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# MANSFIELD SHIRE BUSINESS RECOVERY PLAN

MANSFIELD SHIRE COUNCIL | SEPTEMBER 2020



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## AUTHORS

**Mike Ruzzene**, Director

**Agathy Patsouris**, Consultant

## FILE

Mansfield Shire Business Recovery Plan - September 2020

## VERSION

1

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L1 302-304 Barkly St, Brunswick VIC 3056  
+61 3 9482 3888 [urbanenterprise.com.au](http://urbanenterprise.com.au)

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# EXECUTIVE SUMMARY

## BACKGROUND

Mansfield Shire Council has engaged Urban Enterprise to prepare a Business Recovery Plan in response to the impacts of bushfires and the COVID-19 pandemic on the Shire's business base. The Plan aims to promote fast and sustainable recovery, as well as providing Council with a framework that will assist with preparation for future crises.

Key outcomes of the Plan include quantification of the impact of 2019/20 bushfires and the COVID-19 Pandemic on Mansfield Shire industry sectors and businesses, and identification of strategies and actions to aid with business recovery and resilience building.

The Recovery Plan has been prepared in close consultation with Council and the Business and Community Recovery Advisory Committee.

### Australian Bushfires: Summer 2019/20

The 2019/20 summer bushfire period was an unprecedented extreme, seeing over 17 million hectares burned across NSW, Victoria, Queensland, ACT, Western Australia and South Australia, the loss of 33 lives and 3,094 homes.

A state of disaster was declared by the Victorian government on January 3 2020, with 1.5 million hectares of land burnt. The greatest impacts occurred in East Gippsland and Wellington Shires and much of North East Victoria. Although Mansfield was not directly affected by bushfires, risk from nearby bushfires and classification within the broader North East region meant popular campsites were evacuated, holiday home owners returned to Melbourne and many bookings were cancelled. The loss in visitation drastically impacted the Shire's expected summer trade and began the devastation to the Shire's business community.

### COVID-19 in Australia: Impact and Response

The COVID-19 pandemic and summer bushfires have created a major downturn in Australia's economy, with a rising national unemployment rate of 7.5% in July and a forecast -8% drop in GDP in June 2020. Australian business confidence is low, with 29% of

surveyed businesses in June predicting they will not survive for more than 3 months with current cashflow.

Victoria accounts for approximately 22% of Australia's economic activity. The state is now experiencing an unemployment rate of 6.8%, which is forecast to rise to 11% by the September quarter. This is likely to increase further than forecast, as a result of the prolonged economic downturn. Recently imposed Stage 4: Stay Home restrictions across Metropolitan Melbourne are likely to weaken the economic outlook for Victoria.

In response to the impact of COVID-19 on businesses, the Federal and Victorian State Governments have provided a range of economic support programs and initiatives to assist businesses. Although a necessary support for most businesses, many of these programs are due to conclude across the September and December quarters.

### COVID-19 Impact on Mansfield Shire

At writing of the document Mansfield Shire Council is currently in the Second Step of re-opening (16 September 2020). This means for Mansfield residents and business owners, there are four reasons to leave home: shopping for food and supplies, medical care and caregiving, exercise and recreation and study and work (if unable to from home). Restaurants and cafes remain open for takeaway only. Accommodation businesses are closed and all recreation and cultural facilities remain closed. Retail is open subject to density and other restrictions, and private real estate inspections are permitted.

Tourism is a key economic driver for Mansfield Shire and the main visitor source markets are the locked down areas of Metropolitan Melbourne. The lack of access from these markets is likely to impact the Shire's economy further. Council has provided wide-ranging support to local businesses across the duration of the pandemic, and aims to continue to address business support needs through the preparation of this Recovery Plan and ongoing communication with businesses.

## Mansfield Economy 2019

<b>1,238 businesses</b>	<b>\$937 million output</b>	<b>3,235 jobs</b>
<b>980,000 visitors</b>	<b>\$404.8 million visitor expenditure</b>	

There were 1,238 businesses in Mansfield, in 2019, of which the majority can be considered small businesses, either self-employed (63%) or employing less than 20 people (35%). Furthermore, the majority of the Shire's businesses turnover less than \$200,000 per annum (62%).

The Shire produced \$937 million in output in 2019. The majority of output can be attributed mainly to Rental, Hiring and Real Estate Services (23%), Construction (14%), Agriculture, Forestry and Fishing (12%) and Accommodation and Food Services (7%). The Shire's economy is heavily reliant on tourism, with a significant proportion of the Rental, Hiring and Real Estate Services attributed to holiday home investment and new tree-change residents, as well as know impacts on frontline service sectors such as tourism, hospitality and retail sectors.

3,235 people were employed in Mansfield Shire in 2019, with the largest employing sectors being Retail Trade (14%), Education and Training (11%), Accommodation and Food Services (11%), Health Care and Social Assistance (10%) and Agriculture, Forestry and Fishing (10%).

The Shire's tourism industry is an important employment sector and contributor to the economy. In 2019, the Shire received 980,000 visitors, including both domestic and international travellers. These visitors contributed \$404.8 million to the economy in direct expenditure across the year. Yield from visitors to the Shire is significantly higher than similar neighbouring Shires such as Murrindindi, however low compared to other destinations in the North East due to the large number of low-yield habitual holiday home and camping visitors.

## Impact of COVID-19 on Mansfield Economy January-June 2020

<b>Potential loss of 28% businesses by November 2020</b>	<b>Loss of \$100 million in expected output</b>	<b>Loss of 263 jobs</b>
<b>Loss of 195,637 visitors (-47%)</b>	<b>Loss of \$78 million visitor spend (-51%)</b>	

The Mansfield Shire economy has experienced major economic losses in the first half of 2020 as a result of the summer bushfires and the ongoing impacts of the COVID-19 pandemic.

A loss of \$100 million in expected output for the Shire during the first two quarters of 2020 has been estimated, representing a 20% loss of the Shire's expected output over this period. Industry survey results show that businesses in Mansfield Shire across all sectors indicated an average revenue reduction of 20% during the March quarter and 35% during the June quarter.

263 jobs were lost in Mansfield Shire between December 2019 and June 2020, representing a 9% loss in total employment in the Shire. Jobs data shown below represents permanent loss of workers: There are many workers that have been stood down with the expectation that they will return to their jobs when restrictions ease.

It is likely that job losses will increase substantially as a result of prolonged economic downturn and gradual reduction of JobKeeper payments into early 2021.

Industry sectors most affected by the pandemic during the first half of 2020 include Rental, Hiring and Real Estate Services (-57% output and -9 jobs), Accommodation and Food Services (-45% output and -111 jobs) and Transport, Postal and Warehousing (-24% output and -27 jobs). These sectors will require the most support, as they are reliant heavily on tourism. Other sectors requiring significant support include Retail Trade and Construction.

The Shire's visitor economy experienced a loss of 195,637 visitors and a loss of \$78 million in direct visitor expenditure across the first two quarters of 2020. This is driven by a greater loss in the March quarter of 2020, with the summer bushfires heavily reducing the Shire's usual summer trade. It is likely that these impacts will be significantly higher in the September quarter, due to the Shire's reliance on the flow-on visitation and expenditure derived from the ski season.

## RECOVERY FRAMEWORK

This recovery plan aligns to current strategic research<sup>1</sup>, which supports the need to shift our focus from a 'post-COVID world to preparing for a 'with-COVID' world. The Plan focuses on business adaptation and strategies to build a resilient business community in the face of prolonged economic downturn and ongoing risks posed by future environmental crises.

Through the preparation of the Recovery Plan, two phases of recovery have emerged. These recovery phases respond to stages of business restriction due to COVID-19, and are less so aligned to timeframes due to the uncertainty surrounding the pandemic and restrictions in Victoria.

The phases are as follows:

1. Supporting Businesses through Restrictions (includes all stages of the National Cabinet's Recovery Plan);
2. Planning for the Future (beyond the National Cabinet's Recovery Plan).

### Overview of Recovery Phases, Objectives and Strategies

An overview of the business recovery phases and their overarching objectives are detailed below.

<b>Phase 1</b> <b>Supporting Businesses Through Restrictions</b>	<b>Phase 2</b> <b>Planning for the Future</b>
<b>Description</b>	
This phase is characterised by ongoing restrictions impacting business operation in regional Victoria and metropolitan Melbourne.	This phase responds to the relaxation of restrictions and moving towards a 'new normal' operating environment. Strategies from this phase may commence during phase 1 where relevant.
<b>Objective</b>	
<p><b>Objective 1. Minimise business and Job Loss.</b> Continued communication with businesses to understand their financial position will be important to providing them timely advice, support and directing them to appropriate Local, State and Federal Government programs.</p> <p><b>Objective 2. Assist businesses to alter operating conditions for a 'with-COVID' environment.</b> Assist as many businesses to adapt operating conditions, diversify their offerings and revenue streams, and build their resilience.</p>	<p><b>Objective 1. Support businesses to recover turnover and return to a growth economy.</b> Continue to support businesses to achieve an increase in jobs, output and business investment.</p> <p><b>Objective 2. Build a sustainable economy by supporting and growing a diverse range of sectors.</b> See growth in sustainable population-based sectors less reliant on tourism, such as education and training, healthcare and social assistance.</p> <p><b>Objective 3. Long-term strategic planning and investment in infrastructure.</b> Investment in infrastructure that will support growth in jobs and liveability outcomes.</p>

### Implementation Strategies

A range of strategies and actions have been identified to respond to the issues and opportunities facing each phase of recovery. A summary of these strategies have been provided below. For further detail regarding each of the actions and their implementation, see Section 5 of this Report.

<sup>1</sup> Deloitte, Economic scenarios for the COVID-19 recovery. Guiding strategic, financial and operational decisions, May 2020.

## Phase 1 Supporting Businesses Through Restrictions

Strategies	Overview of Actions
<p><b>Strategy 1.</b> Undertake regular communication with business to promote the support programs available</p>	<p>1.1 Use Business and Community Advisory Committee to provide local businesses with up to date information.                      1.2 Maintain information on business advisory and financial support programs available.                      1.3 Improve and maintain a quality business database.                      1.4 Continue the weekly newsletter to communicate general support available to businesses.                      1.5 Undertake a quarterly forum for Mansfield businesses</p>
<p><b>Strategy 2.</b> Provide sector-specific support to businesses</p>	<p>2.1 Provide a monthly sector-specific update to key industries.                      2.2 Encourage agricultural and food producer businesses to apply to the State Government's Agriculture Workforce Plan.</p>
<p><b>Strategy 3.</b> Undertake professional development initiatives to support business recovery preparation</p>	<p>3.1 Undertake a professional development event for business owners.                      3.2 Undertake professional development training workshops for business owners and managers in specific areas of expressed need.                      3.3 Establish a business coaching program to provide tailored guidance to businesses from qualified business coaches and mentors.</p>
<p><b>Strategy 4.</b> Encourage business to business connections in the local area</p>	<p>4.1 Online discussion forum platform to connect businesses with each other, share resources and collaborate                      4.2 Facilitate online industry sector focus groups to discuss opportunities for collaboration and support between businesses.                      4.3 Promote business sign-up to the Mansfield and District Business Association (MDBA).</p>
<p><b>Strategy 5.</b> Support businesses to diversify income streams and increase sales</p>	<p>5.1 Identify and assist business owners in utilising online opportunities.                      5.2 Advocate for businesses to join existing online stores and promotional platforms.                      5.3 Increase promotion of Buy From Mansfield online store.</p>
<p><b>Strategy 6.</b> Monitor business performance to support emerging needs</p>	<p>6.1 Continue to monitor the needs of hard hit industries.                      6.2 Establish a mode of ongoing communication with the MDBA.                      6.3 Undertake an update to the business impact survey at the end of 2020.</p>
<p><b>Strategy 7.</b> Assist businesses with changed operating conditions</p>	<p>7.1 Council to allow for outdoor dining to occur in public spaces in townships across Mansfield Shire.                      7.2 Grants to support business adaptation through outdoor dining, equipment and other necessary investments.                      7.3 Develop social distancing and business operation guidelines for each industry sector, based on each Stage of the State Government's Road Map to Reopening.</p>
<p><b>Strategy 8.</b> Promote social distancing behaviour to visitors and residents</p>	<p>8.1 Continue to promote social distancing to locals and visitors.                      8.2 Appoint a recovery officer to offer specialised support and advice to businesses.</p>
<p><b>Strategy 9.</b> Provide access to mental health support for business owners, operators and employees</p>	<p>9.1 Continue to promote existing mental health support programs.                      9.2 Online webinar program specific to business owners and employees health and wellbeing</p>
<p><b>Strategy 10.</b> Drive growth in visitation and yield through marketing, packaging and events</p>	<p>10.1 Develop a targeted online marketing campaign to drive awareness and interest.                      10.2 Work with Tourism North East to have Mansfield products and experiences included in social media and marketing campaigns.                      10.3 Collaborate with Mt Buller to run a series of COVID-appropriate activities and experiences during the 2020/21 summer season.                      10.4 Develop a targeted marketing campaign to encourage habitual visitors to return to the Shire.                      10.5 Prepare a 'COVID-safe' manual for operating events in Mansfield Shire.                      10.6 Coordinate an events calendar for events that can operate in a 'with-COVID' environment.                      10.7 Develop visitor experience packages across multiple businesses aligned to visitor types.                      10.8 Attract interested local producers and operators to develop a series of food and wine events that showcase local produce across the Shire.</p>
<p><b>Strategy 11.</b> Promote local employment opportunities</p>	<p>11.1 Continue to promote use of the North East Victoria Jobs Hub.</p>

## Phase 2 Planning for the Future

Strategies	Overview of Actions
<b>Strategy 12.</b> Prepare for future disasters	<b>12.1</b> Develop a Disaster Response Council Management Plan. <b>12.2</b> Assist businesses to prepare Business Continuity Plans.
<b>Strategy 13.</b> Drive economic growth through resident attraction and resident liveability initiatives	<b>13.1</b> Undertake and implement township improvement plans. <b>13.2</b> Investigate opportunities for co-working spaces. <b>13.3</b> Undertake further promotion of the Shire as a lifestyle destination for new residents.
<b>Strategy 14.</b> Build the sustainability of the Shire’s tourism industry	<b>14.1</b> Prepare a Tourism Development Strategy for the Shire. <b>14.2</b> Support development of new events and festivals.
<b>Strategy 15.</b> Attract investment in public and private sector development opportunities to support new jobs	<b>15.1</b> Establish a priority investment project pipeline. <b>15.2</b> Continue to work with public land managers to advance priority projects. <b>15.3</b> Identify opportunities for in private sector investment. <b>15.4</b> Prepare a prospectus for key projects that require private sector investment.
<b>Strategy 16.</b> Ensure planning framework supports investment opportunities identified	<b>16.1</b> Undertake planning scheme amendment process for sites recommended for rezoning.

# 1. INTRODUCTION

## 1.1. BACKGROUND

Mansfield Shire Council has engaged Urban Enterprise to prepare a Business Recovery Plan to quantify the impacts of bushfires and the COVID-19 pandemic and identify actions to aid with business recovery and resilience building.

The project aims to understand and articulate the impact of 2019/20 bushfires and the COVID-19 Pandemic on Mansfield Shire industry sectors and businesses. The Recovery Plan has been prepared in close consultation with Council and the Business and Community Recovery Advisory Committee.

The Plan aims to promote fast and sustainable recovery from the effects of the summer bushfires and the ongoing effects of the COVID-19 Pandemic, as well as providing Council with a framework that will assist with preparation for future crises.

## 1.2. PROCESS

The following process was undertaken to inform the preparation of the Business Recovery Plan.

### Business and Community Advisory Committee

Mansfield Shire Council has set up an independent advisory committee, the 'Business and Community Recovery Advisory Committee (the Committee). The purpose of the Committee is to:

- Assist in the design and delivery of a Mansfield Shire Council Business and Community Recovery Plan;
- Provide regular industry advice to Council for the informed relief assistance and recovery activities of MSC businesses; and
- Assist Council to effectively communicate its recovery activities to the business community.

The Committee has been an important source of information for the preparation of the Business Recovery Plan.

### Primary Research

A survey of Mansfield Shire businesses was undertaken by Urban Enterprise in June 2020, utilising the Monitor CRMS platform to distribute the survey to all businesses registered in Mansfield Shire. The survey provided an important input into the Recovery Plan, in terms of understanding impacts on individual businesses, industry sectors, providing localised economic impact information, and enabling modelling of the bushfire and COVID-19 economic impact on the Shire's economy. This survey results are detailed in Section 4 of the report.

Focus groups were also undertaken with businesses in key industry sectors to obtain detailed anecdotal evidence regarding the challenges facing industry and opportunities along the road to recovery. Representation was received from approximately 20 business owners and operators across a wide range of industry sectors including tourism and hospitality, education, healthcare, agriculture, professional services, construction and manufacturing.

### Secondary Research

Secondary research was undertaken to inform the Recovery Plan, including:

- Economic outlook for Australia and Victoria, using Reserve Bank of Australia, Department of Treasury and Finance Victoria, and Australian Bureau of Statistics (ABS) data;
- A summary of state and federal government support initiatives was compiled to understand the support currently available for businesses. This can be found in Appendix A; and
- Analysis of expert research, publications and best practice from other Council areas.

### 1.3. SUMMER 2019/20 AUSTRALIAN BUSHFIRES

The 2019/20 summer bushfire period was an unprecedented extreme event for Australia, seeing over 17 million hectares burned across NSW, Victoria, Queensland, ACT, Western Australia and South Australia, the loss of 33 lives and 3,094 homes. A state of disaster was declared by the Victorian government on January 3 2020.

In Victoria alone, 1.5 million hectares of land was burnt, with the greatest impacts occurring in East Gippsland and Wellington Shires. The bushfires affected much of North East Victoria, in particular eastern parts of Mansfield Shire and the municipalities of Towong, Alpine and Wangaratta. Although Mansfield was not directly affected by bushfires, the Shire was classified within the 'North East' region, was affected by significant smoke haze and was under a bushfire warning from Emergency Victoria.

Risk from nearby bushfires meant popular campsites were evacuated, holiday home owners returned to Melbourne and many bookings were cancelled. The loss in visitation drastically impacted the Shire's expected summer trade and began the devastation to the Shire's business community. Tourism Research Australia reported a 49% loss in visitation in Mansfield Shire and 58% decrease in visitor expenditure during the March Quarter, driven heavily by lost visitation over the summer period due to bushfires.

A range of support and relief schemes were put in place by the State and Federal Governments. The impacts of climate change will amplify the bushfire seasons in years to come and the Shire's businesses need to build resilience with the support of Council bushfire planning.

### 1.4. COVID-19 IN AUSTRALIA

The Coronavirus (COVID-19) pandemic has seen over 11 million cases and over 500,000 deaths across the globe. With the outbreak beginning in Australia in late January 2020, COVID-19 has had a devastating economic and social impact on Australia as a result of restrictions on business operation, closure of international borders to tourists and migrants, and restrictions on inter and intra state travel.

Victoria has seen stricter Coronavirus measures than other states due to ongoing outbreaks. Due to significant community transmission occurring in Victoria in recent weeks, Stage 4 restrictions have been implemented for Metropolitan Melbourne, and reverted to Stage 3 'Stay Home' restrictions for Regional Victoria.

For the purposes of this report, the following definitions have been used to describe the stages of Victorian Government restrictions. These are aligned to current State Government terminology as at 20 August 2020.

- **Stage 4: Stay Home** – There are only four reasons to leave home, as detailed below in Stage 3 Restrictions. Additional restrictions include a curfew in place between 8pm and 5am, face masks are mandatory when leaving the home, a person must not travel more than 5km from their house for exercise and food supplies, exercise and recreation is limited to one hour per day and a number of other restrictions. Severe fines are applicable:
- **Stage 3: Stay Home** – There are only four reasons to leave home: shopping for food and supplies, medical care and caregiving, exercise and recreation and study and work (if unable to from home). Closure of beauty and personal care services, cultural and entertainment venues and community facilities. Cafes and restaurants are take-away and delivery only.
- **Stage 2: Stay Safe** – There are five reasons to leave home: shopping for food and supplies, medical care and caregiving, exercise and recreation, study and work (if unable to from home) and visiting friends and relatives (allowance for up to 5 visitors in the home in addition to household members). Restaurants and cafes resume dine-in service for up to 20 people per space. Licensed venues can serve alcohol without food with table service. Accommodation businesses can reopen, ensuring they adhere to density restrictions, do not host multiple groups in the same rooms, and allow group bookings to a maximum of 20 people.

As at 20 August 2020, Mansfield Shire is in Stage 3: Stay Home restrictions, along with the rest of regional Victoria. This includes mandatory wearing of face masks when leaving the home. Metropolitan Melbourne is in Stage 4: Stay Home restrictions. Businesses across Victoria are suffering and many now predict they will not last through the pandemic as a result of a second round of Stage 3 lockdowns and further Stage 4 lockdowns.

## COVID-19 TIMELINE

The following timeline shows the unfolding of events in Australia. The Federal response is shown on the left side of the timeline and the Victorian response and restrictions are shown on the righthand side.

### F1. TIMELINE OF COVID-19 RESTRICTIONS

Australia		Victoria
Australia confirms its first 4 cases	Jan 25	
Australian Government announces first round of business financial assistance - \$17.6 billion	Mar 12	
Gatherings of more than 500 people banned.	Mar 13	All major events cancelled.
Non-essential indoor gatherings of more than 100 people banned.	Mar 18	All smaller events cancelled.
Australia announces its borders will close to all but citizens and residents.	Mar 19	No international visitors.
Australian Government announces second round of business financial assistance - \$66 billion Australians banned from travelling overseas. NT, Queensland, WA and SA enforce border controls.	Mar 22 - Mar 29	Stage 3 Stay Home restrictions enforced. Shutdown of non-essential services from Mar 22 onwards. Victorian Premier brings forward school holidays to March 24. Most indoor and outdoor gatherings limited to two people.
ATO commences JobKeeper payment	30 Mar	
States impose their own social distancing restrictions and penalties. JobKeeper announced.	Mar 31	Social distancing restrictions enforced.
Free Childcare for working parents	Apr 2	
Release of COVIDSafe contact tracing app	Apr 26	
National Cabinet releases 3 Step Plan for easing restrictions "Roadmap to a COVIDSafe Australia".	May 08	
	May 13	Relaxing of restrictions to allow travel for day trips only and food businesses to remain takeaway.
	May 22 - June 9	Gradual return to schools for students and teachers.
	June 1	Cafes, restaurants and pubs for dine-in meals for up to 20 customers at a time per enclosed space.
	July 8	Stage 3 'Stay at Home' lockdown directions enforced for Metropolitan Melbourne and Mitchell Shire.
	Aug 5	Stage 4: 'Stay at Home' lockdown directions enforced for Metropolitan Melbourne and Stage 3 'Stay at Home' lockdown directions enforced for Regional Victoria. Face masks now mandatory.
	Sep 6	Victorian Government Road Map to Reopening is announced.
	Sep 16	Regional Victoria reaches "trigger point" and moves to Step 3 of reopening.

## 2. COVID-19 IMPACT AND RESPONSE

### 2.1. INTRODUCTION

This section provides an overview of the COVID-19 pandemic impact on the Australian and Victorian economies, and an overview of Federal, State and Local government responses to the pandemic.

### 2.2. KEY FINDINGS

The COVID-19 pandemic and summer bushfires have created a major downturn in Australia's economy, with a rising national unemployment rate of 7.5% in July and a forecast -8% drop in GDP in June 2020. Australian business confidence is low, with 29% of surveyed businesses in June predicting they will not survive for more than 3 months with current cashflow.

Victoria accounts for approximately 22% of Australia's economic activity. The State is now experiencing an unemployment rate of 6.8%, which is forecast to rise to 11% by the September quarter. This is likely to increase further than forecast, as a result of the prolonged economic downturn. Recently imposed Stage 4: Stay Home restrictions across Metropolitan Melbourne are likely to weaken the economic outlook for Victoria.

In response to the impact of COVID-19 on businesses, the Federal and Victorian State Governments have provided a range of economic support programs and initiatives to assist businesses. Although a necessary support for most businesses, many of these programs are due to conclude across the September and December quarters.

At writing of the document Mansfield Shire Council is currently in the Second Step of re-opening (16 September 2020). This means for Mansfield residents and business owners, there are four reasons to leave home: shopping for food and supplies, medical care and caregiving, exercise and recreation and study and work (if unable to from home). Restaurants and cafes remain open for takeaway only. Accommodation businesses are closed and all recreation and cultural facilities remain closed. Retail is open subject to density and other restrictions, and private real estate inspections are permitted.

Tourism is a key economic driver for Mansfield Shire and the main visitor source markets are the locked down areas of Metropolitan Melbourne. The lack of access from these markets is likely to impact the Shire's economy further. Council has provided wide-ranging support to local businesses across the duration of the pandemic, and aims to continue to address business support needs through the preparation of this Recovery Plan and ongoing communication with businesses.

## 2.3. COVID-19 IN AUSTRALIA

### 2.3.1. IMPACT OF COVID-19 ON AUSTRALIAN ECONOMY

The Australian unemployment rate has reached 7.5% in July 2020, with a loss of 282,000 full time jobs and 131,700 part time jobs across the nation. The extended JobKeeper program continues to mask the actual impact of the economic downturn caused by the COVID-19 pandemic.

The Reserve Bank of Australia forecast significant economic drop for the Australian Economy under the May 2020 baseline COVID-19 impact scenario. This scenario assumes restrictions remaining for the June quarter and slowly relaxing by September to allow for greater domestic travel.

The following losses have been forecast for the Australian economy in the June 2020 quarter, as compared to the December 2019 Quarter:

- GDP reduction of 8%;
- Unemployment rate increasing by 0.7% to reach 7.1% in May (whilst JobKeeper continues to mask actual impact);
- Drop in gross national expenditure by 9%;
- Import and export losses (-14% and -10% respectively);
- Reduction in dwelling investment (-17%);
- Reduction in household expenditure (-15%) due to social distancing restrictions and reduced consumer confidence
- Headline inflation expected to be negative in the June quarter largely as a result of lower fuel prices and free child care

### 2.3.2. POTENTIAL IMPACT ON AUSTRALIAN BUSINESSES

The ABS undertook a survey of 1,431 Australian businesses in June 2020, to understand the current and projected impacts of COVID-19 on their business<sup>2</sup>.

Most businesses reported operating under modified conditions (73%), whilst a smaller amount reported operating under normal condition (24%). The main business sectors able to operate under normal conditions were the Construction industry and Rental, Hiring and Real Estate Services.

Businesses reported significant decreases in revenue compared to the same time last year with 66% of businesses reporting a decrease in revenue, 22% of businesses reported their revenue stayed the same, and only 8% of businesses said their revenue increased. Business sectors most affected by the

pandemic included Arts and Recreation Services, Accommodation and Food Services,

Business sentiment on the outlook of their business was also measured, with 29% of businesses indicating they would not survive more than 3 months with their currently available cash, and 19% indicated they would only survive between 3 and 6 months. It is important to note that this survey was undertaken in Australia as business restrictions were being relaxed for many states, and prior to the reintroduction of Stage 3 and subsequently Stage 4 lockdowns for Metropolitan Melbourne. It is likely that in Victoria, current business sentiment as at August 2020 would show a much more dismal outlook for the future of Victoria's business community.

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<sup>2</sup> ABS, Business Indicators, Business Impacts of COVID-19, June 2020.

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/5676.0.55.003Main+Features1June%202020?OpenDocument>

### 2.3.3. FEDERAL GOVERNMENT PLAN FOR RECOVERY

In response to the COVID-19 pandemic, the Federal Government established and mobilised the National Cabinet, an intergovernmental decision-making forum composed of the Prime Minister and the premiers and chief ministers of the states and territories.

The National Cabinet has established a 3 Stage Plan to coordinate the national response to the COVID-19 pandemic in Australia. This includes the following three steps:

- Step 1 will focus on carefully reopening the economy, and giving Australians opportunities to return to work and social activities, including gatherings of up to 10 people, up to 5 visitors in the family home and some local and regional travel.
- Step 2 builds on this with gatherings of up to 20, and more businesses reopening, including gyms, beauty services and entertainment venues like galleries and cinemas.
- Step 3 will see a transition to COVID-Safe ways of living and working, with gatherings of up to 100 people permitted. Arrangements under step 3 will be the 'new normal' while the virus remains a threat. International travel and mass gatherings over 100 people will remain restricted.

### 2.4. IMPACT OF COVID-19 ON VICTORIAN ECONOMY

As a result of business restrictions and some forced industry closures, Victoria is experiencing an unemployment rate of 6.8% in July 2020<sup>3</sup>, a mid-point between Queensland (8.8%) and Australian Capital Territory (4.6%).<sup>1</sup> This is likely to increase significantly as a result of prolonged economic downturn and the gradual reduction in JobKeeper payments into 2021.

The Department of Treasury and Finance Victoria has estimated significant losses to the Victorian economy for the June and September quarters<sup>4</sup>. The modelling assumes a scenario whereby a 6 month duration of Stage 3 restrictions occurs between April and September. This is well-aligned to the probable outcome for Victoria, due to the re-enforcing of Stage 3 lockdown for Metropolitan Melbourne and Mitchell Shire as of 8 July 2020.

Under this scenario, the Department of Treasury and Finance Victoria has estimated the following impacts on the Victorian economy:

- Victoria's unemployment rate could rise to 11%, and job losses could peak at around 270,000 in the September quarter;
- The participation rate could decline by around 2%, from 66.4% to 64.5%, consistent with previous periods of high unemployment;
- Real gross state product (GSP) is estimated to be about 14% lower in the June and September quarters relative to forecasts underlying those in the 2019-20 Budget Update; and
- Property prices could decline by about 9% from March to December 2020.

DTF Victoria have indicated " *the road to recovery will be longer than first expected, with the magnitude of the downturn meaning that Victoria would likely record negative economic growth in both 2019-20 and 2020-21<sup>5</sup>* ".

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<sup>3</sup> ABS Labour Force, July 2020.

*Notes: The unemployment rate figures are impacted by the Jobkeeper and JobSeeker payments. The JobKeeper payment funds employers to retain staff, even if the staff are not currently working for the employer. People paid through the JobKeeper scheme are classified as employed. The JobSeeker payment funds people that are not employed. For people receiving the JobSeeker payment, only those that have 'actively' looked for work in the past month are classified as unemployed in the unemployment rate estimate.*

*We used seasonally adjusted employment and unemployment rates. Ten-year averages are the annual average growth rate from the latest value to ten years prior, except the unemployment rate which is the average of each period over the previous ten years.*

<sup>4</sup> Department of Treasury and Finance, Coronavirus Economic Outlook, 24 April 2020.

<sup>5</sup> <sup>5</sup> Department of Treasury and Finance, Coronavirus Economic Outlook, 24 April 2020.

## 2.5. VICTORIAN RESTRICTIONS

Victoria remains in a State of Emergency, as extended by the Victorian Health Minister to 11.59pm 13 September 2020. This will allow the State Government to reintroduce stricter lockdown measures if deemed necessary.

Stricter lockdown measures have been enforced in Metropolitan Melbourne, with Stage 4: Stay Home restrictions introduced. The main source market for visitors to Mansfield Shire is Melbourne, therefore the restrictions are likely to impact heavily on the Shire's economy which is reliant on tourism.

The State Government recently announced their Roadmap to Reopening strategy, detailing the steps to reopening Victoria's Economy. Current restrictions applying to businesses in Mansfield Shire as at 17 September 2020, based on the Second Step reopening directions that came into force at 11:59pm on 16 September 2020<sup>6</sup>, include:

- Face coverings must be worn whenever leaving the home;
- Continued directive to work and study from home if possible;
- Restaurants, bars and cafes are closed but able to provide take away options.
- Retail is open with density and other restrictions.
- Accommodation providers cannot operate.
- Real estate open for private inspections and auctions online only,
- Indoor sports centres and venues, indoor physical recreation (for example, gyms, health clubs, class fitness studios) are closed.
- Cultural venues such as cinema complexes and movie theatres, concert venues and theatres, outdoor amusement parks, zoos and outdoor arcades are closed .
- Weddings are restricted to a maximum of five people (the couple, two witnesses and the celebrant) and funerals will be restricted to 10 mourners in addition to the people required to conduct the funeral. You can travel to attend a funeral.

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<sup>6</sup> Department of Health and Human Services, 2020. [https://www.dhhs.vic.gov.au/sites/default/files/documents/202007/Directions%20-%20Restricted%20Activity%20Directions%20%28No%2011%29\\_0.pdf](https://www.dhhs.vic.gov.au/sites/default/files/documents/202007/Directions%20-%20Restricted%20Activity%20Directions%20%28No%2011%29_0.pdf)

## 2.6. GOVERNMENT RESPONSE

### FEDERAL & STATE GOVERNMENT BUSINESS SUPPORT

In response to the impact of COVID-19 on businesses, the Federal and Victorian State Governments have provided a range of economic support programs and initiatives to assist struggling businesses.

Key economic relief initiatives provided by the Federal and State Governments are detailed below. This list is not exhaustive and continues to be a dynamic space as restrictions and business needs change. For further details on State and Federal Government initiatives and business eligibility, see Appendix A.

#### Federal

- JobKeeper
- SME loan guarantee
- State tax and fee relief
- Residential tenancy law suspension
- Commercial tenancy law suspension
- Insolvency law suspension
- Government transparency and accountability suspension

#### State

- Business Support Fund
- Sustaining Creative Workers initiative
- Licensing, land tax and rent relief
- Payroll tax refund and deferral
- Commercial tenancy relief scheme
- Night-time Economy Business Support Initiative
- Small Business Bushfire Support Grant
- Working for Victoria Fund
- Tourism Accommodation Support Program

### MANSFIELD SHIRE COUNCIL SUPPORT

Mansfield Shire Council has provided the following support to businesses during the COVID-19 pandemic:

- **Business Community Weekly Newsletters**, highlighting grant/ funding opportunities, mental health support, business planning and support offered.
- **State and Federal Government Grants and funding advocacy** for COVID-19 affected businesses.
- **Workshops/Webinars** to increase local business online activity and improve business digital capability, including topics such as use of social media, use of online programs and photography.
- Participation in and establishment of the **Buy From Mansfield initiative** as part of the Buy from North East Vic program. To date, the website has realised over 100 expressions of interest and over 20 local businesses were registered by date of launch.
- Involvement in the **Business Council of Australia program** to distribute 7 refurbished laptop computers to local businesses who required them to either retain staff, provide a mobility option for their staff, or move their businesses online.
- Accessing **Working For Victoria funding for 33 six-month full-time equivalent positions** at Council, to support unemployed residents with the required skillsets.
- Fee relief through a 12 month waiver on local laws permits for businesses and trading, environmental health registrations and permits, hire of Council facilities, and permits for works within a road reserve.
- Extension of existing rate payment assistance arrangements to 31 December 2020. This includes a waiver of interest incurred on outstanding rates from 16 March 2020, a hold on debt recovery procedures for outstanding rates, and the opportunity to request a payment plan or payment deferral arrangement.

Following the summer bushfires, Council undertook significant advocacy efforts on behalf of its business community to access available grants, as well as providing support to businesses for grant applications. Council was successful in securing a range of State and Federal Government funding for economic recovery, which has been dedicated to business recovery and support activities.

## 3. MANSFIELD ECONOMY 2019

### 3.1. INTRODUCTION

This section provides an overview of the Mansfield Shire economy in 2019. This provides a benchmark for understanding the impacts of bushfires and COVID-19 on businesses, specific industry sectors and the Shire's economy as a whole.

### 3.2. KEY FINDINGS

Mansfield Economy 2019

<b>1,238 businesses</b>	<b>\$937 million output</b>	<b>3,235 jobs</b>
<b>980,000 visitors</b>	<b>\$404.8 million visitor expenditure</b>	

There were 1,238 businesses in Mansfield, in 2019, of which the majority can be considered small businesses, either self-employed (63%) or employing less than 20 people (35%). Furthermore, the majority of the Shire's businesses turnover less than \$200,000 per annum (62%).

The Shire produced \$937 million in output in 2019. The majority of output can be attributed mainly to Rental, Hiring and Real Estate Services (23%), Construction (14%), Agriculture, Forestry and Fishing (12%) and Accommodation and Food Services (7%). The Shire's economy is heavily reliant on tourism, with a significant proportion of the Rental, Hiring and Real Estate Services attributed to holiday home investment and new tree-change residents, as well as know impacts on frontline service sectors such as tourism, hospitality and retail sectors.

3,235 people were employed in Mansfield Shire in 2019, with the largest employing sectors being Retail Trade (14%), Education and Training (11%), Accommodation and Food Services (11%), Health Care and Social Assistance (10%) and Agriculture, Forestry and Fishing (10%).

The Shire's tourism industry is an important employment sector and contributor to the economy. In 2019, the Shire received 980,000 visitors, including both domestic and international travellers. These visitors contributed \$404.8 million to the economy in direct expenditure across the year. Yield from visitors to the Shire is significantly higher than similar neighbouring Shires such as Murrindindi, however low compared to other destinations in the North East due to the large number of low-yield habitual holiday home and camping visitors.

### 3.3. MANSFIELD ECONOMY

#### 3.3.1. BUSINESSES

There were 1,238 businesses in Mansfield Shire in 2019.

Majority of these businesses are non-employing (63%) or have between 1 and 19 employees (35%). This indicates that almost all the Shire's businesses are small businesses (98%), and are therefore likely to be more vulnerable to the impacts of COVID-19 business restrictions.

#### T1. BUSINESSES BY SIZE

Employment Sizes	Businesses by Size	
	Number	Proportion (%)
0 persons	778	63%
1-19 persons	430	35%
20-199 persons	25	2%
<b>Total</b>	<b>1,238</b>	<b>100%</b>

Source: ABS June 2019, Count of Australian Businesses.

#### BUSINESSES BY SECTOR & TURNOVER

Table T2 shows the number of businesses in Mansfield Shire by industry sector and turnover size range.

The main industry sectors for Mansfield businesses are Agriculture, Forestry and Fishing (284), Construction (238) and Rental, Hiring and Real Estate Services (102).

The majority of the Shire's businesses turnover less than \$200,000 per annum (62%). The major employers within the Shire with a turnover exceeding \$2 million per annum including Agriculture, Forestry and Fishing (12 businesses), Construction (11 businesses) and Retail Trade (8 businesses).

#### T2. BUSINESSES BY SECTOR

	Total Businesses	Business Turnover			
		Zero to less than \$50k	\$50k to less than \$200k	\$200k to less than \$2m	\$2m+
Agriculture, Forestry and Fishing	284	107	98	70	13
Mining	3	3	3	3	0
Manufacturing	39	7	20	11	0
Electricity, Gas, Water and Waste Services	3	0	0	3	0
Construction	238	50	91	89	12
Wholesale Trade	20	3	8	10	0
Retail Trade	67	8	9	37	8
Accommodation and Food Services	87	10	22	49	4
Transport, Postal and Warehousing	53	10	22	19	3
Information Media and Telecommunications	3	0	3	3	0
Financial and Insurance Services	72	36	24	14	0
Rental, Hiring and Real Estate Services	102	25	47	35	0
Professional, Scientific and Technical Services	95	23	38	30	0
Administrative and Support Services	47	11	21	9	3
Public Administration and Safety	3	0	0	0	0
Education and Training	11	3	5	3	0
Health Care and Social Assistance	40	6	16	12	0
Arts and Recreation Services	16	3	5	4	0
Other Services	49	3	23	22	0
Currently Unknown	0	0	0	0	0
<b>Total</b>	<b>1,238</b>	<b>310</b>	<b>456</b>	<b>428</b>	<b>47</b>
	<b>100%</b>	<b>25%</b>	<b>37%</b>	<b>35%</b>	<b>4%</b>

Source: ABS June 2019, Count of Australian Businesses. Numbers may not add up to 1,735 businesses due to ABS modelling.

## BUSINESSES BY SECTOR & SIZE

Table T3 shows the Shire's businesses by industry sector and employment size range.

The majority of businesses within the Shire can be classified as small or micro-businesses. This includes sole traders .i.e businesses with 0 employees (63%) and businesses with less than 20 employees (35%).

The only major employers in the Shire employing more than 20 people are Accommodation and Food Services (6 businesses, Retail Trade (4 businesses), Healthcare and Social Assistance (3 businesses), and Agriculture, Forestry and Fishing (3 businesses).

### T3. BUSINESSES BY INDUSTRY SECTOR AND SIZE

	Number of Employees					
	0		1-19		20+	
Agriculture, Forestry and Fishing	204	26%	76	18%	3	12%
Mining	3	0%	3	1%	0	0%
Manufacturing	22	3%	15	3%	0	0%
Electricity, Gas, Water and Waste Services	0	0%	0	0%	0	0%
Construction	155	20%	86	20%	0	0%
Wholesale Trade	13	2%	9	2%	0	0%
Retail Trade	27	3%	39	9%	4	16%
Accommodation and Food Services	37	5%	50	12%	6	24%
Transport, Postal and Warehousing	28	4%	28	7%	0	0%
Information Media and Telecommunications	0	0%	3	1%	0	0%
Financial and Insurance Services	58	7%	10	2%	0	0%
Rental, Hiring and Real Estate Services	80	10%	20	5%	3	12%
Professional, Scientific and Technical Services	50	6%	37	9%	0	0%
Administrative and Support Services	27	3%	12	3%	3	12%
Public Administration and Safety	0	0%	0	0%	0	0%
Education and Training	5	1%	6	1%	0	0%
Health Care and Social Assistance	25	3%	10	2%	3	12%
Arts and Recreation Services	5	1%	8	2%	0	0%
Other Services	25	3%	23	5%	0	0%
Currently Unknown	0	0%	0	0%	0	0%
<b>Total</b>	<b>778</b>	<b>63%</b>	<b>430</b>	<b>35%</b>	<b>25</b>	<b>2%</b>

Source: ABS June 2019, Count of Australian Businesses. Numbers may not add up to 1,735 businesses due to ABS modelling.

### 3.3.2. EMPLOYMENT

Employment estimations for Mansfield Shire in 2019 are based on three indicators, including:

- Historical growth for the municipality between 2011 and 2016;
- Historical growth for the Hume region between 2016-17 and 2018-19; and
- Mid-point between the two growth scenarios.

Urban Enterprise has adopted the mid-point growth indicator to estimate employment levels for 2019.

A summary of the 2019 employment estimates are provided in Table T4. The estimates are compared to results from 2016, which is the most recent available data. The municipality's employment base grew by approximately 175 jobs between 2016 and 2019, ultimately reaching 3,234.

The key industries of employment in Mansfield Shire include retail trade, education and training, accommodation and food services, healthcare and social assistance and agriculture, forestry and fishing.

Health care and social assistance added 33 jobs over the three year period, while retail trade and professional, scientific and technical services also registered a rise in employment. Agriculture, forestry and fishing experienced a slight fall in employment, along with accommodation and food services.

T4. EMPLOYMENT ESTIMATE, MANSFIELD, 2019

Industry	2019		CHANGE 2016-2019	
	Total	%	#	%
Retail Trade	452	14%	30	7.2%
Education and Training	370	11%	28	8.2%
Accommodation and Food Services	348	11%	-10	-2.9%
Health Care and Social Assistance	336	10%	33	10.8%
Agriculture, Forestry and Fishing	327	10%	-15	-4.5%
Construction	292	9%	29	11.2%
Public Administration and Safety	194	6%	22	12.6%
Professional, Scientific and Technical Services	170	5%	30	21.5%
Other Services	146	5%	16	12.4%
Administrative and Support Services	114	4%	25	28.0%
Transport, Postal and Warehousing	105	3%	-1	-1.2%
Manufacturing	104	3%	0	0.1%
Rental, Hiring and Real Estate Services	73	2%	-9	-11.4%
Wholesale Trade	62	2%	-8	-11.4%
Arts and Recreation Services	45	1%	3	6.0%
Mining	31	1%	2	8.4%
Information Media and Telecommunications	27	1%	3	12.8%
Financial and Insurance Services	25	1%	-1	-2.9%
Electricity, Gas, Water and Waste Services	14	0%	-1	-5.7%
<b>Total</b>	<b>3,234</b>	<b>100%</b>	<b>175</b>	<b>5.7%</b>

Source: Urban Enterprise, 2020

### 3.3.3. OUTPUT

Output estimations for Mansfield Shire in 2019 are based on three different growth scenarios, including:

- Historical growth for the municipality between 2011 and 2016;
- Historical growth for the Hume region between 2016-17 and 2018-19; and
- Mid-point between the two growth scenarios.

Urban Enterprise has adopted the mid-point growth scenario to estimate output levels for 2019.

A summary of the 2019 output estimates are provided in Table T5. The estimates are compared to results from 2016, which is the most recent available data. Mansfield's output grew by approximately \$28 million between 2016 and 2019 to reach approximately \$937 million.

The municipality's key economic output industries include rental, hiring and real estate services (23%), construction (14%), agriculture, forestry and fishing (12%) and accommodation and food services (7%).

Construction (+\$16 million) made the most significant improvement in output between 2016 and 2019.

Rental hiring and real estate services (-\$10 million) and agriculture, forestry and fishing (-\$8 million) suffered the largest falls in output between 2016 and 2019.

T5. OUTPUT ESTIMATE, MANSFIELD, 2019

Industry	2019		CHANGE 2016-2019	
	Total	%	#	%
Rental, Hiring and Real Estate Services	\$213m	23%	-\$10m	-4.6%
Construction	\$128m	14%	\$16m	14.4%
Agriculture, Forestry and Fishing	\$112m	12%	-\$8m	-6.6%
Accommodation and Food Services	\$64m	7%	\$1m	2.4%
Manufacturing	\$54m	6%	\$2m	4.0%
Retail Trade	\$49m	5%	\$2m	4.1%
Health Care and Social Assistance	\$43m	5%	\$6m	14.9%
Professional, Scientific and Technical Services	\$42m	5%	\$6m	17.2%
Education and Training	\$39m	4%	\$2m	5.3%
Public Administration and Safety	\$36m	4%	\$5m	14.7%
Transport, Postal and Warehousing	\$27m	3%	-\$2m	-8.4%
Wholesale Trade	\$24m	3%	-\$3m	-11.0%
Administrative and Support Services	\$22m	2%	\$5m	32.9%
Other Services	\$22m	2%	\$3m	13.7%
Financial and Insurance Services	\$18m	2%	\$0.3m	1.6%
Mining	\$13m	1%	\$2m	18.5%
Electricity, Gas, Water and Waste Services	\$11m	1%	-\$0.4m	-3.1%
Information Media and Telecommunications	\$11m	1%	\$2m	15.2%
Arts and Recreation Services	\$6m	1%	\$0.2m	3.3%
<b>Total</b>	<b>\$937m</b>	<b>100%</b>	<b>\$28m</b>	<b>3.1%</b>

Source: Urban Enterprise, 2020

### 3.4. VISITOR ECONOMY

#### VISITATION

Figure F1 shows visitation for the municipalities of Mansfield and Murrindindi between 2015 and 2019.

Both Shire's experienced significant growth over the five-year period, with visitation to Mansfield Shire growing at 7.2% per annum, reaching 980,000 in 2019. Murrindindi visitation growing at an average annual rate of 7.2% to reach approximately 1.1 million in 2019.

Visitation in Mansfield averaged 820,000 during the five-year period, while the average in Murrindindi was 970,000.

F1. VISITATION, MANSFIELD & MURRINDINDI, 2015-2019



Source: Tourism Research Australia, 2015-2019

#### VISITOR EXPENDITURE

Visitor expenditure in Mansfield Shire and Murrindindi Shire between 2015 and 2019 is shown in Figure F2.

Expenditure in Mansfield Shire grew at an average annual rate of 16.2%, from \$104 million to \$190 million by 2019. Murrindindi Shire experienced an increase in visitor expenditure of \$183 million over the five-year period to reach \$405 million in 2019.

Yield from visitors to the Shire is significantly higher than similar neighbouring Shires such as Murrindindi, however low compared to other destinations in the North East due to the large number of low-yield habitual holiday home and camping visitors.

F2. VISITOR EXPENDITURE, MANSFIELD & MURRINDINDI, 2015-2019



Source: Tourism Research Australia, 2015-2019.

## 4. IMPACT OF COVID 19 ON BUSINESSES & ECONOMY

### 4.1. INTRODUCTION

A detailed assessment of the impact of the COVID-19 pandemic on Mansfield Shire's businesses and economy has been undertaken. This includes the following:

- Analysis of the impact on businesses through primary research of the Shire's business community;
- Estimated economic impact in terms of employment and output reduction; and
- Estimated impact on tourism industry in terms of visitation and expenditure loss;

### 4.2. KEY FINDINGS

Impact of COVID-19 on Mansfield Shire Economy  
January-June 2020

<b>Potential loss of 28% businesses by November 2020</b>	<b>Loss of \$100 million in expected output</b>	<b>Loss of 263 jobs</b>
<b>Loss of 195,637 visitors (-47%)</b>	<b>Loss of \$78 million visitor spend (-51%)</b>	

The Mansfield Shire economy has experienced major economic losses in the first half of 2020 as a result of the summer bushfires and the ongoing impacts of the COVID-19 pandemic.

A loss of \$100 million in expected output for the Shire during the first two quarters of 2020 has been estimated, representing a 20% loss of the Shire's expected output over this period. Industry survey results show that businesses in Mansfield Shire across all sectors indicated an average revenue reduction of 20% during the March quarter and 35% during the June quarter.

263 jobs were lost in Mansfield Shire between December 2019 and June 2020, representing a 9% loss in total employment in the Shire. Jobs data shown below represents permanent loss of workers: There are many workers that have been stood down with the expectation that they will return to their jobs when restrictions ease.

**It is likely that job losses will increase substantially as a result of prolonged economic downturn and gradual reduction of JobKeeper payments into early 2021.**

Industry sectors most affected by the pandemic during the first half of 2020 include Rental, Hiring and Real Estate Services (-57% output and -9 jobs), Accommodation and Food Services (-45% output and -111 jobs) and Transport, Postal and Warehousing (-24% output and -27 jobs). These sectors will require the most support, as they are reliant heavily on tourism. Other sectors requiring significant support include Retail Trade and Construction.

The Shire's visitor economy experienced a loss of 195,637 visitors and a loss of \$78 million in direct visitor expenditure across the first two quarters of 2020. This is driven by a greater loss in the March quarter of 2020, with the summer bushfires heavily reducing the Shire's usual summer trade. It is likely that these impacts will be significantly higher in the September quarter, due to the Shire's reliance on the flow-on visitation and expenditure derived from the ski season.

## 4.3. IMPACT ON BUSINESSES

### SURVEY BACKGROUND

An industry survey was conducted to understand the impacts of the 2019/20 bushfires and COVID-19 on the Shire's business community. This included an estimate of current and project impacts on turnover, staffing reduction, support accessed and opportunities for Council to provide support.

The survey data was collected from businesses through completion of an online questionnaire, conducted over two weeks from the 22<sup>nd</sup> June to the 20<sup>th</sup> of July. A total of 236 responses were received.

### RESPONDENT PROFILE

#### Number of Businesses by Industry

Of the 236 total survey submissions, the most responses were received from businesses in the Accommodation and Food Services Industry (83), Retail Trade (28), Arts and Recreation Services (25), Agriculture, Forestry and Fishing (17) and Construction (16).

#### T6. SURVEY RESPONDENTS BY INDUSTRY

	Respondents	
	No.	%
Accommodation and Food Services	83	35%
Retail Trade	28	12%
Arts and Recreation Services	25	11%
Agriculture, Forestry and Fishing	17	7%
Construction	16	7%
Other Services	11	5%
Professional, Scientific and Technical Services	10	4%
Education and Training	10	4%
Health Care and Social Assistance	10	4%
Manufacturing	5	2%
Rental, Hiring and Real Estate Services	5	2%
Administrative and Support Services*	4	2%
Transport, Postal and Warehousing*	3	1%
Information Media and Telecommunications*	3	1%
Financial and Insurance Services*	3	1%
Public Administration and Safety*	3	1%
<b>Total</b>	<b>236</b>	<b>100%</b>

Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020. \* Indicates low response sample size

#### Location of Businesses by Township

The most responses were received from businesses based in the localities of Mansfield (68%), Merrijig (8%) and Jamieson (4%).

#### T7. LOCATION OF BUSINESS BY TOWNSHIP

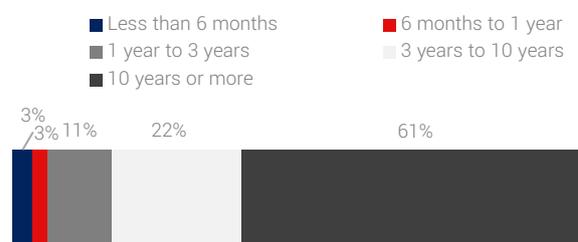
Locality	Respondents	
	No.	%
Mansfield	161	68%
Merrijig	18	8%
Jamieson	10	4%
Bonnie Doon	8	3%
Mt Buller	8	3%
Elsewhere in Mansfield Shire	31	13%
<b>Total Respondents</b>	<b>236</b>	<b>100%</b>

Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020

#### Length of Operation

The majority of surveyed businesses have been operating for 10 years or more (61%) or between 3 to 10 years (22%). 6% had been operating for less than 12 months.

#### F3. LENGTH OF BUSINESS OPERATION



Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020

## IMPACT OF COVID19

### Impact on Business Turnover by Industry

Businesses were asked to report the impact of COVID-19 and bushfires on their expected business revenue for the quarter.

March quarter results showed a downturn in most industry sectors, particularly the visitor reliant sectors of Rental, Hiring and Real Estate Services (-46%) Accommodation and Food Services (-35%), and Arts and Recreation Services (-33%). Respondents in the 'Rental, Hiring and Real Estate Services' industry primarily comprised commercial property lease operators (function and event venue hire). Businesses in the Information Media and Telecommunications sector also experienced a significant decline in revenue (-40%).

June quarter results showed a much greater reduction in business turnover for most sectors, due to the impacts of COVID-19 business and travel restrictions. Again, tourism reliant sectors were most affected, with 68% reduction in turnover for Rental, Hiring and Real Estate Services businesses, 55% turnover reduction for Accommodation and Food Services and 48% turnover reduction for Arts and Recreation Services. Other affected sectors include Information Media and Telecommunications (-57%) and Public Administration and Safety (-56%).

The only industry sectors that experienced an increase in turnover were Financial and Insurance Services (+4% June Qtr.), and Manufacturing (+22% June Qtr.). This may be attributed to increased demand for expert financial advice in response to the downturn in economic conditions due to COVID-19, as well as renewed demand for local production following the disrupted supply of goods manufactured interstate or from overseas.

#### T8. IMPACT ON BUSINESS TURNOVER

	March Quarter 2020	June Quarter 2020
Rental, Hiring and Real Estate Services	-46%	-68%
Information Media and Telecommunications*	-40%	-57%
Accommodation and Food Services	-35%	-55%
Arts and Recreation Services	-33%	-48%
Public Administration and Safety*	-9%	-56%
Education and Training	-9%	-35%
Other Services	-16%	-30%
Retail Trade	-12%	-22%
Health Care and Social Assistance	-5%	-17%
Agriculture, Forestry and Fishing	-12%	-13%
Administrative and Support Services*	-1%	-12%
Transport, Postal and Warehousing*	-16%	-11%
Construction	1%	-11%
Professional, Scientific and Technical Services	3%	-9%
Financial and Insurance Services*	0%	4%
Manufacturing	25%	22%
All Industries (Average)	-20%	-35%

Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020. \* Indicates low response sample size

## Pre COVID-19 Business Trends

Most businesses reported a decrease in turnover for the March and June quarters. However, prior to the disruption from the pandemic, most respondents projected business turnover to increase in the 2019/20 financial year (63%) or at least remain the same (29%).

### F4. PRE COVID19 PROJECTED BUSINESS TURNOVER



Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020

## Staff Reductions

Modelling of survey data found a total reduction of 887 staffing positions across businesses in Mansfield Shire, shown in Table T9. Of these, 72% were temporary stand downs and 28% were permanent dismissals. Casual positions accounted for the majority of workers stood down or made redundant at 63%.

Industries that reported the highest average reduction in staff include Education and Training (average reduction of 6.9 positions per business), Accommodation and Food Services (6.4), Retail Trade (4.3), Arts and Recreation Services (3.9) and Transport, Postal and Warehousing (3.3). It is noted that staff reduction numbers shown in Figure 3 have not been adjusted proportionally for each business and industry.

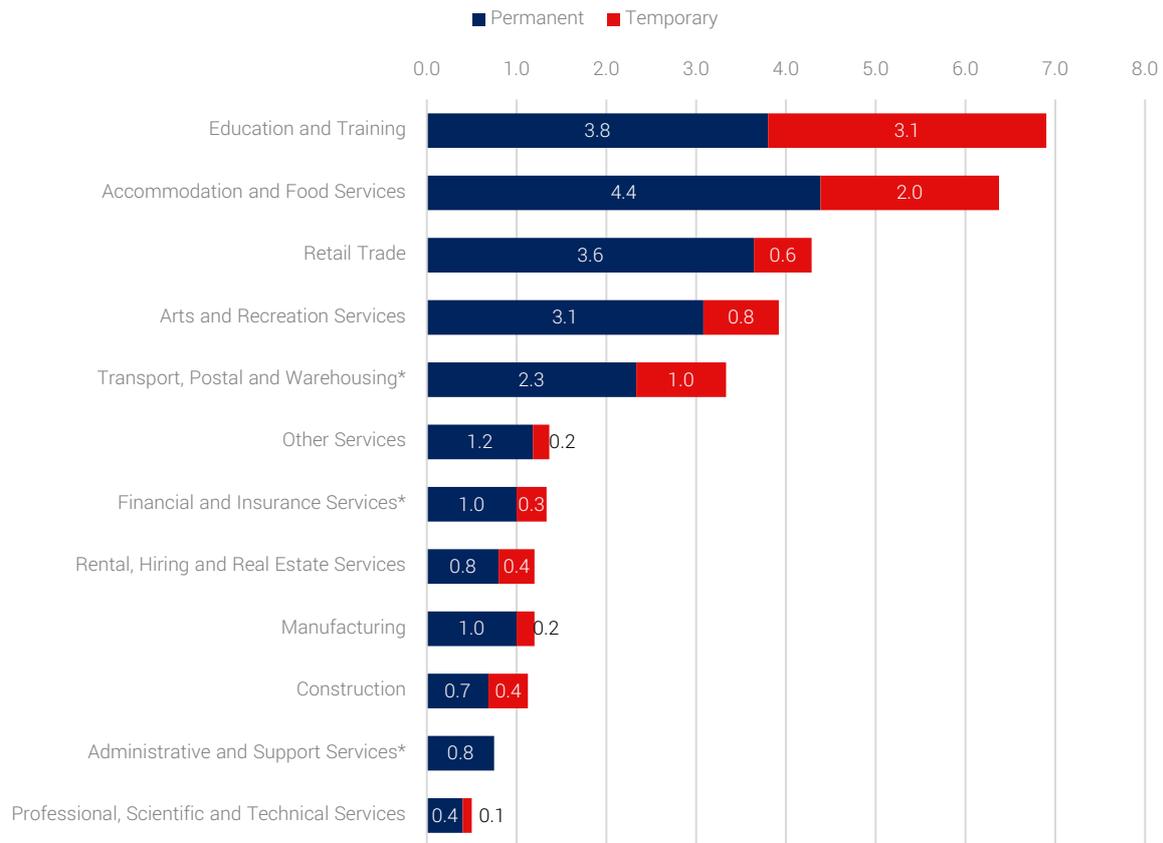
It is expected that the number of permanent dismissals may increase subject to ongoing COVID-19 restrictions and availability of Government Support Programs. As of the writing of this report, the JobKeeper Payment Scheme will be extended and continue to be available to qualifying businesses and not-for-profits from 28 September 2020 until 28 March 2021.

### T9. STAFF REDUCTIONS PER BUSINESS SUMMARY – PERMANENT AND TEMPORARY

		Full time	Part time	Casual	Total Positions
Total Staff Reduction	Temporary	92	138	405	635
	Permanent	32	65	155	252
	<b>Total</b>	<b>124</b>	<b>203</b>	<b>560</b>	<b>887</b>
Proportion of Temporary vs. Permanent Staff Reductions	Temporary	14%	22%	64%	100%
	Permanent	13%	26%	62%	100%
	<b>Total</b>	<b>14%</b>	<b>23%</b>	<b>63%</b>	<b>100%</b>

Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020

## F5. AVERAGE STAFF REDUCTION PER BUSINESS BY INDUSTRY – PERMANENT AND TEMPORARY



Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020.

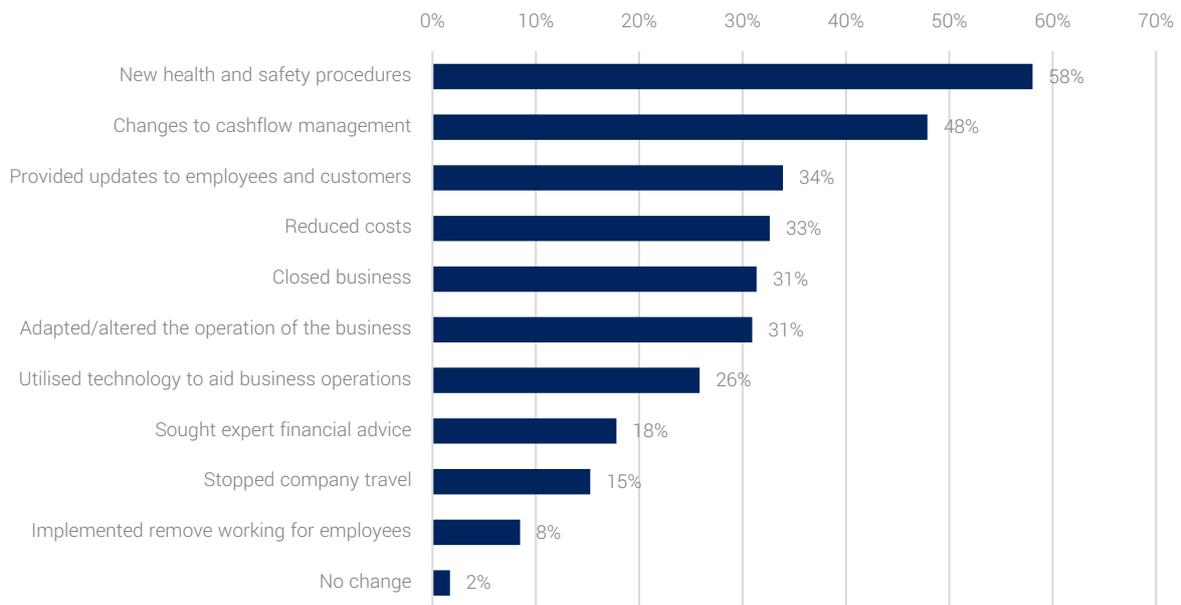
## RESPONSE TO COVID19 RESTRICTIONS

### Business Response to COVID19

The most common changes to operations reported by businesses included 'New health and safety procedures' (58%), 'Changes to cashflow management' (48%), 'Provided updates to employee and customers' (34%) and 'Reduced costs' (33%). 31% of respondents reported temporarily or permanently closing business due to the COVID-19 pandemic.

Only a quarter of respondents reported adapting business operations or utilising technology to aid business operations. Additionally, only 8% of businesses reported implementing remote working for employees. This may indicate businesses within the Shire do not have the information and resources to transition to contact-free operations.

## F6. BUSINESS RESPONSE TO PANDEMIC



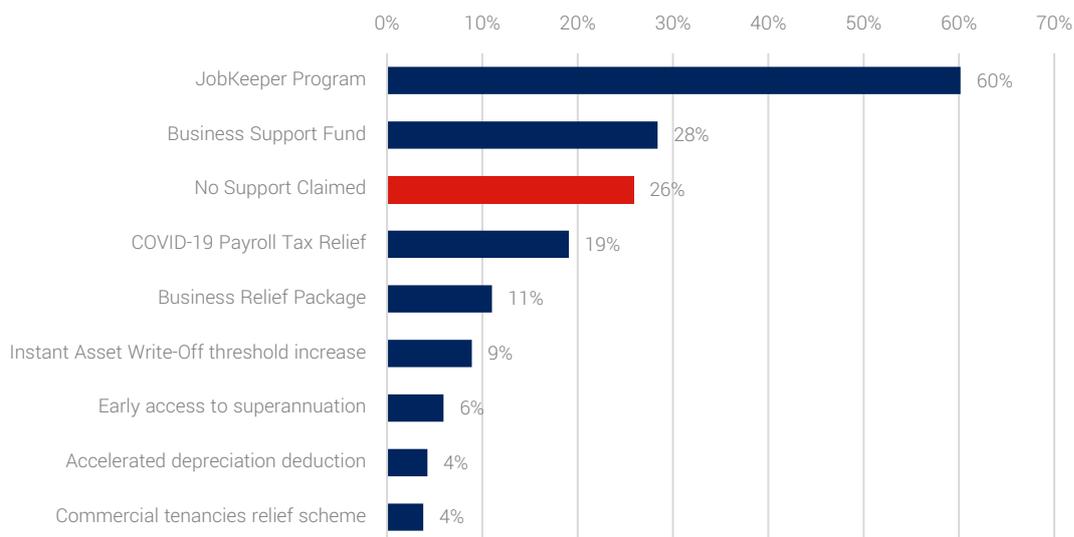
Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020

### Government Support Programs Accessed

The majority of businesses (74%) reported claiming some assistance through a Government Program during the COVID-19 pandemic (as of June 2020). Among businesses who received assistance, the average number of claims made per business was 2.

The most popular assistance packages were the Jobkeeper Program (60%), Business Support Fund (28%), COVID-19 Payroll Tax Relief (19%), Business Relief Package (11%) and Instant Asset Write off Threshold Increase (9%).

## F7. TOP COVID19 GOVERNMENT SUPPORT PROGRAMS



Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020

Just over a quarter of all businesses did not claim any support through a COVID-19 Government program. Industries that received the least assistance include:

- Rental, Hiring and Real Estate Services (60% of business respondents received no relief);
- Professional, Scientific and Technical Services (60%);
- Other Services (45%); and
- Agriculture, Forestry and Fishing (41%).

Respondents in the 'Rental, Hiring and Real Estate Services' industry primarily comprised commercial property lease operators (function and event venue hire).

Common reasons reported by businesses who did not claim any support included:

- Did not apply for any programs as they did not require any assistance;
- Were not eligible for schemes e.g. Casual workers employed for less than 12 months were not eligible for Jobkeeper scheme; and
- Relief schemes offered through the private industry were sufficient

## PROJECTED IMPACTS

### Projected Impact on Business Turnover by Industry

Businesses were asked to estimate the impact of COVID-19 and the bushfires on their usual business revenue over the next four quarters from September 2020 to June 2021. Table T10 shows the average estimated impact on business revenue by industry.

The majority of businesses surveyed projected they would continue to experience significant losses in turnover until the end of the 2020 calendar year. Industries that expect the fastest recovery include:

- Health Care and Social Assistance (11% estimated increase by Sep 2020);
- Transport, Postal and Warehousing (72% estimated increase by Dec 2020); and
- Other Services (return to business as usual by Dec 2020).

Business activity in these industries can generally be considered 'essential services' of the economy, therefore ongoing demand for these goods and services is expected to drive a quick recovery for these sectors.

The majority of industries surveyed reported confidence that activities would return to near normal or improve by the end of the 2020/21 financial year. Overall, businesses dependent on the tourism industry predicted more long-term deficits in revenue. Industries that expect the slowest recovery include:

- Public Administration and Safety (23% estimated decrease in June Qtr 2021);
- Rental, Hiring and Real Estate Services (19% estimated decrease in June Qtr 2021);
- Accommodation and Food Services (13% decrease deficit in June Qtr 2021); and
- Arts and Recreation Services (7%) estimated decrease in June Qtr 2021).

As these industries are reliant on the return of strong consumer confidence, it is likely businesses in these sectors will be the most vulnerable in the recovery period post COVID-19.

## T10. PROJECTED BUSINESS TURNOVER TRENDS BY QUARTER – ALL INDUSTRIES

	September 2020 Quarter	December 2020 Quarter	March 2021 Quarter	June 2021 Quarter
Health Care and Social Assistance	11%	9%	2%	4%
Transport, Postal and Warehousing*	-3%	72%	63%	58%
Other Services	-6%	0%	7%	8%
Information Media and Telecommunications*	-35%	-10%	20%	30%
Manufacturing	4%	-6%	2%	12%
Education and Training	-9%	1%	-1%	10%
Professional, Scientific and Technical Services	-6%	-6%	3%	3%
Agriculture, Forestry and Fishing	-10%	-6%	0%	-1%
Retail Trade	-14%	-7%	-1%	-1%
Administrative and Support Services*	-25%	-19%	-5%	1%
Financial and Insurance Services*	-3%	-3%	-5%	-5%
Construction	-16%	-10%	-4%	-5%
Arts and Recreation Services	-43%	-24%	-13%	-7%
Accommodation and Food Services	-38%	-27%	-18%	-13%
Rental, Hiring and Real Estate Services	-57%	-41%	-33%	-19%
Public Administration and Safety*	-37%	-28%	-27%	-23%
<b>All Industries (Average)</b>	<b>-24%</b>	<b>-15%</b>	<b>-8%</b>	<b>-4%</b>

Source: Mansfield Shire Economic Recovery Plan Business Survey, Urban Enterprise, 2020

### OPPORTUNITIES FOR COUNCIL SUPPORT

At the conclusion of the survey, respondents were asked to submit additional feedback on opportunities for Council to provide further support to local businesses. Common responses included:

- Assistance with marketing and promotion of local businesses within the community and across Victoria.
- Assistance with payment of Council rates or reduction in commercial rate fees.
- Assistance with business strategy and development of safe and viable operations in compliance with COVID-19 restrictions.
- Grants to support upgrades and new equipment required for contact-free operations.
- One-on-one support and assistance to understand and access government support schemes.
- Coordination of local business support networks.

## 4.4. IMPACT ON ECONOMY

### COVID-19 IMPACT ON OUTPUT

The impact of the COVID-19 pandemic on output in Mansfield Shire has been calculated for the March and June 2020 quarters. The impact has been calculated based on the following methodology:

- Percentage of output reduction recorded by survey respondents, applied as an average across each sector;
- Percentage of output reduction across industry sectors from REMPLAN's COVID-19 Impact module.

Where possible, results from the industry survey have been applied to the relevant industry sector to provide localised information, such as the key sectors of Accommodation and Food Services, Retail Trade, Arts and Recreation Services, Manufacturing, Rental Hiring and Real Estate Service, and Agriculture, Forestry and Fishing. For industry sectors with low response rates that provide an inaccurate sample of the Shire's business and employment profile, REMPLAN results have been utilised.

As a result of COVID-19, Mansfield Shire experienced a **loss of \$100 million in expected output in the first half of 2020**. This represents a **21% loss of the Shire's expected output** over the first two quarters of 2020.

The Shire's output loss is comprised of a **loss of -\$37 million** in the March quarter due to the combined impacts of bushfires and COVID-19, and a **loss of -\$63 million** in the June quarter due to the impacts of business and travel restrictions imposed by COVID-19.

Sectors most severely impacted over the first half of 2020 include Rental, Hiring and Real Estate Services (-57%), Accommodation and Food Services (-45%), Arts and Recreation Services (-33%), Transport, Postal and Warehousing (-24%), Other Services (-23%) and Education and Training (-22%). These sectors will require the most support, as they are reliant heavily on the tourism industry. The Rental, Hiring and Real Estate Services industry has been heavily impacted by reduction in holiday home rental income which is attributed to property management business in this sector.

### T11. IMPACT ON ECONOMY

Industry Sectors	2019 Output		Output Loss 2020		March + June quarters		
	Total	March + June qtrs	March qtr	June qtr	Output Loss	% Output Loss	Total Output
Agriculture, Forestry and Fishing	\$112 m	\$56 m	-\$3 m	-\$4 m	-\$7 m	-12%	\$49 m
Education and Training	\$39 m	\$20 m	-\$1 m	-\$3 m	-\$4 m	-22%	\$15 m
Accommodation and Food Services	\$64 m	\$32 m	-\$6 m	-\$9 m	-\$14 m	-45%	\$18 m
Health Care and Social Assistance	\$43 m	\$22 m	-\$1 m	-\$2 m	-\$2 m	-11%	\$19 m
Construction	\$128 m	\$64 m	\$0 m	-\$3 m	-\$3 m	-5%	\$61 m
Retail Trade	\$49 m	\$25 m	-\$1 m	-\$3 m	-\$4 m	-17%	\$20 m
Public Administration and Safety	\$36 m	\$18 m	\$0 m	\$0 m	\$0 m	-1%	\$18 m
Manufacturing	\$54 m	\$27 m	\$3 m	\$3 m	\$6 m	23%	\$33 m
Professional, Scientific & Technical Services	\$42 m	\$21 m	\$0 m	\$0 m	-\$1 m	-4%	\$20 m
Administrative and Support Services	\$22 m	\$11 m	\$0 m	\$0 m	-\$1 m	-5%	\$10 m
Transport, Postal and Warehousing	\$27 m	\$14 m	-\$2 m	-\$2 m	-\$3 m	-24%	\$10 m
Other Services	\$22 m	\$11 m	-\$1 m	-\$2 m	-\$3 m	-23%	\$8 m
Wholesale Trade	\$24 m	\$12 m	-\$1 m	-\$1 m	-\$1 m	-9%	\$11 m
Arts and Recreation Services	\$6 m	\$3 m	\$0 m	\$0 m	-\$1 m	-33%	\$2 m
Rental, Hiring and Real Estate Services	\$213 m	\$107 m	-\$24 m	-\$36 m	-\$61 m	-57%	\$46 m
Electricity, Gas, Water and Waste Services	\$11 m	\$6 m	\$0 m	\$0 m	\$0 m	-3%	\$5 m
Financial and Insurance Services	\$18 m	\$9 m	\$0 m	\$0 m	\$0 m	-1%	\$9 m
Information Media and Telecommunications	\$11 m	\$6 m	\$0 m	\$0 m	\$0 m	-7%	\$5 m
Mining	\$13 m	\$7 m	\$0 m	\$0 m	\$0 m	-4%	\$6 m
<b>Total</b>	<b>\$112 m</b>	<b>\$469 m</b>	<b>-\$37 m</b>	<b>-\$63 m</b>	<b>-\$100 m</b>	<b>-21%</b>	<b>\$369 m</b>

Source: Urban Enterprise, 2020.

## COVID-19 IMPACT ON EMPLOYMENT

The impact of the COVID-19 pandemic on employment in Mansfield Shire has been calculated as a total of the March and June 2020 quarters.

The employment impact of COVID-19 on the Shire has been calculated based on the average reduction in employees per business across each industry sector, derived from the industry survey. This represents total number of employees, not FTE staff.

**263 jobs were lost** in Mansfield Shire between December 2019 and June 2020, representing an **8% loss in total employment** in the Shire.

The majority of employment lost in Mansfield across the first half of 2019 were in the Accommodation and Food Services, with a loss of 111 jobs and 32% total jobs. Other employment sectors that have been hardest hit include Construction (-38 jobs or -13%), Transport, Postal and Warehousing (-28 jobs or -27%) and Retail Trade (-28 jobs or -6%).

The impact of COVID-19 on employment is expected to be more severe in the September and December quarters, as a result of prolonged restrictions and economic downturn, and the likely end of a range of government financial support programs. Furthermore, the financial impact on individual businesses is less evident through this data, as there is a high proportion of sole traders within the Shire that would be unable to reduce staff numbers.

### T12. COVID-19 IMPACT ON EMPLOYMENT

Industry Sector	Total Jobs December 2019	Total Jobs June 2020	Total Job Loss as at June 2020	
			No.	%
Agriculture, Forestry and Fishing	327	327	0	0%
Education and Training	370	351	-19	-5%
Accommodation and Food Services	348	237	-111	-32%
Health Care and Social Assistance	336	336	0	0%
Construction	292	254	-38	-13%
Retail Trade	452	424	-28	-6%
Public Administration and Safety	194	194	0	0%
Manufacturing	104	101	-3	-3%
Professional, Scientific and Technical Services	170	166	-4	-2%
Administrative and Support Services	114	113	-2	-1%
Transport, Postal and Warehousing	105	77	-28	-27%
Other Services	146	142	-4	-3%
Wholesale Trade	62	56	-6	-9%
Arts and Recreation Services	45	38	-7	-15%
Rental, Hiring and Real Estate Services	73	64	-9	-13%
Electricity, Gas, Water and Waste Services	14	14	0	0%
Financial and Insurance Services	25	22	-3	-13%
Information Media and Telecommunications	27	26	-1	-2%
Mining	31	30	-1	-4%
<b>Total</b>	<b>3,235</b>	<b>2,972</b>	<b>-263</b>	<b>-8%</b>

Source: Urban Enterprise, 2020.

## 4.5. IMPACT ON TOURISM INDUSTRY

Tourism Research Australia (TRA) data has been utilised to estimate the current and predicted impacts of the COVID-19 pandemic on the Mansfield Shire visitor economy for the March and June quarters of 2020. Visitation and expenditure losses have been calculated using an 'expected' estimate, based on pre COVID-19 performance. The following methodology has been used to calculate visitation and visitor expenditure loss:

- 'Expected' estimates for each financial quarter were modelled using the previous year's quarter, applying the Shire's average annual visitation and expenditure growth rates to prepare expected visitation and expenditure figures for the 2020 quarters.
- 'Actual 2020' figures based on official published TRA data for the March quarter.
- 'Actual Estimate 2020' figures based on average output loss across main tourism sectors, derived from the June business survey as official TRA data for the quarter has not been published.

Table T13 provides the estimated impacts of COVID-19 on the visitor economy in 2020.

Across the first half of 2020, Mansfield Shire experienced a total **loss of 195,637 visitors and a loss of \$78m in direct visitor expenditure**. This is driven by a greater loss in the March quarter of 2020 due to bushfires, with a 49% loss in expected visitation and 58% loss in expenditure. Although Mansfield Shire's visitor economy has been less impacted by international travel restrictions, the Shire's businesses rely mainly on domestic travel, particularly from the Shire's main source market, Metropolitan Melbourne.

In the March Quarter of 2020, the Shire experienced a **loss of 117,836 expected visitors and \$52 million loss in expected visitor spend**. The summer bushfires heavily reduced the Shire's usual summer trade, with the most significant visitation loss anecdotally attributed to camping visitors and holiday home owners.

Based on a business as usual estimate of 294,000 visitors to Mansfield Shire in the June Quarter of 2020, it is estimated that the Shire experienced a **loss of 126,599 visitors** in this quarter and a **loss of \$25 million in visitor spend** due to the impacts of COVID-19. It is likely that these impacts will be significantly higher in the September quarter, due to the Shire's reliance on the flow-on visitation and expenditure derived from the ski season.

Ongoing restrictions to travel, events and patron numbers for hospitality and accommodation venues will continue to have a devastating impact on the Shire's visitor economy. Consultation with the Shire's business community indicates a renewed appreciation of the importance of tourism to the local economy. This has been realised as a result of the absence of a strong visitor economy due to the events of 2019/20, and has highlighted the need for a Shire-wide tourism strategy to guide the industry and ensure its strength and resilience.

T13. MANSFIELD SHIRE VISITATION AND EXPENDITURE LOSS – MARCH & JUNE QUARTERS 2020

		Visitation	Expenditure
March Quarter	2019	223,081	\$78,569,237
	Expected 2020	239,045	\$91,258,634
	Actual 2020	121,208	\$38,521,700
	Loss	<b>-117,836</b>	<b>-\$52,736,934</b>
	% Loss	<b>-49%</b>	<b>-58%</b>
June Quarter	2019	165,012	\$49,179,261
	Expected 2020	176,820	\$57,122,003
	Actual Estimate 2020	99,019	\$31,988,322
	Loss	<b>-77,801</b>	<b>-\$25,133,681</b>
	% Loss	<b>-44%</b>	<b>-44%</b>
Total - first half of 2020	2019	388,093	\$127,748,499
	Expected 2020	415,865	\$148,380,637
	Actual 2020	220,228	\$70,510,022
	Loss	<b>-195,637</b>	<b>-\$77,870,615</b>
	% Loss	<b>-47%</b>	<b>-51%</b>

Source: TRA NVS, June Quarter 2019 and 2020. Please note international visitation and expenditure data has been omitted due to low sample sizes.

## 4.6. POTENTIAL IMPACT ON BUSINESSES

The potential impact of COVID-19 on business survival has been modelled for Mansfield Shire.

This calculation is based on a representative sample of Australian businesses surveyed by the ABS<sup>7</sup> in June 2020. Businesses were asked about their outlook for the future of their business as a result of the COVID-19 pandemic. 29% of businesses estimated they would not survive longer than 3 months with their currently available cash.

Applied to Mansfield Shire's business sector, it is estimated that 340 businesses could be at risk of not surviving through the next 3 months of the pandemic. The majority of these businesses are micro businesses who may not have large reserves to support them through prolonged restrictions.

It is important to note that this survey was undertaken in Australia as business restrictions were relaxing for many states, and prior to the reintroduction of Stage 4 lockdown for Metropolitan Melbourne. It is likely that in Victoria, current business sentiment as at September 2020 would show a much more dismal outlook for the future of Victoria's business community.

It will be extremely important for the Shire to identify its particularly at risk businesses through ongoing communication, and to provide them as much support as is possible.

### T14. POTENTIAL IMPACT ON MANSFIELD BUSINESSES

	Length of time businesses could last with currently available cash			
	<3 months	3-6 months	More than 6 months	Don't know
Total No. of Businesses	340	221	464	217
% of Businesses	28%	18%	38%	18%

Source: Urban Enterprise, 2020, based on ABS Business Impacts of COVID-19 Survey .

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<sup>7</sup> ABS, Business Indicators, Business Impacts of COVID-19, June 2020.

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/5676.0.55.003Main+Features1June%202020?OpenDocument>

## 5. STRATEGIC RESPONSE

### 5.1. INTRODUCTION

This recovery plan aligns to current strategic research<sup>8</sup>, which supports the need to shift our focus from a 'post-COVID' world to preparing for a 'with-COVID' world. The Plan focuses on business adaptation and strategies to build a resilient business community in the face of prolonged economic downturn and ongoing risks posed by future environmental crises.

#### RECOVERY PHASES

Through the preparation of the Recovery Plan, two phases of recovery have emerged. These recovery phases respond to stages of business restriction due to COVID-19, and are less so aligned to timeframes due to the uncertainty surrounding the pandemic and restrictions in Victoria.

The phases are as follows:

1. Supporting Businesses through Restrictions (includes all stages of the National Cabinet's Recovery Plan);
2. Planning for the Future (beyond the National Cabinet's Recovery Plan).

These scenarios are not predictions about when and what the exact impacts of the COVID-19 pandemic will be on the Shire's economy and business community. Rather, they allow for preparation for any type of scenario and impact, and provide a framework for Council to respond to specific business and economic issues as they arise.

Numerous opportunities to support business recovery from the impact of COVID-19 were identified through consultation and secondary research. These have been drawn on in this section, including the following:

- Primary research of the Shire's business community through industry surveys, industry sector workshops, and direct liaison with business owners and employees through Business and Tourism Advisory Committee members; and
- Secondary research of best practice responses delivered by other Councils, international responses, and outcomes of emerging research.

#### ALIGNMENT TO COUNCIL OBJECTIVES

A review of existing policy and strategy relating to the economic development of Mansfield Shire has been undertaken, to understand Mansfield Shire's long-term strategic economic focus and ways to support rebuilding the economy.

The following Council documents were analysed:

- Mansfield Shire Council Plan 2017 to 2021;
- Lake Eildon Masterplan; and
- Mansfield Shire Economic Development Strategy 2020-25.

Mansfield Shire Council aims to grow the local economy, particularly in key industry sectors of tourism, agriculture, healthcare and social assistance and education and training<sup>9</sup>. This includes a focus on investment attraction in the tourism and events sector, provision of support for existing businesses, and advocacy for improved infrastructure and access to public land.

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<sup>8</sup> Deloitte, Economic scenarios for the COVID-19 recovery. Guiding strategic, financial and operational decisions, May 2020.

<sup>9</sup> Mansfield Shire Council, Economic Development Strategy, 2020-25.

A range of relevant projects and initiatives have been identified through these projects, that may support recovery and drive economic growth during the recovery period. These have been addressed as opportunities for Council to explore in both phases of the Recovery Plan.

#### **ACTION PLAN DELIVERY**

An Action Plan has been developed for each of the recovery phases. It is expected that actions in Phase 2 can begin to be prepared or delivered in Phase 1, however it is anticipated that all actions in Phase 1 should be delivered,

Council has been identified as the delivery lead organisation for each of the actions, with a specific council unit/department identified for each action. The following acronyms have been used in the Action Plan:

- **BCAC** – Business and Community Advisory Committee
- **Comms Advisor** – Council’s Communications Advisor within the Corporate Services Unit
- **C&ED Unit** – Council’s Community and Economic Development Unit
- **DELWP** – Department of Environment, Land, Water and Planning
- **GMW** – Goulburn-Murray Water
- **I&P Unit** – Council’s Infrastructure and Planning Unit
- **MDBA** – Mansfield and District Business Association
- **Mt Buller Mt Stirling ARMB** – Mt Buller Mt Stirling Alpine Resort Management Board
- **PV** – Parks Victoria
- **TNE** – Tourism North East

## 5.2. PHASE 1 – SUPPORTING BUSINESSES THROUGH RESTRICTIONS

### Phase 1 Overview

This phase is characterised by ongoing restrictions impacting business operation in regional Victoria and metropolitan Melbourne. This is the main 'recovery' period, which includes both stricter restrictions (i.e. Stages 3 and 4 restrictions) and further easing of travel and business restrictions (i.e. Stage 2 restrictions and beyond), however continues to be a 'with-COVID' operating environment.

This phase will focus on helping businesses to survive and attempting to reduce employment and business loss. Critical to this stage is regular and targeted engagement with businesses to understand their needs and to provide them with timely and accurate support. It will be extremely important for the Shire to identify and prioritise its particularly at-risk businesses.

Assisting with business adaptation and preparation will be critical to this Phase. Although restrictions may be further eased during this phase, physical distancing and hygiene requirements are likely to remain for the entire duration of Phase 1. Most businesses in the Shire will need to change their operating models and there will need to be support from Council to do so.

This stage will require the most intensive support from Council, with a focus on the following:

- Assisting businesses to make minor investments to allow their business to operate in a 'with-COVID' world, either financially or by providing access to resources and networks,
- Assisting businesses with advocacy efforts for funding; and
- Advocating for funding and proactively seeking to attract investment in projects that will lead to economic growth and new jobs.

### Phase 1 Recovery Objectives

#### **Objective 1. Minimise business and Job Loss**

Continued communication with businesses to understand their financial position will be important to providing them timely advice, support and directing them to appropriate Local, State and Federal Government programs;

#### **Objective 2. Assist businesses to alter operating conditions for a 'with-COVID' environment**

Assist as many businesses to adapt operating conditions, diversify their offerings and revenue streams, and build their resilience.

## Phase Issues and Opportunities

The majority of the Shire's businesses have experienced major reductions in their turnover, with an average 21% loss of turnover for all businesses in the Shire for the first 6 months of 2020.

It will be extremely important for the Shire to identify and support its particularly at risk businesses through ongoing communication, and to provide them as much support as is possible. Sectors that will require particular support from the Shire include Rental, Hiring and Real Estate Services (-57% output), Accommodation and Food Services (-45% output) and Arts and Recreation Services (-33% output). As businesses in these sectors are reliant heavily on the tourism industry for a large proportion of their business revenue, they will require the most support and their survival will be critical to reinstating a strong visitor economy.

In order to provide support to businesses with limited financial resources, Mansfield Shire Council should use staff resources to provide assistance to business owners to access professional business advice, support and assistance to understand and access government support schemes, as well as considering additional financial support and relief options. Given the potentially overwhelming wealth of advice and support services currently available, advice to businesses should be up to date, clear and concise.

As restrictions ease, the Metropolitan Melbourne visitor market will be particularly eager to travel for leisure within the State, and Mansfield Shire will be competing with other destinations to attract visitors. The Shire will need to increase promotion, marketing and product packaging activities to attract visitors to the Shire during this phase; with a focus on attracting high-yielding visitor markets.

Emerging scientific research suggests the possibility of airborne transmission of the COVID-19 virus and the potential accelerated spread of the virus indoors.<sup>10</sup> When they inevitably return to the Shire, it is likely that consumers in the tourism and hospitality industry will be more comfortable visiting establishments in outdoor settings. This is likely to affect business operating models and Council should consider developing a program to support business in making minor investment or developing solutions to adapt their business performance.

An emerging area of concern is the mental health and wellbeing of business owners and operators through this period of prolonged stress and uncertainty. Council-led mental health initiatives and community building efforts will be crucial to employee mental health, the resilience of the business community and may impact the ability of many businesses to survive the prolonged economic downturn.

A key opportunity for this phase is for business owners and employees to learn new skills in order to capitalise on future opportunities and expand expertise and professionalism. This can be achieved through training initiatives, webinars and business networking events. Connecting businesses will be imperative to supporting business owner mental wellbeing and fostering a sense of community amongst businesses.

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<sup>10</sup> World Health Organisation, June 2020. [https://www.who.int/publications/i/item/advice-on-the-use-of-masks-in-the-community-during-home-care-and-in-healthcare-settings-in-the-context-of-the-novel-coronavirus-\(2019-ncov\)-outbreak](https://www.who.int/publications/i/item/advice-on-the-use-of-masks-in-the-community-during-home-care-and-in-healthcare-settings-in-the-context-of-the-novel-coronavirus-(2019-ncov)-outbreak)

ABC July 2020. <https://www.abc.net.au/news/2020-07-06/aerosol-transmission-of-COVID-19/12425852>

## Phase Action Plan

An Action Plan has been prepared for Phase 1 of Recovery, in response to business and industry issues, and opportunities identified through preparation of the Plan.

### T15. PHASE 1 ACTION PLAN

Action	Delivery Lead	Supporting Stakeholders	Cost
<b>STRATEGY 1 Undertake regular communication with business to promote the support programs available</b>			
<b>ACTION 1.1</b>	Continue to use Business and Community Advisory Committee to provide local businesses with up to date information across the Shire's towns.	C&ED Unit Comms Advisor	BCAC MDBA In Kind
<b>ACTION 1.2</b>	Continue to maintain information on business advisory and financial support programs available across all levels of Government.  <i>See Appendix A for information about current support programs.</i>	C&ED Unit	MDBA In Kind
<b>ACTION 1.3</b>	Improve and maintain a quality business database for the Shire using Monitor CRMS.	C&ED Unit	In Kind
<b>ACTION 1.4</b>	Continue the weekly newsletter to communicate general programs available for businesses including business advisory and financial support programs. Update businesses on any changes to programs or any new programs available.	C&ED Unit Comms Advisor	BCAC MDBA In Kind
<b>ACTION 1.5</b>	Undertake a quarterly forum for Mansfield businesses explaining the programs available to encourage businesses to apply for support.	C&ED Unit	Local businesses In Kind
<b>STRATEGY 2 Provide sector-specific support to businesses</b>			
<b>ACTION 2.1</b>	Provide a monthly sector-specific update to key industries such as tourism and agriculture.  This should include details of relevant grants, support initiatives and contact details for a relevant Council staff member to provide grant application advice or assistance.	C&ED Unit Comms Advisor	
<b>ACTION 2.2</b>	Encourage agricultural and food producer businesses to apply to the State Government's Agriculture Workforce Plan to support business adaptation in response to COVID-19.  Under the program, individual grants between \$10,000 and \$300,000 will support eligible businesses cover up to 50 per cent of the cost of necessary adaptations to their workplace.	C&ED Unit	Agriculture Victoria In Kind
<b>STRATEGY 3 Undertake professional development initiatives to support business recovery preparation</b>			

Action	Delivery Lead	Supporting Stakeholders	Cost
<b>ACTION 3.1</b> Undertake a professional development event for business owners. This should include a range of speakers including business leaders from outside the shire, particularly those who successfully survived previous economic crises.	C&ED Unit	Business Victoria MDBA	TBC Budget required
<b>ACTION 3.2</b> Undertake professional development training workshops for business owners and managers. Key needs expressed by business owners include business skills training, social media training, business mentoring and business support updates.	C&ED Unit	Business Victoria MDBA	TBC Budget required
<b>ACTION 3.3</b> Establish a business coaching program to provide tailored guidance to businesses from qualified business coaches and mentors.  An application process should be undertaken to allow businesses to be matched with the right business coach to suit their needs and skill levels.  Council to consider providing a grant to fund the first session for interested businesses.	C&ED Unit	Business Victoria MDBA Qualified Business Coaches	\$10k Budget required

#### **STRATEGY 4 Encourage business to business connections in the local area**

<b>ACTION 4.1</b> Council to provide an online discussion forum platform to connect businesses with each other, share resources and collaborate.  This should be provided to registered businesses and enable opportunities for group conversation as well as direct communication between individuals  Council to investigate <i>Localised</i> to deliver this project.	C&ED Unit	Localised MDBA	\$5k (for Localised)
<b>ACTION 4.2</b> Facilitate online industry sector focus groups to discuss opportunities for collaboration across business sectors and opportunities for businesses to support each other. This could occur quarterly.	C&ED Unit	MDBA TNE	In Kind
<b>ACTION 4.3</b> Promote business sign-up to the Mansfield and District Business Association (MDBA) through integration of MDBA activities in Council's weekly newsletters.	C&ED Unit	MDBA	In Kind

#### **STRATEGY 5 Support businesses to diversify income streams and increase sales**

<b>ACTION 5.1</b> Identify and assist business owners in utilising online opportunities to support the growth of their business.  Provide a training program to educate businesses on online retail.	C&ED Unit	MDBA	\$20k
<b>ACTION 5.2</b> Advocate for businesses to join existing online stores and promotional platforms, including Visit Victoria's 'Click for Vic' online website High Country at Home website listing, and the Victorian Country Market for local producers.	C&ED Unit	MDBA	In-Kind

Action	Delivery Lead	Supporting Stakeholders	Cost
<p><b>ACTION 5.3</b> Increase promotion of Buy From Mansfield online store as part of a 'Buy local' campaign to attract regional and metropolitan Victorian markets to purchase local produce from the Shire.</p> <p>Explore promotion opportunities via television and partnerships with other 'Buy From North East Vic' websites such as 'Buy from Beechworth'.</p>	C&ED Unit	Buy From North East Vic	\$20k
<b>STRATEGY 6 Monitor business performance to support emerging needs</b>			
<p><b>ACTION 6.1</b> Council to continue to monitor the needs of hard hit industries through ongoing discussion with businesses.</p>	C&ED Unit	MDBA	In Kind
<p><b>ACTION 6.2</b> Establish a mode of ongoing communication with the MDBA to ensure business needs are being met.</p>			
<p><b>ACTION 6.3</b> Undertake an update to the business impact survey at the end of 2020 to assess the ongoing economic impact to businesses and the economy in Mansfield.</p>	C&ED Unit		In Kind
<b>STRATEGY 7 Assist businesses with changed operating conditions</b>			
<p><b>ACTION 7.1</b> Council to consider changing local laws to allow for outdoor dining to occur in public spaces in townships across Mansfield Shire, including median strips, public parks, car parks and footpaths.</p> <p>Council to apply for the State Government's Outdoor Eating and Entertainment Package to access funding to streamline permit, enforcement and monitoring processes to allow for outdoor dining in public spaces.</p> <p>Council to reduce or waive permit fees for businesses to use public space. Funding should also be invested in infrastructure such as streetscaping and lighting.</p>	I&P Unit C&ED Unit	State Government	In-Kind
<p><b>ACTION 7.2</b> Encourage hospitality businesses to apply for the State Government's grants of up to \$5k to support business adaptation through outdoor dining, equipment and other necessary investments.</p> <p>For businesses ineligible for the grants or unable to access a suitable amount of funding, consider provision of grants up to \$5k to support business adaptation.</p>	C&ED Unit	State Government	\$100k (grants for physical distancing alterations)
<p><b>ACTION 7.3</b> Develop social distancing and business operation guidelines for each industry sector, based on each Stage of the State Government's Road Map to Reopening.</p> <ul style="list-style-type: none"> <li>Refer to Business Victoria's Tourism Industry Guidelines as an example, but provide more localised and detailed information that will support businesses in making necessary alterations.</li> </ul>	C&ED Unit	Business Victoria DHHS	In Kind

Action	Delivery Lead	Supporting Stakeholders	Cost
- Promote existing resources such as 'Safe and Healthy Crowded Places Handbook' by the Australian Institute for Disaster Resilience.			

#### STRATEGY 8 Promote social distancing behaviour to visitors and residents

<b>ACTION 8.1</b>	Continue to promote social distancing to locals and visitors through clear and effective communication. Continue to support businesses by providing social distancing guidelines and up to date advice.	C&ED Unit		In Kind
<b>ACTION 8.2</b>	Appoint a recovery officer to offer specialised support and advice to businesses to focus on: <ul style="list-style-type: none"> <li>- Manage business forums;</li> <li>- Support funding application;</li> <li>- Assist in managing business grants;</li> <li>- Advice to businesses on COVID-safe operations.</li> </ul>	C&ED Unit		\$75k p.a.

#### STRATEGY 9 Provide access to mental health support for business owners, operators and employees

<b>ACTION 9.1</b>	Continue to promote existing mental health support programs to further information in all mail outs and communications provided by Council.  This should include promotion of relevant programs such as the State Government's Mental Health Support For Business Owners And Workers program and Hotdoc Business Owner and Employee Wellness Program.  Consider providing all Council staff with a short blurb with mental health support information and references to incorporate in their email signatures.	C&ED Unit		In Kind
<b>ACTION 9.2</b>	Develop an online webinar program specific to business owners and employees health and wellbeing. This should include a range of mental health experts who have experience in dealing with the business sector.	C&ED Unit		\$1k

#### STRATEGY 10 Drive growth in visitation and yield through marketing, packaging and events

<b>ACTION 10.1</b>	Develop a targeted online marketing campaign to drive awareness and interest in Mansfield's attractions, townships and activities.	C&ED Unit Comms Unit	Local businesses	\$25k
<b>ACTION 10.2</b>	Work with Tourism North East to have Mansfield products and experiences included in social media and marketing campaigns such as Ride High Country and Walk High Country. (pay to play).	C&ED Unit	TNE	\$25k
<b>ACTION 10.3</b>	Collaborate with Mt Buller to run a series of COVID-appropriate activities and experiences during the	C&ED Unit	Mt Buller Mt Stirling ARMB	\$10k

Action	Delivery Lead	Supporting Stakeholders	Cost
2020/21 summer season to encourage visitation and dispersal across the Shire.			
<p><b>ACTION 10.4</b> Develop a targeted marketing campaign to encourage habitual visitors to return to the Shire, such as holiday home owners and campers.</p> <p>This should consider targeted mail outs, use of non-resident ratepayer database, and promotional deals through industry associations.</p>	C&ED Unit		\$25k
<p><b>ACTION 10.5</b> Prepare a 'COVID-safe' manual for operating events in Mansfield Shire to ensure that event operators can reinstate events during a 'with-COVID' environment.</p> <p><b>ACTION 10.6</b> Coordinate an events calendar for events that can operate in a 'with-COVID' environment.</p>	C&ED Unit	Event operators	In Kind
<p><b>ACTION 10.7</b> Develop visitor experience packages across multiple businesses aligned to visitor types. (e.g. golf, food, wine, attractions and accommodation).</p>	C&ED Unit	Industry	\$10k (for promotion)
<p><b>ACTION 10.8</b> Attract interested local producers and operators to develop a series of food and wine events that showcase local produce across the Shire.</p> <p>Key considerations for event development include:</p> <ul style="list-style-type: none"> <li>- Event should maximise visitor dispersal and spend opportunities e.g. multi-day and multi-location</li> <li>- Operators should consider partnering with accommodation providers to encourage overnight stays</li> <li>- Partnerships with local transport businesses to move visitors between event locations</li> <li>- Each venue will need to maintain social distancing and limit number of patrons per venue to the government mandated limit</li> </ul>	C&ED Unit	Industry	\$100k to develop and promote event

#### STRATEGY 11 **Promote local employment opportunities**

<p><b>ACTION 11.1</b> Continue to promote the North East Victoria Jobs Hub to residents for employment opportunities, and to businesses to advertise position vacancies.</p>	C&ED Unit	North East Victoria Jobs Hub	In-Kind
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## 5.3. PHASE 2 – PLANNING FOR THE FUTURE

### Phase Overview

This phase responds to the relaxation of restrictions and moving towards a 'new normal' operating environment, which is likely to continue to be a 'with-COVID' environment.

This includes potential international travel recovery, improvements to supply chains to allow for greater importing and exporting and boosting the value of domestic tourists.

This phase aims to build economic sustainability and resilience through investment in planning, infrastructure, and private sector development that will create jobs and economic growth.

Strategies from this phase may commence during phase 1 where relevant.

### Phase Issues, Needs and Opportunities

This phase will aim to build the economy back to growth, with targeted attraction of businesses and employment opportunities in sustainable population-based sectors less reliant on tourism, such as education and training, healthcare and social assistance. This is aligned to Council's strategic direction in the recently prepared Economic Development Strategy.

Critical to ensuring the resilience of the Shire's economy will be supporting and guiding the development of a strong and sustainable tourism industry. Council should undertake a Shire-wide tourism strategy which considers event development and visitor servicing needs. Building strong year-round visitation and reducing troughs in visitation will reduce the reliance of the Shire's business community on peak periods that can be heavily impacted by environmental factors such as bushfires and reduced snowfall. This can be supported by building a strong events calendar, with potential development of signature events during the off-peak season.

### Phase Recovery Objectives

#### **Objective 1. Support businesses to recover turnover and return to a growth economy**

Continue to support businesses to achieve an increase in jobs, output and business investment

#### **Objective 2. Build a sustainable economy by supporting and growing a diverse range of sectors**

See growth in sustainable population-based sectors less reliant on tourism, such as education and training, healthcare and social assistance

#### **Objective 3. Long-term strategic planning and investment in infrastructure**

Investment in infrastructure that will support growth in jobs and liveability outcomes.

Tourism-related investments should have increasing consideration for the preference of the domestic traveller. Research indicates it will be long before international tourists are able to return to Australia, and even longer until they feel comfortable to return to travel. The concern for tourists will not only be related to COVID-19, but also recent bushfires and natural disasters impacting their future decisions to travel and increase their perceived level of risk<sup>11</sup>.

This phase will need to acknowledge the potentially changed mindset of the visitor. This may include a greater focus on environmental sustainability, preference for informed and ethical purchasing, and a renewed appreciation for natural assets and nature-based experiences.

Future disaster preparation for both Council and businesses will be crucial to ensuring the long-term resilience of the economy.

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<sup>11</sup> KPPM Strategy, Tourism Relief After Disaster, 2020. <https://www.edaaustralia.com.au/wp-content/uploads/2020/05/KPPM-Tourism-Recovery-Lit-Review-4-4-20.pdf>

## Phase Action Plan

An Action Plan has been prepared for Phase 2 of Recovery, in response to business and industry issues, and opportunities identified through preparation of the Plan.

### T16. PHASE 2 ACTION PLAN

Action	Delivery Lead	Supporting Stakeholders	Cost
<b>STRATEGY 12 Prepare for future disasters</b>			
<p><b>ACTION 12.1</b> Develop a Disaster Response Council management plan. This should identify broad categories of risk (e.g. health pandemic, bushfires, environmental spills) and response frameworks for each issue.</p> <p>An example is the Emergency Event Economic Recovery Manual recently prepared by Sunshine Coast Council.</p>	C&ED Unit Comms Advisor		\$30k
<p><b>ACTION 12.2</b> Assist businesses to prepare Business Continuity Plans through development of a user-friendly template and a business owner workshop event run by Council to support businesses with the preparation of the plans.</p>	C&ED Unit	Industry	\$10k
<b>STRATEGY 13 Drive economic growth through resident attraction and resident liveability initiatives</b>			
<p><b>ACTION 13.1</b> Undertake and implement township improvement plans, including streetscape improvements and retail activation for key towns of Goughs Bay, Jamieson, Merrijig and Bonnie Doon.</p> <p>This will support growth across a range of industries and improve the Shire's attractiveness to both residents and visitors.</p>	I&P Unit		\$150k
<p><b>ACTION 13.2</b> Investigate opportunities for co-working spaces to support the move to remote working, including access to technology and equipment to support remote workers.</p>	C&ED Unit	Industry	
<p><b>ACTION 13.3</b> Undertake further promotion of the Shire as a lifestyle destination for new residents, including young families, workers changing to permanent remote working conditions and wanting a tree-change.</p>	C&ED Unit Comms Advisor		\$40k for promotion and resident attraction activities
<b>STRATEGY 14 Build the sustainability of the Shire's tourism industry</b>			
<p><b>ACTION 14.1</b> Prepare a Tourism Development Strategy for the Shire that includes tourism product and experience development, governance, visitor servicing assessment and events strategy development.</p> <p>This strategy will recognise the importance of tourism to the local economy and provide a blueprint to guide strategic tourism development.</p>	C&ED Unit	Tourism Industry	\$70k

Action	Delivery Lead	Supporting Stakeholders	Cost
<p>The strategy will seek to develop greater connection between Mansfield Shire's key assets of Lake Eildon, Mansfield township, Jamieson, Goughs Bay, Bonnie Doon, Mt Buller and Tolmie areas.</p>			
<p><b>ACTION 14.2</b> Support development of new events and festivals, particularly those that promote overnight stays.</p> <p>This should include funding for event procurement and attraction.</p>	C&ED Unit	Event Operators	

**STRATEGY 15 Attract investment in public and private sector development opportunities to support new jobs**

<p><b>ACTION 15.1</b> Establish a priority investment project pipeline to Identify key public sector projects that require Government investment.</p> <p>This should include a detailed action plan for public sector investment projects and development of advocacy material.</p> <p>Projects to be considered include:</p> <ul style="list-style-type: none"> <li>- Sealing Skyline Road;</li> <li>- Investment in sewerage pipeline from Mansfield to Goughs Bay;</li> <li>- Investment in tracks and trails infrastructure including Great Victorian Rail Trail activations, Mansfield to Merrijig trail and extension to the existing trail networks and investment in shared paths.</li> </ul>	C&ED Unit	<p>DELWP</p> <p>Parks Victoria</p> <p>Mt Buller Mt Stirling ARMB</p> <p>GMW</p>	<p>\$15k (Advocacy document)</p>
<p><b>ACTION 15.2</b> Continue to work with public land managers to advance priority projects and to assist businesses with planning applications to invest on Crown Land.</p>	C&ED Unit	<p>DELWP</p> <p>Parks Victoria</p> <p>Mt Buller Mt Stirling ARMB</p> <p>GMW</p>	<p>In-Kind</p>
<p><b>ACTION 15.3</b> Identify opportunities for private sector investment. This includes appropriate residential, commercial and industrial land development as well as tourism related investment such as visitor accommodation. Opportunities include:</p> <ul style="list-style-type: none"> <li>- Mountain Bay Integrated Resort;</li> <li>- Fry Bay Eco Accommodation;</li> <li>- Tourist Parks.</li> </ul>	C&ED Unit		<p>\$15k for investment prospectus</p>
<p><b>ACTION 15.4</b> Prepare a prospectus for key projects that require private sector investment.</p>			

**STRATEGY 16 Ensure planning framework supports investment opportunities identified**

Action	Delivery Lead	Supporting Stakeholders	Cost
<b>ACTION 16.1</b> Undertake planning scheme amendment process for sites recommended for rezoning in Mansfield Shire in the Lake Eildon Masterplan as well as recommended rezoning from the Mansfield Shire Planning Strategy.	C&ED Unit		\$100k

# APPENDICES

## APPENDIX A SUMMARY OF STATE AND FEDERAL GOVERNMENT SUPPORT INITIATIVES

### T17. FEDERAL GOVERNMENT BUSINESS SUPPORT PROGRAMS

Initiative / Funding Stream Name	Description	Eligibility
<b>JobKeeper Program</b>  <i>Federal Government of Australia</i>	<p>The Federal Government will provide businesses with a wage subsidy of \$1,500 per employee, per fortnight before tax.</p> <p>The payment will be paid to employers, for up to six months, for each eligible employee that was on their books on 1 March 2020 and is retained or continues to be engaged by that employer.</p>	<p>Employers are eligible for the JobKeeper payment if all of the following apply:</p> <ul style="list-style-type: none"> <li>• On 1 March 2020, you carried on a business in Australia</li> <li>• You employed at least one eligible employee on 1 March 2020.</li> <li>• Your eligible employees are currently employed by your business for the fortnights you claim for (including those who are stood down or re-hired).</li> <li>• 30% fall in turnover (for an aggregated turnover of \$1 billion or less)</li> <li>• 50% fall in turnover (for an aggregated turnover of more than \$1 billion)</li> <li>• 15% fall in turnover (for ACNC-registered charities other than universities and schools).</li> <li>• Your business is not in one of the <a href="#">ineligible employer</a> categories.</li> </ul>
<b>Concessional loans</b>  <i>Federal Government of Australia</i>	<p>Under a Coronavirus Small-Medium Enterprise Guarantee Scheme, SMEs with a turnover of up to \$50 million will be eligible to receive new unsecured loans of up to \$250,000 for working capital with the Government guaranteeing 50 per cent of the loan.</p>	<p>SMEs with a turnover of up to \$50 million will be eligible to receive these loans.</p>
<b>Boosting cash flow for employers</b>  <i>Federal Government of Australia</i>	<p>Temporary cash flow payments up to \$100,000 are available to keep eligible small to medium-sized businesses operating, paying your bills and retain staff.</p>	<p>If your small or medium-sized business employs staff and has an aggregated annual turnover under \$50 million, you may be eligible for two sets of cash flow boosts up to \$100,000.</p>
<b>Assistance to pay wages of trainees or apprentices</b>  <i>Federal Government of Australia</i>	<p>The government is supporting the continued development of Australia's skilled workforce and helping eligible businesses retain apprentices and trainees by offering a 50 per cent wage subsidy.</p>	<p>The subsidy will be available to support small businesses with fewer than twenty employees, including those using a Group Training Organisation, who retain an apprentice or trainee.</p>
<b>Small to Medium Enterprise (SME) Scheme</b>	<p>The Coronavirus Small and Medium Enterprises (SME) Guarantee Scheme will support up to \$40 billion of lending to SMEs (including sole traders and not-for-profits).</p>	<p>The Scheme will enhance lenders' willingness and ability to provide credit, supporting many otherwise viable SMEs to access vital additional funding to get through the impact of Coronavirus.</p> <p>The Scheme will be available for new loans made by participating lenders until 30 September 2020.</p>

	Under the Scheme, the Government will guarantee 50 per cent of new loans issued by eligible lenders to SMEs.	
<b>Director obligations</b>  <i>Federal Government of Australia</i>	<ul style="list-style-type: none"> <li>• Relief for directors from any personal liability for trading while insolvent</li> <li>• Increasing the threshold for creditors issuing a statutory demand on a company from \$2,000 to \$20,000 and extending the timeframe for a company to respond from 21 days to six months</li> <li>• Increasing the threshold for a creditor to initiate bankruptcy proceedings from \$5,000 to \$20,000 and extending the time period for debtors to respond to a bankruptcy notice from 21 days to six months and extending the period of protection a debtor receives after declaring an intention to enter voluntary bankruptcy from 21 days to six months</li> <li>• Providing temporary flexibility in the Corporations Act 2001 to provide targeted relief for companies from provisions of the Act to deal with unforeseen events that arise as a result of the Coronavirus health crisis.</li> </ul>	
<b>Backing Business Investment</b>  <i>Federal Government of Australia</i>	<p>Businesses with turnover of less than \$500 million are eligible for an expanded instant asset write-off for asset investments of up to \$150,000. The threshold applies on per asset basis, so businesses can immediately write-off multiple assets.</p> <p>They can also access a 15-month investment incentive by accelerating depreciation deductions.</p>	

Source: Various sources, desktop research, 2020.

## T18. STATE GOVERNMENT SUPPORT PROGRAMS

Initiative / Funding Stream Name	Description	Eligibility
<b>Business Support Fund</b>  <i>Business Victoria</i>	<p>As part of a \$1.7 billion economic survival package, the Victorian Government has announced \$500 million to establish a Business Support Fund to assist small to medium businesses most impacted by the COVID-19 outbreak.</p>	<p>The fund provides eligible businesses with one-off grants of \$10,000 through two streams:</p> <ul style="list-style-type: none"> <li>• Stream One: Available to small businesses that meet the standard eligibility criteria and operate in industry sectors that have been subject to closure or highly impacted by the Restricted Activity Directions External link (opens in same window) issued by the Deputy Chief Health Officer to-date.</li> <li>• Stream Two: Available to small businesses in any other sector that meet the standard eligibility criteria and are enrolled as eligible participants in the Commonwealth Government's JobKeeper payment scheme.</li> </ul>
<b>Sustaining Creative Workers initiative</b>  <i>Creative Victoria</i>	<p>Support for individual artists and creative practitioners, as well as micro-organisations and companies who are among the hardest hit by the impacts of the coronavirus pandemic.</p>	<ul style="list-style-type: none"> <li>• Stream 1: First Peoples creatives/artists, micro organisations/businesses from across Victoria with a minimum track record of 5 years in professional public outcomes</li> <li>• Stream 2: Metro and Outer Metro Melbourne creatives/artists, micro organisations/businesses with a minimum track record of 5 years in professional public outcomes</li> <li>• Stream 3: Deaf and Disabled creatives/artists and arts workers or disability-led micro organisations/businesses from across Victoria</li> <li>• Stream 4: Regional Victorian creatives/artists, micro organisations/businesses (with the exception of the groups above) with a minimum track record of 5 years in professional public outcomes. Note: Applications for this stream must be submitted through Regional Arts Victoria.</li> </ul>
<b>Licensing, land tax and rent relief</b>  <i>State Revenue Office of Victoria</i>	<p>Commercial tenants in government buildings will be offered rent relief, and 2020 land tax payments will be deferred for eligible small businesses with land holdings of less than \$1 million in value.</p>	<p>The SRO will contact all eligible landowners about this.</p> <p><b>Payroll:</b> Businesses with annual Victorian taxable wages up to \$3 million will have their payroll tax for the 2019-20 financial year waived.</p> <p><b>Liquor License Relief:</b> Businesses that have paid for a renewable liquor licence for 2020 will be reimbursed their licence fee and those yet to pay will have the fee waived.</p>
<b>Payroll tax refund and deferral</b>  <i>State Revenue Office of Victoria</i>	<p>Small and medium-sized businesses with total Victorian payroll of less than \$3 million will automatically have their payroll tax for the 2019-20 financial year waived and be refunded any payroll tax they have already paid in 2019-20.</p>	<p>The SRO will directly contact eligible businesses about reimbursement or businesses can claim a reimbursement.</p>
<b>Commercial tenancy relief scheme</b>	<p>The Victorian Government has announced a commercial tenancy relief scheme to alleviate financial hardship faced by tenants and</p>	<p>If you are having difficulty paying rent due to the impact of coronavirus and you meet the eligibility requirements of the JobKeeper payment, you should contact your landlord to negotiate rent relief under the code.</p>

<i>Victorian Chamber of Commerce and Industry (VCCI)</i>	landlords as a result of coronavirus (COVID-19).	
<b>Night-time Economy Business Support Initiative</b>  <i>State Government of Victoria</i>	Victorian Government has announced \$40 million from the Business Support Fund will be made available to provide rent relief for licenced venues with an individual annual turnover of up to \$50 million, but who are not covered by the Commercial Tenancy Relief Scheme.	Eligible businesses include businesses that: <ul style="list-style-type: none"> <li>○ Operate licenced pubs, clubs or restaurants on tenanted premises as part of a group or chain;</li> <li>○ Have an annual turnover of less than \$50 million at each individual premise operating within the group); and</li> </ul> Do not qualify for the Victorian Government's Commercial Tenancy Relief Scheme.
<b>Small Business Bushfire Support Grant</b>  <i>State Government of Victoria and Federal Government of Australia</i>	Small Business Bushfire Support Grants of up to \$10,000 to support small businesses who have experienced a significant loss of income due to the Victorian bushfires that commenced 21 November 2019.	These grants are available to small businesses in the local council areas of Alpine, East Gippsland and Towong. Grant assistance is also available to small businesses who work within the eligible disaster areas on a regular basis, provided they can demonstrate significant impact.  To be eligible for the grant, the applicant must: <ul style="list-style-type: none"> <li>○ be a small business owner</li> <li>○ hold an Australian Business Number (ABN) and have held that ABN at the time of the eligible disaster</li> <li>○ have been engaged in carrying on the small business in a defined disaster area when affected by the eligible disaster</li> <li>○ have suffered a decline in revenue of 40% or more in a relevant three month period (compared to a relevant three month period in the previous year) as a result of the eligible disaster in the defined disaster area.</li> </ul>
<b>Small Business Bushfire Recovery Grants Victoria</b>  <i>Victorian Chamber of Commerce and Industry (VCCI)</i>	Grants of up to \$50,000 are available to eligible Victorian small businesses and non-profit organisations (NPOs) affected by the Victorian bushfires commencing 21 November 2019.  These grants are intended to help pay for costs of clean-up and reinstatement of eligible small businesses that have suffered direct damage as a result of bushfires.	Grants are available to Victorian small businesses (1-19 employees) and NPOs that have sustained damage as a result of the Victorian bushfires beginning 21 November 2019. Available to a set list of Local Government Areas in bushfire-prone areas.
<b>Working for Victoria Fund</b>  <i>State Government of Victoria</i>	The Victorian Council of Social Services and Victorian Trades Hall Council, alongside the Victorian Government, will administer a \$500 million Working for Victoria Fund..	Displaced workers will be eligible to apply for different opportunities for paid work and to contribute to Victoria's ability to manage this event and support the community.

		The initiative also assists businesses to employ Victorian job seekers who have lost jobs as a result of COVID-19.
<b>New payment terms</b>  <i>State Government of Victoria</i>	The Government will pay all outstanding supplier invoices within five business days. The private sector is urged to do the same where possible.	
<b>Support for pubs, clubs and restaurants</b>  <i>State Government of Victoria</i>	The Victorian Government will make \$40 million from the Business Support Fund available to licenced venues with an individual annual turnover of up to \$50 million, but who are not covered by the Commercial Tenancy Relief Scheme, for rent relief.	
<b>Tourism Accommodation Support Program</b>  <i>State Government of Victoria</i>	<p>Accommodation operators in regional Victoria (comprising the 48 Regional and Rural Council areas, Mornington Peninsula Shire, Yarra Ranges Shire, Victoria's six Alpine Resorts, French Island, Gabo Island and Lady Julia Percy Island) can apply for a refund for lost bookings.</p> <p>Payments of up to \$225 per booking per night will be made for each cancelled booking as a result of the travel restrictions placed on residents from Melbourne's restricted postcodes.</p>	<p>Eligible accommodation providers include hotels, motels, caravan parks, camping grounds and private holiday rentals.</p> <p>Refunds will be provided on attestation that all the following criteria are satisfied and can be evidenced:</p> <ul style="list-style-type: none"> <li>• A refund has been made for 100% of the booking amount; and</li> <li>• No cancellation fee or other tariff was charged to cancel the booking; and</li> <li>• The cancelled booking was not re-booked or filled; and</li> <li>• The booking is from a resident of a restricted postcode.</li> </ul>

Source: Various sources, desktop research, 2020.

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