnrMgr 4).

A number of businesses raised concerns around the time taken, expense and the difficulty in understanding the criteria for government tendering bids. The perception for many is that they are missing out to overseas firms. We observe the need for greater transparency in departmental decision making and criteria development with more industry involvement in the tender criteria. This is observed as a necessary step forward to support Australian business development and growth, assisting business ability to remain focused on the domestic market. To illustrate:

I think it's an independent, inter-departmental independent evaluation of how they run the tenders, with a focus on have they done the evaluation, have they accurately costed what they've asked for and have they evaluated the tender in accordance with the criteria that they put forward. And the weighting should be, the weighting, the criteria weighting has got to be documented and not changed. I had it on good authority what they do is then they go 'oh we didn't expect this' or 'we don't have the money for this' they just go and tweak the criteria you know to a reversed engineering solution... So, to me it needs an independent audit of how they run their tenders and how they make their decisions... That's really it. It's more accountability and more transparency. (SnrMgr 8).

Businesses also raise the concern about Federal Government readiness to adapt to new ways of doing things and to make sure sufficient legislative, regulatory and governance controls are in place to support Australian business development. To illustrate:

And that also I think governments will have to respond because with these changes that are occurring you know there needs to be legislative and regulatory change that cannot, that cannot happen at the old pace. You know we have to be able to pass quickly regulations and legislation that supports high change because otherwise the legal and some regulatory framework just doesn't keep pace with the way business is evolving. (SnrMgr 3).

While businesses acknowledge the short-term support from the Federal Government in particular, they highlight the overwhelming need for the Federal Government to be better prepared for other national emergencies, not just the pandemic, but also bushfires. This requires long term planning. To illustrate:

We just wait for the next one and then go 'oh what do we do'!!! And we'll...Especially with the bushfire situation which we now know... (SnrMgr 8).

Particular industries are singled out with concerns raised around staffing issues and labour reforms, given the potential for abuse of current government stop-gap measures that need reassessment. Views are expressed that suggest greater flexibility in staffing arrangements is needed, so that businesses can move forward. To illustrate:

And more fluidity in the labour markets because it's, it's the highest cost that most businesses have. If you look at the industry and just forget about our business but look at hospitality, tourism, these industries where that is the cost you know people are your cost. If we don't have industrial relations reforms and a new pact between union movements that I think are actually necessary. But I'm overly doubtful at the moment in terms of their influence on certain industries...I think that there needs to be a new pact that is you know respectful of abuse and protective of abuse but also very much focused on flexibility because that's the only way that large sections of the economy will recover. If we don't have that then what you'll have is... capital essentially making drastic changes to protect capital and labour not responding or being willing to respond to the new requirement. And that will just be consistent and entrenched unemployment and the world will move past a lot of people who could be re-employed but business will evolve to not require that labour...There's secondary things in there in terms of re-training and government support for education and reskilling and this is a big piece that I think it's desperately required...We are hearing a lot about this - the new deal and proactive and productive discussions about how

do we actually save ourselves for the future? Because of the old paradigm - I think it's very much a threat! (SnrMgr 3).

Some specific industries that have been hard hit, such as the arts, point to the history of underfunding from government. This is observed to be exacerbating business recovery at present with the COVID-19 impact. To illustrate:

And the real problem in all of this because also the small to medium and independent sectors have been hurt very badly. But the big problem in all this is that arts funding in Australia is embarrassingly low at its baseline. So again, the problems that we're experiencing are a very undernourished body getting sick rather than something healthy having a massive crash if that makes sense... So, where we're up to at the moment is arts funding in Australia needs to triple or quadruple across the board kind of as a baseline before really any conversation about COVID... To put it into perspective there are 28 major Australian performing arts board, Australian performing arts companies, 29 now including us right. Our combined funding, is the federal funding, is the same as the Paris Opera Ballets... So, there's just no sense that we're even playing in the same game! (SnrMgr 1).

Another difficulty observed is filling casual labour positions, highlighted by many businesses across industries. It is observed to be impacted by the interim Federal Government program, *JobSeeker*. To illustrate:

In terms of even at the moment and I'll give you a good large example. We are very, very challenged to find interim casual labour. So, if we were to run our production lines to produce more stock to actually get ahead of some of these shocks that we expect coming we need casual labour. Well we can't find casual labour at the moment because on a fortnightly basis we can't yet offer them enough hours to give them more income than JobKeeper. (SnrMgr 3).

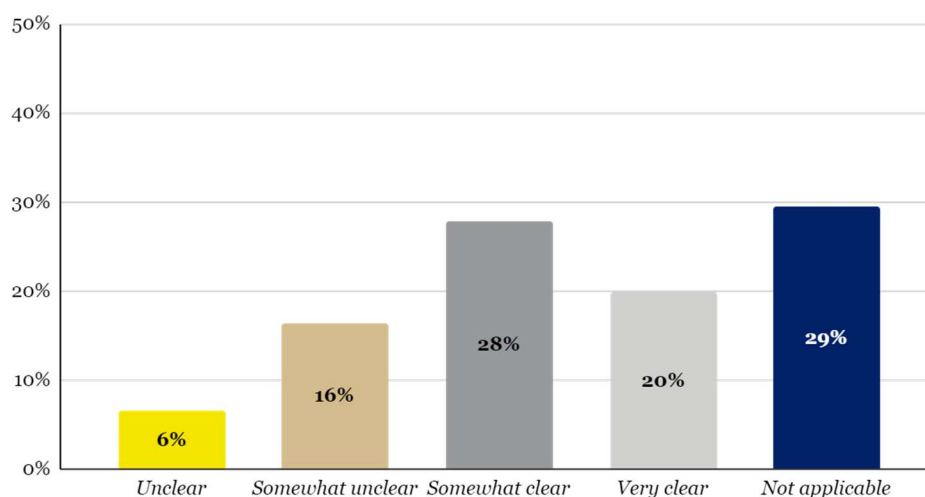
Finally, some businesses have sought changes in the Federal Government's skilled migration scheme because of the negative impact on their business. In particular, age brackets are regarded as too low for some businesses to be able to attract experienced skill-based professionals. Nor is it flexible enough to allow skilled migrants to be fully utilised because of the high savings ratio requirements. To illustrate:

And so skilled migration the skills are gained with years and so you know I don't want a 35-year-old from the USA. [X] is 55...and we want someone with aged

experience and we've got a combined 90 years in the workforce. Now they need to raise the age of the skilled workforce...Like Nepali's for example we've got three people on the floor at the moment. One is skilled in the banking industry, she's packing boxes. The other one is a young boy of 27 who's absolutely fantastic but they are being set as I understand it the most unbelievably ludicrous thresholds of what they have to earn or else they'll be sent back. I mean what an appalling state of affairs. They are never going to earn it. The government plays chess with these people as you know! (SnrMgr 5).

20 Businesses' understanding of HR and legal workplace health and safety and insurance requirements for employees working from home

For your business is it clear what the HR and legal workplace health and safety and insurance requirements are for employees working from home?



Most surveyed businesses are clear what the HR and legal workplace health and safety and insurance requirements are for employees working from home (or know where to find it).

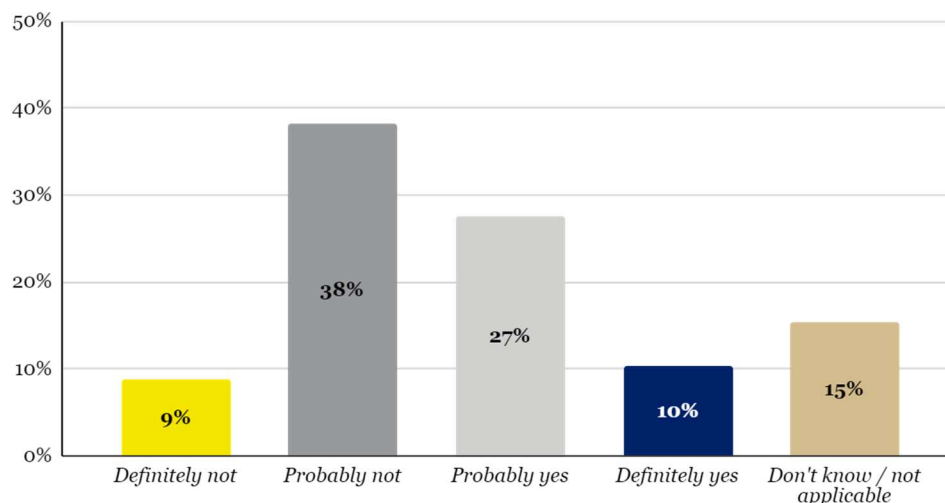
Businesses are observed to be focusing more on workforce management in the face of health issues, need for greater governance and HR practices that are more

uniform and related insurance aspects. There is also the added concern of retaining key staff at such times. This takes time and focus to implement moving from the informal to a more formal process in a COVID-19 era. To illustrate:

As in when we employ new staff we run through a whole induction procedure so we need to document that. Also, I mean even things down to like position descriptions for people, so they actually know what we expect them to do. Reviews of their salary I mean it's the annual leave forms, even recently the infection control procedure. Also, procedures of how we do things so that we'd, people who have traditionally just done A, B, C, we can expand them to now do more to give them more job satisfaction...Because if you want to keep them you don't want them to be bored... (SnrMgr 2).

21 Businesses' understanding of the management and cyber security protection of employee and customer data

Does your business require more information regarding the management and cyber security protection of employee and customer data?



Most businesses indicated they were aware of how to manage cyber security protection of both employee and customer data.

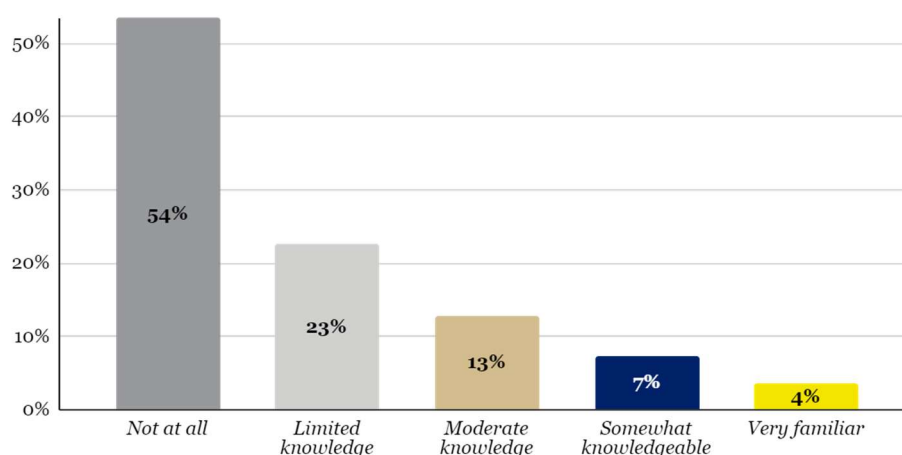
The COVID-19 impact on businesses has brought increasing recognition that having to rely on e-commerce for communication is not straight-forward from the perspective of securely storing sensitive information. Nor is it so for senior management teams and employees wanting to have private and confidential conversations that would normally be face to face, such as strategy discussions or instances of bullying. New ways of managing such sensitive information and communication are having to be developed by many firms. To illustrate:

[It is] becoming increasingly evident is that because so much is happening more remotely and electronically and all of that movement of information now across into internets and clouds and... There's a lot of it these are big issues that are being put [there]... I've actually got a meeting after my call with you with my IT Manager/provider in terms of...data protection... And data breaches... And the whole world is going crazy on this now and of course the whole China thing's had an impact as well...Even if you want to distil that right down to your employee/employer type relationship. Once upon a time an individual and...Australia we're still quite protected and I'm certainly hoping we stay that way! But an individual could have an issue. They'd come into your office and close the door...The four walls would protect that and you could have a really confidential discussion about a health issue or another colleague type issue or a bullying issue or whatever the issue is. But now people aren't able to do that face to face and so a lot of this is communicated over phone lines... Or it's done on a team call or it's done via email... Which is all not as secure as face to face... And that's something [GDPR] that I just sort of wondered given the nature of what you're doing. So much of what I do now is on Zoom and we know that's not safe! (SnrMgr 7).

22 Businesses' understanding of expanding e-commerce operations into overseas markets including familiarity with the legal data requirements (e.g. Europe and GDPR data rules)

If you were looking to expand your E-commerce operations into overseas markets, would you be familiar

with (or able to find) the legal data requirements for doing so? (e.g. Europe and GDPR data rules)



Most businesses (77%) indicated they would benefit from more information being made available concerning e-commerce operations in overseas markets and the legal data requirements for doing so

For firms already expanding their online communication and big data platforms, the pandemic has simply sharpened their motivation to keep focused on new technologies to innovate and maintain their competitive edge. However, the technology needs to be appropriate to the product or service. We observe in the technology-based sectors that take-up is slow with SMEs and across some industries that would benefit considerably from the technology in terms of productivity. Insights around privacy issues are also considered to be underdeveloped. [See Q 19]. To illustrate:

It doesn't matter where it is. It can all be done!...We're bringing an online world; a cloud world, the security goes with it. We're very strong on security. That's helped a

lot and the GDPR privacy, these companies would get a fit if data was flying in to a Google server and being tracked up by them...This product that we have suits, it could be used in mining, farm agriculture, healthcare, all these verticals that you can think of. It could be used in the automation, renewable energy. It's just that we tried initially in the farming sector in Australia but they're largely a bunch of luddites!...But the smaller firms, the smaller farms that you see in Australia, they're family run things and they still like to dig stuff using their hands!. I don't know what they're doing! So, they don't, they're not a big taker. Mining industry you know we tried that. It's sort of a closed shop. When they make money hand over fist, first they just pay ridiculous amounts of money to these big technology companies to not perform!. They spend a lot of money on technology and it doesn't get them much advantage that's from what I can tell. So, when the price of some of these commodities start to drop then they'll probably change! (SnrMgr 4).

23 Some final observations and reflections

During the interviews with senior managers, we asked them to reflect on 'what new capabilities/ skills have you and your business gained because of COVID-19?' We were aware of the considerable impact on time, expertise and decision-making under conditions of acute and continuous change that many senior managers reported on in terms of their leadership style, staffing and workforce planning, customer interactions, supplier concerns and disruptions to supply chains, long term implications for innovation and immediate impact on revenue and sales. The difficulties in leading organisations and building businesses in times like these are formidable. It is also worth noting that the large majority of our businesses are small businesses.

I think I've actually developed some resilience. I think it's really important to draw on your ability to adapt and to change quickly and to make decisions really quickly in a very changing environment and that's at different levels. That's in terms of a trial that's running that's stopped in a hospital because that hospital has got a COVID cluster and has to shut down and we did that... and we actually had to pivot that really quickly to Sydney...It's being able just drop...to be really solution oriented but to be really responsive to a changing environment whether...that's having a staff member that says I'm too scared to go to a site and working with that or having to

actually just move a complete trial. A lot of our clients are coming to us from other parts of the world and saying can you help us. And so, it's really being able to just adapt faster than we've ever had to adapt before. (SnrMgr 7).

The major theme could be described as a desire by managers to retain or develop nimbleness and flexibility in order to be able to move quickly as an organisational capability. This enables the business to take advantage of new opportunities and overcome new difficulties, as things continue to unfold in a manner that is highly uncertain and unpredictable. Many innovative practices are considered, such as small offerings to cater to consumers with less spending power. To illustrate:

Now the big problem for us in terms of the other side of the ledger is I feel, and certainly we're seeing some of our business metrics, that there's very much a kind of a don't look at the monster who's just hiding under the bed kind of mentality existing at the moment. I think that drastic and grave macro-economic impact that's come into the economy, that's going to stress people out and people are going to lose their jobs. All of this stuff is well publicised and that means just people have less money to spend! And so that's what we're trying to do - is to say 'OK can we have half-sized products'? How do we deal with less disposable income, are our pricing structures correct because we know people like our products? But if they can't afford \$50 it doesn't matter how much they like it, they're not going to buy it. And so that's the, the unknown difficulty that I see approaching. Everything else is manageable. Of course you have an ideal! Ideal would be we're all sitting together in a room and collaborating to get some outcomes but that's not possible and we can deal with that. It's the unknown macro scenario that's why we have to be nimble and respond. (SnrMgr3).

The small size of business is seen as one advantage in being able to adapt quickly and be nimble in the face of rapidly changing external factors highlighted by the pandemic. To illustrate:

The size of our organisation and the way that we're structured and have a very strong management team. But we actually don't, because we're not that big, we don't have all of those layers. That allows us to be really flexible, really nimble and able to adapt quickly and I think that has supported companies of our size much more so than the larger companies where it's just too difficult to navigate that through so quickly! (SnrMgr 7).

Other small businesses have learned from experience and made sure to have sufficient capital to ride out some of the unexpected external disruptions. To illustrate:

It's a structural issue. The type of business we're in is R&D. I mean we went into this largely because we were concerned about you know renewables and sustainability and climate change and all the rest of it...A very big part of our decision process, is to make sure that the very valuable technology we have doesn't run out of money. So that's very much at top of the mind. So we always make sure we've got enough cash in the bank to keep the company going for a couple of years if something goes horribly wrong! (SnrMgr 13).

We also wanted to know more about the immediate and more general impacts of the pandemic on Australian businesses as it unfolded and after the first 6 months or so. We observed a critical phase of business management and recovery to a global and external disruption. We asked senior managers to reflect on '*How did the virus affect your industry in general?*'

Most businesses are suffering in terms of revenue. However, there are hopefully signs for many that have been able to manage supply chain disruptions and were already e-commerce based or able to convert quickly to an online environment. To illustrate:

So, we were down just to give you an idea of scale we were down year on year 38% in March 30, 30 pretty much 38% in April, in May we were down about 30% year on year and in June we were actually up 10% year on year. (SnrMgr 3).

Another significant observation was how senior managers were thinking about the impact on their industry, their own business and the time it might take for a partial or full return to some 'new normal'. We asked senior managers to consider '*How long could it take for your firm and industry to fully recover from the effects of the virus?*'.

On the whole we observed businesses to have considerable uncertainty around a perceived timeframe for a roadmap back to a new normal. To illustrate:

I think there's going to have to be more difficult decisions...I don't see that ending for two years. I think things are going to be hard for at least two years and then I think climate change is going to really start to hit. So, I think things are going to be hard for a long time and I've always felt that. (SnrMgr 16).

It is not anticipated to be a quick return to full recovery. Great uncertainty is observed across Australian businesses. To illustrate:

It could be 12 months... Minimum... It'll be a long time. A long, it'll be at least 12 months in my opinion before anybody goes overseas. I'd probably spent 30% of my time last year overseas, marketing, trying to market our goods and services. (SnrMgr 8).

Related to the questions above, we also wanted to know if senior managers are feeling a sense of success in their business operations and strategies at such a time. And what factors might relate to this sense of success or otherwise. For this reason, we asked them to reflect - *'Do you consider your business successful? Based on which indicators do you conclude that?'*

Those in more people-based industries, such as the arts, are observed to have adopted a 'soldier on' mentality. To illustrate:

It's more like well we haven't failed today we still have enough bookings to and enough resources to sustain what we want, we still have enough ideas and kind of passion and fuel in the tank to dream new dreams and to try some new things. We still have some people who want to you know physically and intellectually credibly capable of taking those challenges on. Let's you know that's a good day. (SnrMgr 1).

We observe expectations focused largely on remaining in business, through project management and communicating everyone's role and just keeping on going! To illustrate:

Look it's been quite effective. What we tried to do as a business this physical dislocation...there's been much said about Zoom and obviously in many ways from a technical point of view that you can maintain contact. But what we tried to do and in terms of measuring these changes that we've made is really run on a project management basis. We have sort of at the moment 20 plans on a page. They're specific projects that exist within the business. They're quite detailed milestones in there that are connected to pretty much every person in the business and so everyone has a milestone or something that they're working toward... From my perspective the necessity for that was that when you're sitting in your home people work differently. Some people are entirely motivated, they write themselves to do lists, they get on and do their things and maybe they don't need to speak to their

manager at all on a given day. Other people need prompting at either a low, medium or high level and other people really need that bouncing off other people to understand where their work is contributing to the higher goal. (SnrMgr 3).

Businesses remark on how they are successful in their current business operations given the changes made pre and during COVID. They highlight the need for further substantial changes to their business models having learned from the COVID era and now moving forward. To illustrate:

Yeah absolutely yeah [learning from COVID]. I mean we're in the process of looking for a new lab. We're just running out of space and we've got so much equipment now that when everyone is there. We're just running out of space to put stuff so we're looking for new areas. But 'yes', we're trying to apply some of the learnings from what we went through with COVID. (SnrMgr 13).

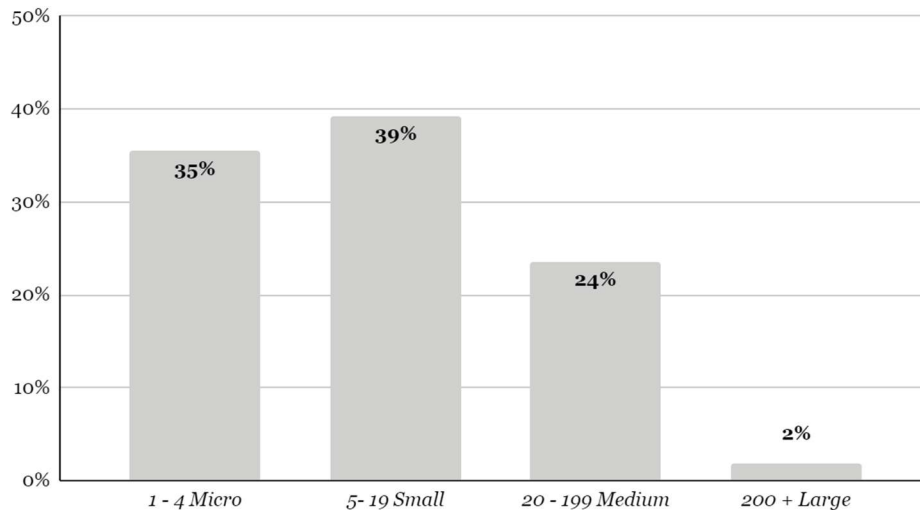
Finally, high-end manufacturers and service providers are changing their business models quickly to engage more international customers (some of whom are government agencies) given the greater readiness to adopt technology-based manufacturing in Western Europe, US, Canada and UK. To illustrate:

For me to enable this company to grow to where it can be, I can't see me doing it with my current shareholders [in Australia] and I'm really questioning for me that I can take it to where it could go. It's potential, would require a big named company to come and take it to the next level... (SnrMgr 8).

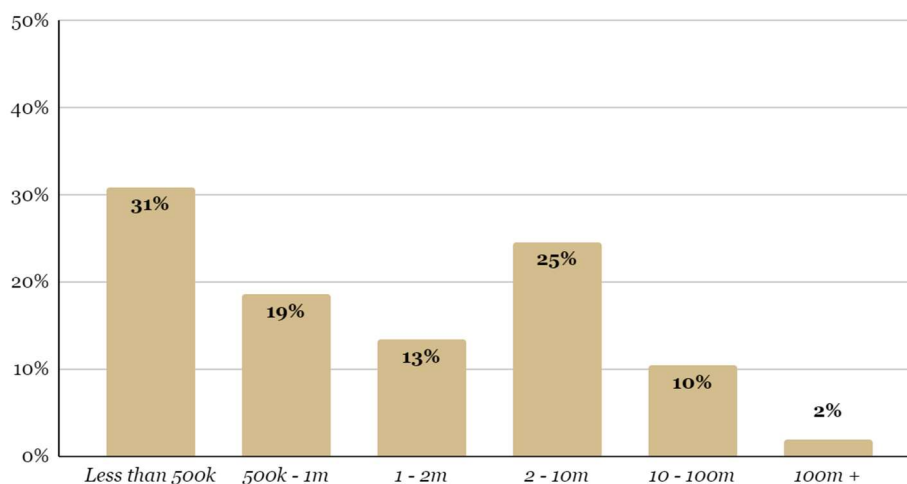
Ends

24 Appendix 1 - Descriptive statistics summary

How many people are employed in your business (number of employees)?

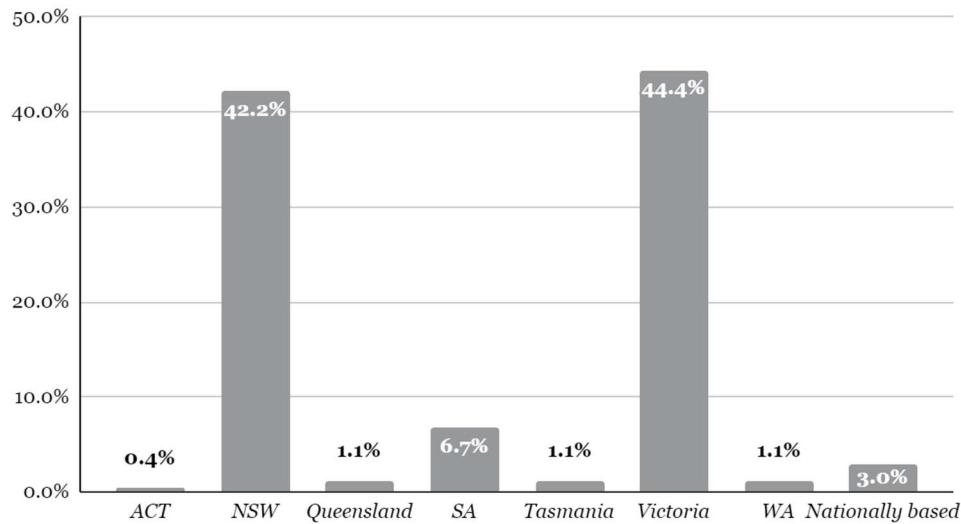


What was your business turnover (in AUD) from all sources last financial year?



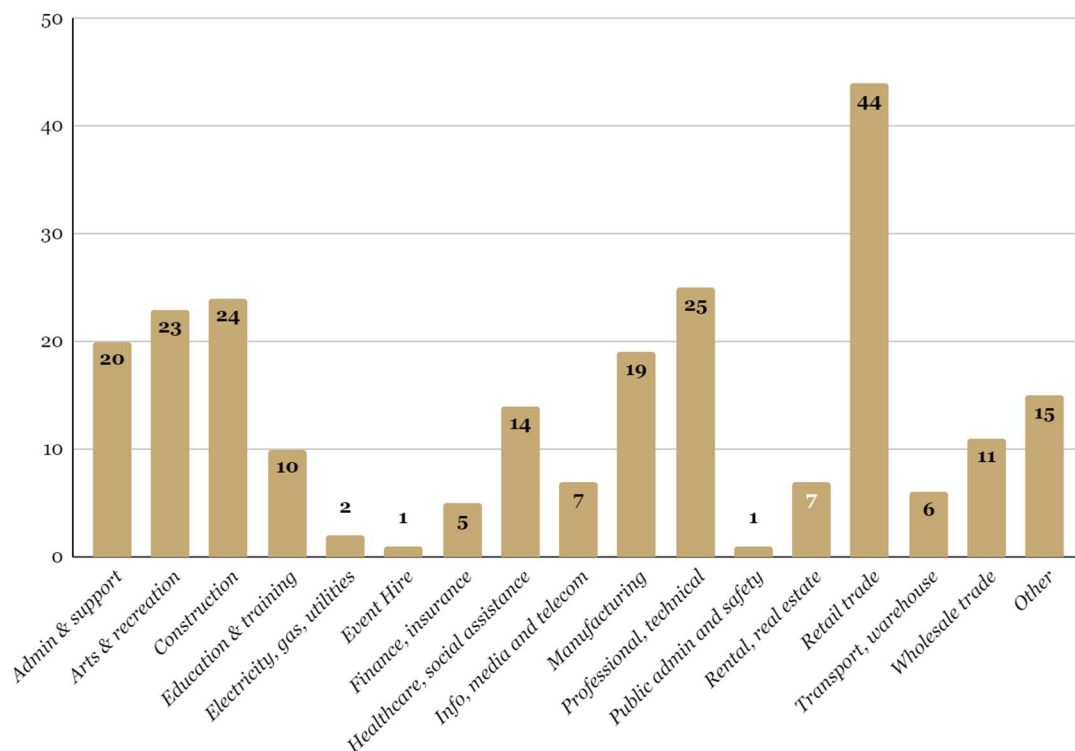
The majority of the respondents were micro businesses (35%) and small businesses (32%) followed closely by medium businesses (24%) with a small number of large businesses (2%) also participating.

In which state is your business based?



The survey was sent to all states and territories with some businesses nominating they operated at a national level. The vast majority were from NSW and Victoria, the two states most affected by lock-downs, and this should be taken into account when evaluating the results.

In which Industry does your business mostly operate?



25 Appendix 2 - Interviewees and Firm Characteristics

Interviewee (Characteristics) and Firm (Industry and Size)

<i>Code</i>	<i>State</i>	<i>Role</i>	<i>Background of the company</i>	<i>Firm Size</i>	<i>Date & duration of the interview</i>
<i>SnrMgr1</i>	<i>QLD</i>	<i>Artistic Director and CEO</i>	<i>Performing arts</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr2</i>	<i>QLD</i>	<i>GM</i>	<i>Network monitoring & software</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr3</i>	<i>QLD</i>	<i>CEO</i>	<i>Premium priced online skin care cosmetics</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr4</i>	<i>QLD</i>	<i>CEO</i>	<i>Big data storage, mining and monitoring</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr5</i>	<i>TAS</i>	<i>Founder</i>	<i>Premium priced online health care products</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr6</i>	<i>NSW</i>	<i>Business partner</i>	<i>Online game developer</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr7</i>	<i>SA</i>	<i>CEO</i>	<i>Private clinical biotech research trials</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr8</i>	<i>ACT</i>	<i>MD</i>	<i>Engineering, manufacturing and logistics company</i>	<i>SME</i>	<i>60 mins August, 2020</i>
<i>SnrMgr9</i>	<i>Tas</i>	<i>Director</i>	<i>Premium priced fresh seafood</i>	<i>SME</i>	<i>60 mins September, 2020</i>
<i>SnrMgr10</i>	<i>NT</i>	<i>CEO</i>	<i>Independent vocational education provider</i>	<i>SME</i>	<i>60 mins September, 2020</i>
<i>SnrMgr11</i>		<i>Co-Founder and CEO</i>	<i>Data analytics and retail marketing</i>		<i>60 mins September, 2020</i>

	NSW			SME	
SnrMgr12	CBR	Director – Policy and Research	Independent vocational education industry body	SME	70 mins September, 2020
SnrMgr13	NSW	CEO	Industrial bio-technology	SME	60 mins September, 2020
SnrMgr14	WA	MD	Premium priced fresh seafood	SME	60 mins September, 2020
SnrMgr15	ACT	CEO	Website development and security	SME	60 mins September, 2020
SnrMgr16	VIC	CEO	NFP aid and business solutions	SME	60 mins September, 2020
SnrMgr17	Qld	MD	Global architectural and design	SME	60 mins October, 2020
SnrMgr18	TAS	CEO	Manufacturer of protection equipment	SME	60 mins October, 2020
SnrMgr19	SA	CEO	Manufacture of electronic converters	SME	60 mins October, 2020
SnrMgr20	NSW	CEO	Personal hygiene products	SME	60 mins October, 2020
SnrMgr21	QLD	MD	High-end health foods	SME	60 mins October, 2020

26 Appendix 3 - Data Methodology

SURVEY

Spreadsheet adjustments

Recoded data questions to replicate the survey guide sheet (originally informed by interview protocol)

DQ1-DQ4 = Descriptive statistics questions

DQ3T = Descriptive Question 3, Text Response (e.g. a respondent selects 'other' and writes text)

Q1 - Q20 In the data sheet (originally informed by interview protocol)

Q1A,Q1B,Q1C - Indicates a question has 3 components i.e.:

To what extent has COVID-19 impacted your business in terms of customers, suppliers and inventory?

Q1A = Customers

Q1B = Suppliers

Q1C = Inventory

Q6, Q6A = This question has a sub question.

This format is reflected throughout the data spreadsheet.

Data Recoding

A search was conducted to align the industry classifications with those displayed on the ABS website (ABS industry classifications + query) (August 2020)

Category : Agriculture, Forestry & Fishing Services was not included in the data in keeping with current ACCI related COVID-19 projects. Would recommend adding it in for future surveys.

Removed values where there was no data. Important to note that the survey was 'unlocked' so respondents could open and consider without submitting values and exit, yet register as a response.

Removed responses where users did not complete survey

Total Responses N = 269

A number of respondents selected 'other' for their industry. Consulted ABS website for definition.

These were recoded as follows, according to the nearest ABS 'match'.

Recoded : Hairdressing / Hair and Beauty into retail/trade (n=6)

Recoded : Community Services to Healthcare, social assistance (n=1)

Recoded : Entertainment to Arts & Recreation (n=1)

Recoded : Equipment / Party Rental to Arts & Recreation (n=1)

Recoded : Event Hire to Arts & Recreation (n=1)

Recoded : Food broker to Wholesale trade (n=1)

Recoded : Outdoor Education to Education & Training (n=1)

Recoded : Personal services to Admin & Support (n=2)

Recoded : agriculture/tourism to Accommodation & Food (n=1)

Recoded : First aid to Healthcare, social assistance (n=1)

Recoded : Home Services to Healthcare, social assistance (n=1)

Recoded : Waste Management to Electricity, gas, utilities

Recoded : Veterinary to Professional, Technical (n=1)

Recoded : Recruitment to Admin & Support (n=1)

Recoded : Tourism, Travel, Travel Agency, Travel Agency Services, Travel Agent, Travel Industry to Admin & Support, guided fishing tours and bushcamps (n=11)

Recoded : Cleaning to Admin & Support (n=2)

Recoded : Health & Fitness to Arts & Recreation (n=3)

Recoded : Massage to Healthcare, social assistance (n=1)

Recoded : Security, Cleaning and Building Facilities Management to Admin & Support (n=1)

Recoded : Online Retail to Retail trade (n=1)

Recoded : Horse Racing to Arts & Recreation (n=1)

Recoded : Irrigation supply and install to Construction (n=1)

Recoded : Hire Industry and Hiring equipment to Rental, real estate (n=1)

Recoded : Drinking Water service and supplies to Retail trade (n=1)

QUALITATIVE INTERVIEWS

A total of 21 open-ended in-depth interviews (primary data) were conducted with senior managers of Australian based businesses using an interview protocol. The protocol was based on a range of COVID-19 related factors drawn from academic articles, industry and business-related reports, popular press and social media (secondary data). A panel of senior business academics and senior economists refined the set of questions that were then ‘tested’ with eight initial pilot interviews in Phase 1 of the qualitative data collection process. The analysis of the interviews was discussed with the panel to elucidate themes and categories emerging from the data in order to corroborate the findings and to refine the interview protocol. Further corroboration by the panel led to the development of the Survey Spreadsheet.

In Phase 2, interviews were conducted with a further 13 interviewees. Both the Phase 1 and Phase 2 interview data were collated for the qualitative data analysis. Interviews were on average 60 minutes.

Interviewees were sourced from the ACCI data base and included Australian businesses of all sizes, industries and states.

Interviewees were initially contacted by email, provided with a protocol and explanation of the project and invited to respond to the invitation and to consent to being interviewed at a convenient time. At all times this was a voluntary decision by the senior managers. All interviews were conducted over the telephone or zoom.

Analysis of the interview transcripts was conducted using an abductive approach, with researchers moving back and forth between the transcripts (coded to de-identify interviewees) and the survey data to provide further contextual understanding. In

addition, refinement of interpretation and theme development of the qualitative data was achieved by moving back and forth between the primary and secondary data.

Finally, in compliance with Australian University Ethical Standards interviewees were assured of their anonymity and thus company names and interviewees were coded immediately following the interview.

27 Appendix 4 - Q10 The extent industry has changed since the beginning of COVID19; individual qualitative responses to the survey

BUSINESS SIZE	TURNOVER	INDUSTRY	STATE	CHANGE IN INDUSTRY	QUALITATIVE RESPONSES
Small	500k - 1m	Accommodation and food	NSW	A moderate amount	<i>Limitations on customers numbers.</i>
Small	500k - 1m	Accommodation and food	NSW	A great deal	<i>Increased costs in ensuring the safety of staff</i>
Micro	500k - 1m	Accommodation and food	Victoria	A great deal	<i>Decisions made to ensure my business will survive with the lock-downs. Its killing us!!!!</i>
Micro	500k - 1m	Accommodation and food	Victoria	A great deal	<i>still closed by order of the Victorian Government</i>
Medium	2 - 10m	Accommodation and food	Victoria	A great deal	<i>Shutdown completely by Government</i>
Medium	1 - 2m	Accommodation and food	Victoria	A great deal	<i>Industry has shut down. No accom at all.</i>
Medium	2 - 10m	Accommodation and food	Victoria	A great deal	<i>restrictions have meant no business</i>
Micro	Less than 500k	Admin & support	NSW	A moderate amount	<i>Working Hours reduction</i>
Micro	Less than 500k	Admin & support	NSW	A great deal	<i>Changes in operational procedures to comply with health regulations</i>
Micro	2 - 10m	Admin & support	NSW	A great deal	<i>All Travel Cancelled</i>
Micro	Less than 500k	Admin & support	Victoria	A lot	<i>Assisting clients with JobKeeper, etc</i>

Micro	Less than 500k	Admin & support	Victoria	A great deal	<i>Unable to operate</i>
Small	500k - 1m	Admin & support	Victoria	A little	<i>more illegal practices/cash money/false advertising</i>
Small	2 - 10m	Admin & support	Victoria	A great deal	<i>travel bans and lock-down</i>
Small	2 - 10m	Admin & support	Victoria	A great deal	<i>With borders closed nothing to sell</i>
Small	2 - 10m	Admin & support	Victoria	A great deal	<i>Everything!</i>
Micro	Less than 500k	admin & support	WA	A moderate amount	<i>Unable to take bookings for 2021 - Not prepared to risk 2022</i>
Micro	Less than 500k	Arts & recreation	NSW	A great deal	<i>Overhead in staffing increased x3</i>
Micro	Less than 500k	Arts & recreation	Victoria	A great deal	<i>Industry shut down from COVID Restrictions</i>
Small	Less than 500k	Arts & recreation	Victoria	A great deal	<i>we are not allowed to open</i>
Small	1 - 2m	Construction	NSW	A lot	<i>All positively</i>
Medium	10 - 100m	Construction	SA	A lot	<i>Movement within Australia</i>
Micro	Less than 500k	Construction	Victoria	A little	<i>s an employer I have been doing less hands on work myself making sure there is enough work for employees.</i>
Micro	Less than 500k	Construction	Victoria	A lot	<i>Can't do on site jobs</i>
Micro	500k - 1m	Construction	Victoria	A lot	<i>restricted work hours and places</i>
Medium	2 - 10m	Education & training	Victoria	A lot	<i>Funding changes</i>
Medium	2 - 10m	Education & training	Victoria	A great deal	<i>travel restrictions</i>
Medium	2 - 10m	Education & training	Victoria	A great deal	<i>We are banned from operating by Government - we cannot earn a single dollar!</i>
Micro	Less than 500k	Finance, insurance	NSW	A great deal	<i>Regulation has sadly increased and made business more difficult then add that our commission revenue was stolen off us we are about to fold</i>
Medium	2 - 10m	Manufacturing	Victoria	A moderate amount	<i>Customers delaying purchases</i>

Medium	10 - 100m	Other (please specify)	NSW	A moderate amount	<i>income stream</i>
Large	10 - 100m	Professional, technical	NSW	A lot	<i>Fee structures</i>
Small	2 - 10m	Professional, technical	NSW	A little	<i>BORDER CLOSURE</i>
Medium	2 - 10m	Professional, technical	Victoria	A great deal	<i>Completely closed since mid-March</i>
Micro	2 - 10m	Rental, real estate	NSW	A lot	<i>Drop in demand and \$ Value for product</i>
Micro	Less than 500k	Rental, real estate	NSW	A great deal	<i>I'm a relocation agent. As migration has fallen so much, there is now very little work</i>
Micro	Less than 500k	Retail trade	NSW	A little	<i>Difficulty getting hold of materials</i>
Micro	Less than 500k	Retail trade	NSW	A lot	<i>Inability to sell face to face</i>
Small	2 - 10m	Retail trade	NSW	A moderate amount	<i>freight</i>
Micro	Less than 500k	Retail trade	Victoria	A great deal	<i>E-commerce becomes a must have than optional before the pandemic</i>
Micro	Less than 500k	Retail trade	Victoria	A lot	<i>4sqm rule has affected our business by 50%</i>
Micro	Less than 500k	Retail trade	Victoria	A great deal	<i>Can't let new customers in. Can't get supplies can't put new staff on.. can't train staff.. can't work properly</i>
Medium	2 - 10m	Retail trade	Victoria	A lot	<i>Complete closure of stores</i>
Medium	10 - 100m	Retail trade	Victoria	A little	<i>Customer Growth & Spend</i>
Small	2 - 10m	Retail trade	Victoria	A great deal	<i>Closed Borders</i>
Micro	Less than 500k	Wholesale trade	NSW	A lot	<i>My business (2 years old) brokers deals between food manufacturers and retailers, petrol and convenience, QSR's and other food service companies.... all except retail have seen a dramatic slowdown and definite shutdown of any new products or innovation of product until there is more certainty in the market</i>
Small	2 - 10m	Wholesale trade	NSW	A lot	<i>Increase in sales and demand</i>

28 Appendix 5 - Q11 The extent that the COVID-19 crisis has accelerated business integration into the E-Commerce space; individual qualitative responses to the survey.

BUSINESS SIZE	TURNOVER	INDUSTRY	STATE	Q11	QUALITATIVE RESPONSES
1 - 4 Micro	Less than 500k	Retail trade	NSW	Probably yes	<i>Custom made, handmade, Australian Made</i>
20 - 199 Medium	2 - 10m	Healthcare, social assistance	NSW	Probably yes	<i>Telehealth</i>
5- 19 Small	500k - 1m	Retail trade	SA	Probably yes	<i>Web and Social Media</i>
5- 19 Small	500k - 1m	Education & training	VIC	Probably yes	<i>On-line training delivery</i>
5- 19 Small	Less than 500k	Education & training	VIC	Probably yes	<i>On-line classes</i>
5- 19 Small	Less than 500k	Arts & recreation	VIC	Definitely yes	<i>Arts</i>

29 About the Australian Chamber

The Australian Chamber represents hundreds of thousands of businesses in every state and territory and across all industries. Ranging from small and medium enterprises to the largest companies, our network employs millions of people.

The Australian Chamber strives to make Australia the best place in the world to do business – so that Australians have the jobs, living standards and opportunities to which they aspire.

We seek to create an environment in which businesspeople, employees and independent contractors can achieve their potential as part of a dynamic private sector. We encourage entrepreneurship and innovation to achieve prosperity, economic growth and jobs.

We focus on issues that impact on business, including economics, trade, workplace relations, work health and safety, and employment, education and training.

We advocate for Australian business in public debate and to policy decision-makers, including ministers, shadow ministers, other members of parliament, ministerial policy advisors, public servants, regulators and other national agencies. We represent Australian business in international forums.

We represent the broad interests of the private sector rather than individual clients or a narrow sectional interest.

ACCI: WORKING FOR BUSINESS.

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