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MURRINDINDI SHIRE COVID-19 BUSINESS RECOVERY PLAN

MURRINDINDI SHIRE | AUGUST 2020



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AUTHORS

Mike Ruzzene, Director

Agathy Patsouris, Consultant

FILE

Murrindindi Shire Covid-19 Business Recovery Plan - August 2020

VERSION

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L1 302-304 Barkly St, Brunswick VIC 3056
+61 3 9482 3888 urbanenterprise.com.au

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EXECUTIVE SUMMARY

Background

Murrindindi Shire Council has engaged Urban Enterprise to prepare a Business Recovery Plan to quantify the impacts of COVID-19 and identify actions to aid with business recovery from the Pandemic.

The project aims to understand and articulate the impact of the COVID-19 Pandemic on Murrindindi Shire industry sectors and businesses. The Recovery Plan has been prepared in close consultation with Council and the COVID-19 Business and Tourism Advisory Committee to develop a Plan that promotes fast and sustainable recovery from the effects of the COVID-19 Pandemic.

This report highlights the outcomes of the primary and secondary research undertaken together with, consultation and economic impact modelling of COVID-19 pandemic on businesses. It also includes a strategic action plan in response to recovery phases.

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 7.1% in May 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 6.9%, which is forecast to rise to 11% by the September quarter. This is likely to increase further than forecast, as a result of prolonged economic downturn. Stage 4: Stay Home restrictions across Metropolitan Melbourne and Mitchell Shire are also 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 Murrindindi Shire

Murrindindi Shire Council is currently in Stage 3: Stay Home restrictions as at 5 August 2020. This means for Murrindindi 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.

Tourism is a key economic driver for Murrindindi Shire and the main visitor source markets are the locked down areas of Metropolitan Melbourne and neighbouring Mitchell Shire. 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.

Murrindindi Economy 2019

1,735 businesses	\$1.192 billion output	4,316 jobs	1.1 million visitors	\$190 million visitor expenditure
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There were 1,735 businesses in Murrindindi, in 2019, of which the majority can be considered small businesses, either self-employed (66%) or employing less than 20 people (32%). Furthermore, the turnover for the majority of the Shire's businesses is less than \$200,000 per annum (65%).

The Shire produced \$1.192 billion in output in 2019. The majority of output can be attributed mainly to Agriculture, Forestry and Fishing (\$249m or 21%), Construction (\$178m or 15%), and Rental, Hiring and Real Estate Services (\$142m or 12%). To date, these main sectors contributing to the Shire's output have been less affected by COVID-19 than frontline service sectors such as tourism, hospitality and retail sectors.

4,316 people were employed in Murrindindi Shire in 2019, with the largest employing sectors being Agriculture, Forestry and Fishing (17%), Education and Training (13%), Accommodation and Food Services (11%), Health Care and Social Assistance (10%) and Construction (10%).

The Shire's tourism industry is an important employment sector and contributor to the economy. In 2019, the Shire received 1.1 million visitors, including both domestic and international travellers. These visitors contributed \$190 million to the economy in direct expenditure across the year. Yield from visitors to the Shire is low compared with other destinations, due to the predominance of day trip visitors, including habitual and nature-based visitors.

Impact of COVID-19 on Murrindindi Economy January-June 2020

Potential loss of 30% businesses by September 2020	Loss of \$58 million in expected output	Loss of 310 jobs	Loss of 193,964 visitors	\$34 million loss of visitor spend
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The Murrindindi Shire economy has experienced major economic losses in the first half of 2020 as a result of the COVID-19 pandemic. Survey results show that businesses in Murrindindi Shire across all sectors indicated an average revenue reduction of 10% during the March quarter and 29% during the June quarter.

Approximately half of businesses surveyed projected they would continue to experience decreased levels of revenue until the end of the 2020 calendar year. Businesses in the Accommodation and Food Services, Arts and Recreation Services and Professional, Scientific and Technical Services estimated it would take them the longest to recover from the pandemic.

Murrindindi Shire's economy experienced a loss of \$58 million in expected output in the first half of 2020. This represents a 11% loss of the Shire's expected output over the first two quarters of 2020.

310 jobs were lost in Murrindindi Shire between December 2019 and June 2020, representing a 7% loss in total employment in the Shire. It is likely that job losses will increase substantially as a result of prolonged economic downturn.

Industry sectors that have been most affected by the pandemic over the first half of 2020 are detailed below. These sectors will require the most support, as they are heavily reliant on visitors to the Shire. Jobs data shown below represents permanent loss of workers:

- Arts and Recreation Services (-56% output and -11 job)
- Accommodation and Food Services (-51% output and -78 jobs)
- Education and Training (-38% output and -75 jobs)
- Retail Trade (-33% output and -46 jobs)
- Wholesale Trade (-33% output and -11 jobs)

There are many workers that have been stood down with the expectation that they will return to their jobs when restrictions ease.

The Shire’s visitor economy experienced a loss of 193,964 visitors and a loss of \$34m in direct visitor expenditure across the first two quarters of 2020. This is driven by a greater loss in the June quarter of 2020 at the peak of restrictions, with a 43% loss in expected visitation and expenditure. The Shire’s economy relies heavily on tourism, particularly sectors of Accommodation and Food Services, Arts and Recreation Services and Retail Trade, and has therefore been greatly impacted by business and travel restrictions imposed by COVID-19.

Key Issues and Opportunities

Through the preparation of the Recovery Plan, three distinct phases of recovery have been identified. These recovery phases respond to stages of business restrictions due to COVID-19, and are less so aligned to timeframes due to the uncertainty surrounding the pandemic in Victoria. The phases are as follows:

1. Supporting Businesses through Restrictions (includes step 1 and 2 of the National Cabinet’s Recovery Plan)
2. Returning Business Performance to Pre-COVID (includes Step 3 of the National Cabinet’s Recovery Plan)
3. A New Normal (beyond the National Cabinet’s Recovery Plan)

These scenarios are not predictions about what the exact impacts of the COVID-19 pandemic might be on the Shire’s economy and business community, or when they might occur. 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.

This recovery plan aligns to current strategic research¹, which supports the need to shift our focus from a ‘post-COVID’ world to preparing for a ‘with-COVID’ world.

Overview of Recovery Phases and Objectives

An overview of the business recovery phases and their overarching objectives is detailed below. Further detail can be found in Section 5 of this report.

Recovery Phase	Phase 1 - Supporting Businesses Through Restrictions	Phase 2 - Returning Business Performance to Pre-COVID	Phase 3 - A New Normal
Phase Description	This is the ‘Hibernation’ period, which includes the current ongoing and ‘off-and-on’ restrictions affecting regional areas of the State as well as Metropolitan Melbourne.	This is the main ‘recovery’ period, which is characterised by easing restrictions ,freer movement around Victoria, and businesses starting to operate at a larger capacity, but continues to be a ‘with-COVID’ operating environment	This will be the final phase of recovery, which may take years to reach. This phase will focus on moving businesses and the economy towards a ‘new normal’ and reinstating a growth economy.
Phase Objective	<ul style="list-style-type: none"> • Minimise business loss • Minimise job loss 	<ul style="list-style-type: none"> • Assist individual businesses to alter operating conditions for a ‘with-COVID’ operating environment • Support individual businesses to recover to pre-COVID turnover 	<ul style="list-style-type: none"> • Return to a growth economy • Build a sustainable economy

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

STRATEGIC PLAN

The following are strategies identified to respond to the issues and opportunities facing each phase of recovery. A detailed action plan for each is provided in Section 5 – Strategic Response.

Phase 1 - Supporting Businesses Through Restrictions

- STRATEGY 1 Undertake regular communication with business to promote the support programs available
- STRATEGY 2 Encourage business to business connections in the local area
- STRATEGY 3 Support businesses to diversify income streams and increase sales
- STRATEGY 4 Undertake professional development initiatives to support business recovery preparation
- STRATEGY 5 Provide specific support for 'Hard Hit' industries
- STRATEGY 6 Develop employee retention strategies to combat increasing unemployment
- STRATEGY 7 Assist businesses to make physical distancing alterations to business operations
- STRATEGY 8 Provide access to mental health support for business owners, operators and employees

Phase 2 - Returning Business Performance to Pre-COVID

- STRATEGY 9 Promote and market the Shire to attract key visitor markets
- STRATEGY 10 Attract high-yield visitors to the Shire through collaborative approaches
- STRATEGY 11 Assist businesses with changed operating conditions
- STRATEGY 12 Attract investment in public and private sector development opportunities to support new jobs
- STRATEGY 13 Promote social distancing behaviour to visitors and residents
- STRATEGY 14 Promote opportunities for employment to support unemployed residents

Phase 3 - A New Normal

- STRATEGY 15 Prepare for future disasters
- STRATEGY 16 Drive economic growth and investment
- STRATEGY 17 Build events sector

1. INTRODUCTION

1.1. BACKGROUND

Murrindindi Shire Council has engaged Urban Enterprise to prepare a Business Recovery Plan to quantify the impacts of COVID-19 and identify actions to aid with business recovery from the Pandemic.

The Recovery Plan aims to understand and articulate the impact of the COVID-19 Pandemic on Murrindindi Shire industry sectors and businesses. The Recovery Plan has been prepared in close consultation with Council and the COVID-19 Business and Tourism Advisory Committee to develop a Plan that promotes fast and sustainable recovery from the effects of the COVID-19 Pandemic.

The Business Recovery Plan has been prepared with a detailed action plan to assist the Shire's economic recovery from the COVID-19 Pandemic.

1.2. PROCESS

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

Business and Tourism Advisory Committee

Murrindindi Shire Council has set up an independent advisory committee, the 'COVID-19 Business and Tourism Advisory Committee' (the Committee). The purpose of the Committee is to:

- Provide regular industry advice to Council for the well-informed relief assistance and recovery activities of MSC businesses;
- Assist in the design and delivery of a Murrindindi Shire Council Business Recovery Plan; and
- Assist Council to effectively communicate its relief and 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 Murrindindi Shire businesses was undertaken by Urban Enterprise in June 2020, utilising the Monitor CRMS platform to distribute the survey to all businesses registered in Murrindindi Shire. The survey provided an important input into the Recovery Plan, in terms of understanding the impacts on individual businesses and industry sectors, providing localised economic impact information, and enabling modelling of the COVID-19 economic impact on the Shire's economy. The survey results are detailed in Section 4 of the report.

The report also draws on the findings of previous primary research undertaken by Council, including a Business Impact Survey undertaken in April (260 responses) and an online Business Workshop with a Q & A forum (over 200 attendees).

Secondary Research

Significant secondary research was undertaken to inform the Recovery Plan, including:

- Economic outlook data 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, 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.

Industry and Community Feedback

The strategies and actions presented in this document have been tested with local businesses and community members through a Business Forum event run by Council on 10 August 2020, as well as advertised on the Council website for feedback. There were 79 attendees to the Business Forum event, representing a range of industries.

Feedback on the COVID-19 Business Recovery Plan and associated actions was sought. Overall, business and community feedback was positive and many areas of concern had already been addressed by the plan. Business feedback and suggestions were addressed, and initiatives suggested by business owners have been incorporated where relevant in the Action Plan.

1.3. 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 Mitchell Shire, 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, Murrindindi Shire is in Stage 3: Stay Home restrictions, along with the rest of regional Victoria (excluding Mitchell Shire). This includes mandatory wearing of face masks when leaving the home. Metropolitan Melbourne and Mitchell Shire are 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 right hand side.

F1. TIMELINE OF 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.
JobKeeper announced. ATO commences JobKeeper application assessments.	30 Mar	
States impose their own social distancing restrictions and penalties..	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 1	Stage 3 'Stay at Home' lockdown directions enforced for 10 Melbourne postcodes.
	July 2	Tourism Accommodation Support Program announced for accommodation providers affected by cancellations from residents of 10 specific postcodes locked down.
	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 Mitchell Shire and Stage 3 'Stay at Home' lockdown directions enforced for Regional Victoria. Face masks now mandatory.

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 7.1% in May 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 6.9%, 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 and Mitchell Shire 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.

Murrindindi Shire Council is currently in Stage 3: Stay Home restrictions as at 5 August 2020. This means for Murrindindi 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.

Tourism is a key economic driver for Murrindindi Shire and the main visitor source markets are the locked down areas of Metropolitan Melbourne and neighbouring Mitchell Shire. 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 Reserve Bank of Australia has forecast a significant economic drop 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 with 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 business².

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 and Mitchell Shire. 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.

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.

² 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>

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 such as 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

COVID-19 has had a major impact on the Victorian economy, which is projected to worsen with reintroduction of Stage 3 lockdown for Regional Victoria and Stage 4 lockdown for Metropolitan Melbourne and Mitchell Shire as of 5 August 2020.

As a result of restrictions on businesses and the resulting forced closures, Victoria is experiencing an unemployment rate of 6.9% in May 2020³, a mid-point between Western Australia (8.1%) and Australian Capital Territory (4.1%).¹ This is likely to increase significantly following the conclusion of the JobKeeper program.

The Department of Treasury and Finance Victoria has estimated significant losses to the Victorian economy for the June and September quarters⁴. The modelling assumes a scenario whereby a six month duration of Stage 3 restrictions occurs between April and September. This is well-aligned to the current Victorian scenario, with impacts likely to be worse than predicted due to the high probability of restrictions continuing beyond September.

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 2020-21⁵*".

³ State Government Labour Market Information Portal, using ABS Labour Force Survey, 2020. All data are seasonally adjusted, except for ACT and NT which are trend data.

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.

⁴ Department of Treasury and Finance, Coronavirus Economic Outlook, 24 April 2020.

⁵ 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 and neighbouring Mitchell Shire, with Stage 4: Stay Home restrictions introduced. The main source market for visitors to Murrindindi Shire is Melbourne, therefore the restrictions are likely to impact heavily on the Shire's economy which is reliant on tourism.

STAGE 3 STAY HOME RESTRICTIONS FOR MURRINDINDI SHIRE

Current restrictions applying to businesses in Murrindindi Shire as at 20 August 2020, based on the Stage 3: Stay Home directions that came into force at 11:59pm on 5 August 2020⁶, 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.
- Accommodation providers cannot operate.
- 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.

⁶ 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

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

MURRINDINDI SHIRE COUNCIL SUPPORT

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

- **Refund of Registration of Premises Fee** for 2020 calendar year for all businesses (includes accommodation and food premises fees).
- **Removal of rate differential for businesses for 2020/21 year.** This applies only to properties classified as commercial / industrial – either by primary use of land or as zoned under the planning scheme.
- **Development of Dindi Directory.** An online business and services directory to help support and connect business with their customers during the COVID-19 pandemic.
- **Dindi Store initiative.** An online shop established by Council for businesses and services available in Murrindindi Shire to promote and sell their products/services.
- **Dedicated COVID-19 business portal and business support service.** This includes up to date information on COVID-19, Council providing calls to over 700 businesses to provide support.
- **Implementation of Business and Tourism Advisory Committee.** Committee liaising with their business networks and assisting with the provision of advice and support, as well as providing Council with regular updates on industry issues and needs.
- **Purchasing Policy amendments.** Increase to the local spend component of the purchasing policy to support the local economy.
- **Commitment of \$500k for business and community recovery from budget reserves,** including proportion of funding for Grants and Contributions Program
- **Preparation of COVID-19 related signage for business use.**
- **Accessing Working For Victoria.** Council has accessed the State Government's Working for Victoria funding and has filled 41 local positions, resulting in an additional \$1.2m for the local economy.
- **Set up Business and Community recovery team within Council.** This recovery team has been mobilised to deliver the Business Recovery Plan (Part 2 of this report) and the Community Recovery Plan.

3. MURRINDINDI ECONOMY 2019

3.1. INTRODUCTION

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

3.2. KEY FINDINGS

Murrindindi Economy 2019

1,735 businesses	\$1.192 billion output	4,316 jobs	1.1 million visitors	\$190 million visitor expenditure
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There were 1,735 businesses in Murrindindi, in 2019, of which the majority can be considered small businesses, either self-employed (66%) or employing less than 20 people (32%). Furthermore, the turnover for the majority of the Shire’s businesses is less than \$200,000 per annum (65%).

The Shire produced \$1.192 billion in output in 2019. The majority of output can be attributed mainly to Agriculture, Forestry and Fishing (\$249m or 21%), Construction (\$178m or 15%), and Rental, Hiring and Real Estate Services (\$142m or 12%). To date, these main sectors contributing to the Shire’s output have been less affected by COVID-19 than frontline service sectors such as tourism, hospitality and retail sectors.

4,316 people were employed in Murrindindi Shire in 2019, with the largest employing sectors being Agriculture, Forestry and Fishing (17%), Education and Training (13%), Accommodation and Food Services (11%), Health Care and Social Assistance (10%) and Construction (10%).

The Shire’s tourism industry is an important employment sector and contributor to the economy. In 2019, the Shire received 1.1 million visitors, including both domestic and international travellers. These visitors contributed \$190 million to the economy in direct expenditure across the year. Yield from visitors to the Shire is low compared with other destinations, due to the predominance of day trip visitors, including habitual and nature-based visitors.

3.3. MURRINDINDI ECONOMY

3.3.1. BUSINESSES

There were 1,735 businesses in Murrindindi Shire in 2019.

Majority of these businesses are non-employing (66%) or have between 1 and 19 employees (32%). 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	1,151	66%
1-19 persons	561	32%
20-199 persons	17	1%
200 or more persons	3	0.2%

Source: ABS June 2019, Count of Australian Businesses.

BUSINESSES BY SECTOR & TURNOVER

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

The main industry sectors for Murrindindi businesses are Agriculture, Forestry and Fishing (513), Construction (358) and Professional, Scientific and Technical Services (115).

The majority of the Shire's businesses turnover less than \$200,000 per annum (65%). The major employers within the Shire with a turnover exceeding \$2 million per annum including Retail Trade and Agriculture, Forestry and Fishing (16 businesses respectively), and Construction (11 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	513	195	187	118	16
Mining	0	0	0	0	3
Manufacturing	74	17	32	17	5
Electricity, Gas, Water and Waste Services	9	0	8	0	0
Construction	358	48	162	139	11
Wholesale Trade	35	8	17	13	3
Retail Trade	92	16	15	48	16
Accommodation and Food Services	80	11	22	41	3
Transport, Postal and Warehousing	67	14	21	32	3
Information Media and Telecommunications	9	5	3	0	0
Financial and Insurance Services	79	34	33	13	0
Rental, Hiring and Real Estate Services	120	45	36	33	6
Professional, Scientific and Technical Services	115	32	53	33	3
Administrative and Support Services	47	11	22	6	0
Public Administration and Safety	7	0	5	3	0
Education and Training	21	0	11	11	0
Health Care and Social Assistance	31	4	8	8	3
Arts and Recreation Services	22	9	8	7	0
Other Services	65	10	29	20	3
Currently Unknown	4	0	0	3	0
Total	1,735	464	670	531	73

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 businesses with 0 employees (66%) and businesses with less than 20 employees (32%).

The only major employers in the Shire employing more than 20 people are Agriculture, Forestry and Fishing (6 businesses), Construction (5 businesses), Accommodation and Food Services (6 businesses), and Healthcare and Social Assistance (3 businesses).

The only businesses that employed 200+ employees were three Agriculture, Forestry and Fishing businesses.

T3. BUSINESSES BY INDUSTRY SECTOR AND SIZE

	Number of Employees					
	0		1-19		20+	
Agriculture, Forestry and Fishing	415	81%	96	19%	6	1%
Mining	0	0%	3	100%	0	0%
Manufacturing	38	51%	34	46%	0	0%
Electricity, Gas, Water and Waste Services	9	100%	0	0%	0	0%
Construction	206	58%	143	40%	5	1%
Wholesale Trade	20	57%	20	57%	0	0%
Retail Trade	46	50%	48	52%	0	0%
Accommodation and Food Services	25	31%	46	58%	6	8%
Transport, Postal and Warehousing	34	51%	30	45%	0	0%
Information Media and Telecommunications	6	67%	3	33%	0	0%
Financial and Insurance Services	66	84%	8	10%	0	0%
Rental, Hiring and Real Estate Services	105	88%	17	14%	0	0%
Professional, Scientific and Technical Services	72	63%	40	35%	0	0%
Administrative and Support Services	34	72%	9	19%	0	0%
Public Administration and Safety	6	86%	3	43%	0	0%
Education and Training	6	29%	11	52%	0	0%
Health Care and Social Assistance	8	26%	15	48%	3	10%
Arts and Recreation Services	11	50%	4	18%	0	0%
Other Services	31	48%	26	40%	0	0%
Currently Unknown	4	100%	0	0%	0	0%
Total	1,151	66%	561	32%	20	1%

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 Murrindindi 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 employment levels for 2019. A detailed breakdown of the methodology and assumptions underpinning the estimates are provided in Appendix C.

A summary of the 2019 employment estimates are provided in Table T4. Murrindindi's employment base grew by approximately 70 jobs from 2018 to reach 4,316 in 2019.

The key industries of employment in the municipality include Agriculture, Forestry and Fishing, Education and Training, Accommodation and Food Services, Healthcare and Social Assistance and Construction.

Health Care and Social Assistance and Construction both contributed an additional 15 jobs over the past 12 months, while administrative and support 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 2019

	2019		Change 2018-19	
	Total	%	#	%
Agriculture, Forestry and Fishing	720	17%	-11	-1.5%
Education and Training	548	13%	14	2.7%
Accommodation and Food Services	462	11%	-5	-1.0%
Health Care and Social Assistance	435	10%	15	3.5%
Construction	426	10%	15	3.6%
Retail Trade	365	8%	8	2.3%
Public Administration and Safety	285	7%	11	4.0%
Manufacturing	207	5%	0	0.0%
Professional, Scientific and Technical Services	165	4%	10	6.7%
Administrative and Support Services	159	4%	13	8.6%
Transport, Postal and Warehousing	124	3%	-1	-0.4%
Other Services	113	3%	4	4.0%
Wholesale Trade	107	2%	-4	-4.0%
Arts and Recreation Services	62	1%	1	2.0%
Rental, Hiring and Real Estate Services	51	1%	-2	-3.9%
Electricity, Gas, Water and Waste Services	36	1%	-1	-1.9%
Financial and Insurance Services	27	1%	0	-1.0%
Information Media and Telecommunications	16	0%	1	4.1%
Mining	7	0%	0	2.7%
Total	4,316	100%	69	1.6%

Source: Urban Enterprise, 2020 based on ABS Census 2016.

3.3.3. OUTPUT

Output estimations for Murrindindi 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 detailed breakdown of the methodology and assumptions underpinning the estimates are provided in Appendix C.

A summary of the 2019 output estimates are provided in Table T5. Murrindindi's output grew by approximately \$5 million between 2018 and 2019 to reach approximately \$1.19 billion.

The municipality's key economic output industries include Agriculture, Forestry and Fishing (21%), Construction (15%), Rental, Hiring and Real Estate Services (12%) and Manufacturing (9%).

Administrative and Support Services (+\$2.9 million) and Accommodation and Food Services (+\$2.8 million) experienced the largest increase in output over the past 12 months.

Agriculture, Forestry and Fishing (-\$7.5 million), Rental, Hiring and Real Estate Services (-\$2.6 million) and Wholesale Trade (-\$2.6 million) suffered the largest falls in output between 2018 and 2019.

T5. OUTPUT ESTIMATE 2019

	2019		Change 2018-19	
	Total	%	#	%
Agriculture, Forestry and Fishing	\$249m	21%	-\$7.5m	-2.9%
Construction	\$178m	15%	\$2.5m	1.4%
Rental, Hiring and Real Estate Services	\$142m	12%	-\$2.6m	-1.8%
Manufacturing	\$105m	9%	\$2.3m	2.3%
Accommodation and Food Services	\$84m	7%	\$2.8m	3.5%
Education and Training	\$59m	5%	\$1.2m	2.1%
Health Care and Social Assistance	\$54m	5%	\$2.1m	4.1%
Public Administration and Safety	\$52m	4%	\$1.1m	2.2%
Professional, Scientific and Technical Services	\$43m	4%	\$2.6m	6.6%
Wholesale Trade	\$40m	3%	-\$2.6m	-6.1%
Retail Trade	\$39m	3%	-\$0.4m	-0.9%
Transport, Postal and Warehousing	\$34m	3%	-\$0.7m	-1.9%
Administrative and Support Services	\$30m	3%	\$2.9m	10.6%
Electricity, Gas, Water and Waste Services	\$30m	2%	\$0.5m	1.6%
Financial and Insurance Services	\$19m	2%	\$0.0m	0.0%
Other Services	\$17m	1%	\$0.6m	3.5%
Arts and Recreation Services	\$9m	1%	-\$0.1m	-1.7%
Information Media and Telecommunications	\$7m	1%	\$0.3m	5.6%
Mining	\$3m	0%	\$0.1m	3.8%
Total	\$1.192 b	100%	\$5.2m	0.4%

Source: Urban Enterprise, 2020 based on ABS Census 2016.

3.4. VISITOR ECONOMY

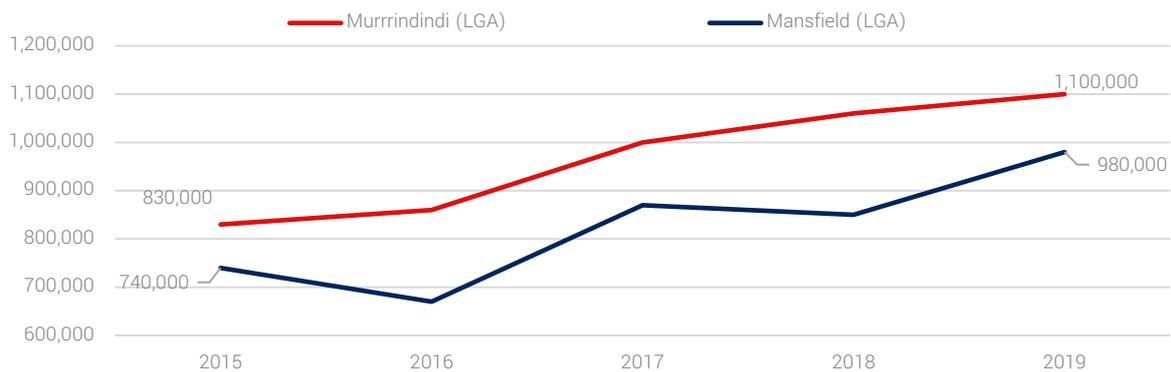
VISITATION

Figure F2 shows visitation for the municipalities of Mansfield and Murrindindi between 2015 and 2019.

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

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

F2. VISITATION, MANSFIELD & MURRINDINDI, 2015 - 2019



Source: Tourism Research Australia, 2015-2019

VISITOR EXPENDITURE

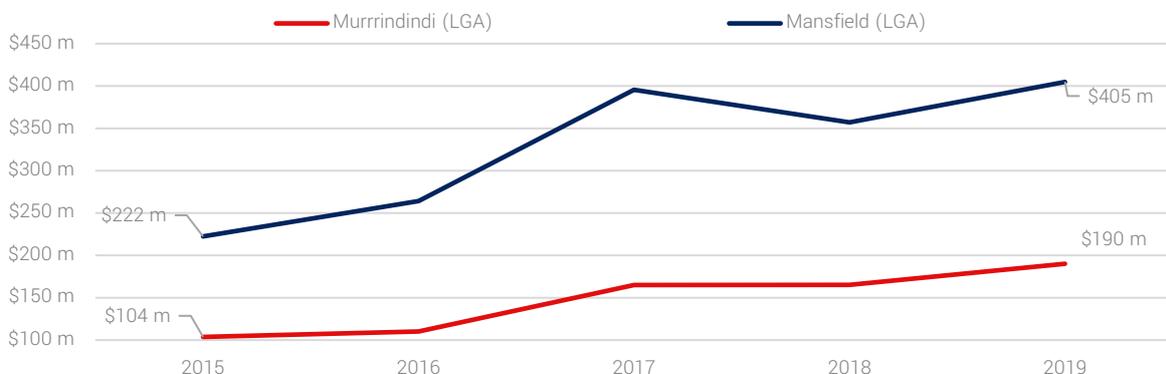
Visitor expenditure in Mansfield and Murrindindi between 2015 and 2019 is shown in Figure F3.

Murrindindi experienced an increase in visitor expenditure of \$86 million over the five-year period, growing at 16% per annum to reach \$190 million in 2019. Similar, expenditure in Mansfield grew at an average annual rate of 16%, from \$222 million to \$405 million by 2019.

Although Murrindindi received higher levels of visitation, visitor expenditure in the Shire is significantly lower than Mansfield due to the higher proportion of day trip visitors and low yielding habitual and nature-based visitors. Mansfield Shire also receives significant economic benefit from snow traffic.

Average visitor expenditure across the five years was \$147 million in Murrindindi and \$329 million in Mansfield.

F3. 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 Murrindindi 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 Murrindindi Economy January-June 2020

Potential loss of 30% businesses by September 2020	Loss of \$58 million in expected output	Loss of 310 jobs	Loss of 193,964 visitors	\$34 million loss of visitor spend
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The Murrindindi Shire economy has experienced major economic losses in the first half of 2020 as a result of the COVID-19 pandemic. Survey results show that businesses in Murrindindi Shire across all sectors indicated an average revenue reduction of 10% during the March quarter and 29% during the June quarter.

Approximately half of businesses surveyed projected they would continue to experience decreased levels of revenue until the end of the 2020 calendar year. Businesses in the Accommodation and Food Services, Arts and Recreation Services and Professional, Scientific and Technical Services estimated it would take them the longest to recover from the pandemic.

Murrindindi Shire's economy experienced a loss of \$58 million in expected output in the first half of 2020. This represents a 11% loss of the Shire's expected output over the first two quarters of 2020.

310 jobs were lost in Murrindindi Shire between December 2019 and June 2020, representing a 7% loss in total employment in the Shire. It is likely that job losses will increase substantially as a result of prolonged economic downturn.

Industry sectors that have been most affected by the pandemic over the first half of 2020 are detailed below. These sectors will require the most support, as they are heavily reliant on visitors to the Shire. Jobs data shown below represents permanent loss of workers:

- Arts and Recreation Services (-56% output and -11 job)
- Accommodation and Food Services (-51% output and -78 jobs)
- Education and Training (-38% output and -75 jobs)
- Retail Trade (-33% output and -46 jobs)
- Wholesale Trade (-33% output and -11 jobs)

There are many workers that have been stood down with the expectation that they will return to their jobs when restrictions ease.

The Shire's visitor economy experienced a loss of 193,964 visitors and a loss of \$34m in direct visitor expenditure across the first two quarters of 2020. This is driven by a greater loss in the June quarter of 2020 at the peak of restrictions, with a 43% loss in expected visitation and expenditure. The Shire's economy relies heavily on tourism, particularly sectors of Accommodation and Food Services, Arts and Recreation Services and Retail Trade, and has therefore been greatly impacted by business and travel restrictions imposed by COVID-19.

4.3. IMPACT ON BUSINESSES

SURVEY BACKGROUND

As part of the research for the Recovery Plan, Urban Enterprise conducted a Business Survey regarding the impacts due to COVID-19, as experienced by businesses operating within Murrindindi Shire.

This section provides an overview of key findings including:

- Changes in operations by businesses in response to COVID-19;
- Impact on business turnover and reduction in staffing;
- Government support programs accessed; and
- Projected impacts on output by industry.

Respondents were also able to provide additional feedback on further opportunities for Council Support.

Survey responses were collected from businesses through completion of an online questionnaire, conducted over two weeks from the 22nd June to the 5th of July. 147 responses were received.

RESPONDENT PROFILE

No of Businesses by Industry

Of the 147 total survey submissions, the most responses were received from business in the Accommodation and Food Services industry (36), Retail Trade (17), Agriculture, Forestry and Fishing (13), and Construction (10).

T6. SURVEY RESPONSES BY INDUSTRY

Industry	Responses
Accommodation and Food Services	36
Retail Trade	17
Agriculture, Forestry and Fishing	13
Construction	12
Professional, Scientific and Technical Services	10
Education and Training	10
Rental, Hiring and Real Estate Services	8
Manufacturing	7
Transport, Postal and Warehousing	6
Arts and Recreation Services	6
Other Services	6
Health Care and Social Assistance	5
Administrative and Support Services	4
Public Administration and Safety	3
Wholesale Trade	2
Information Media and Telecommunications	1
Financial and Insurance Services	1
Total	147

Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020

Location of Businesses by Township

The most responses were received from businesses based in the localities of Alexandra (18%), Yea (13%), Marysville (12%), Eildon (7%) and Kinglake (7%).

T7. LOCATION OF BUSINESS BY TOWNSHIP

Locality	No. of Responses	% of Responses
Alexandra	27	18%
Yea	19	13%
Marysville	17	12%
Eildon	10	7%
Kinglake	11	7%
Yarck	7	5%
Castella	6	4%
Kinglake West	6	4%
Taggerty	6	4%
Elsewhere in Murrindindi Shire	38	25%
Total	147	100%

Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020

Length of Operation

As shown in Figure 1, survey findings show the majority of businesses in Murrindindi Shire have been operating for 10 years or more (52%). Approximately 11% had been operating between 1 and 3 years, and 7% had been operating for less than 12 months.

F4. LENGTH OF BUSINESS OPERATION



Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020

IMPACT OF COVID-19

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 Accommodation and Food Services (-18%), Arts and Recreation Services (-29%) and Retail Trade (-15%).

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 50% reduction in turnover for Accommodation and Food Services businesses, 43% turnover reduction for Arts and Recreation Services and 35% turnover reduction for Retail Trade (-15%). Education and Training was also heavily impacted (-68%) due to responses from businesses that rely on outdoor education visitation to generate turnover, although this data is skewed by a low response rate. Other affected sectors include Information Media and Telecommunications (-43%) and Other Services (-35%).

The only industry sector experiencing an increase in business turnover was Transport, Postal and Warehousing, with a 13% increase in March quarter and 16% increase in June quarter. This can be attributed to the increase in online trading for local businesses as well as the increase in online shopping for local residents as a result of movement restrictions due to COVID-19.

T8. IMPACT ON BUSINESS TURNOVER

Industry Sector	March Quarter	June Quarter
Accommodation and Food Services	-18%	-50%
Agriculture, Forestry and Fishing	-5%	-16%
Arts and Recreation Services	-29%	-43%
Construction	-5%	4%
Education and Training [^]	-5%	-68%
Financial and Insurance Services	-2%	-17%
Health Care and Social Assistance [^]	2%	-1%
Information Media and Telecommunications	-7%	-43%
Manufacturing	-11%	-17%
Other Services	-5%	-36%
Professional, Scientific and Technical Services	-8%	9%
Rental, Hiring and Real Estate Services	11%	-8%
Retail Trade	-15%	-35%
Transport, Postal and Warehousing	13%	16%

Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020. [^] Indicates industries with low samples sizes.

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 had projected business turnover to increase in the 2019/20 financial year (60%) or at least remain the same (32%).

F5. PRECOVID PROJECTED BUSINESS TURNOVER



Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020

Staff Reduction

The survey found a total reduction of 759 staffing positions across businesses in Murrindindi. Of these, 87% were temporary stand downs and 13% were permanent dismissals. Businesses reported similar levels in reduction of Part Time and Casual positions - which accounted for the majority of workers stood down or made redundant (approximately 80%).

Subject to ongoing COVID-19 restrictions, it is expected that the number of permanent dismissals may increase as a result of prolonged economic downturn and potential long-term ineligibility of businesses for the renewed JobKeeper program.

It is noted that staff reduction numbers shown in Table T9 have not been adjusted proportionally for each industry. As a result, the data presented across all industries is skewed upward due to the overrepresentation of workers in the Education and Training Industry. Education and Training is the second largest employment sector in Murrindindi Shire and was heavily impacted due to the nature of its operations during the COVID-19 pandemic.

T9. AVERAGE STAFF REDUCTION PER BUSINESS BY INDUSTRY – PERMANENT AND TEMPORARY

		Full time	Part time	Casual	Total Positions
Total Staff Reduction	Temporary	147	250	261	658
	Permanent	11	46	44	101
	Total	158	296	305	759
Average Staff Reduction per Business	Temporary	1.0	1.7	1.8	4.4
	Permanent	0.1	0.3	0.3	0.7
	Total	1.1	2.0	2.0	5.1
Proportion of Temporary vs. Permanent Staff Reductions	Temporary	19%	33%	34%	87%
	Permanent	1%	6%	6%	13%
	Total	21%	39%	40%	100%

Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020

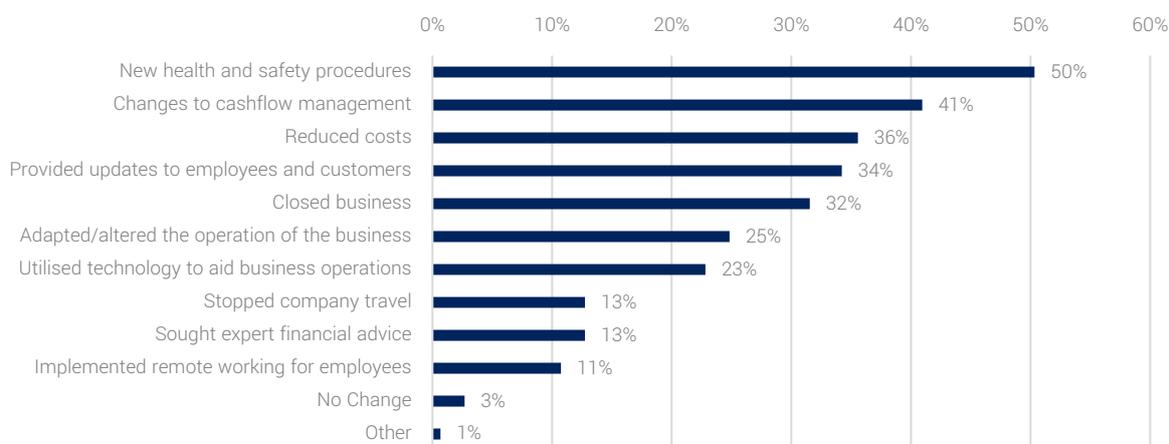
RESPONSE TO COVID-19 RESTRICTIONS

Business Response to COVID-19

The most common changes to operations reported by businesses included 'New health and safety procedures' (50%), changes to cashflow management (41%), reduced costs (36%) and providing updates to employees and customers (34%). 32% 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 11% 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. RESPONSE TO PANDEMIC



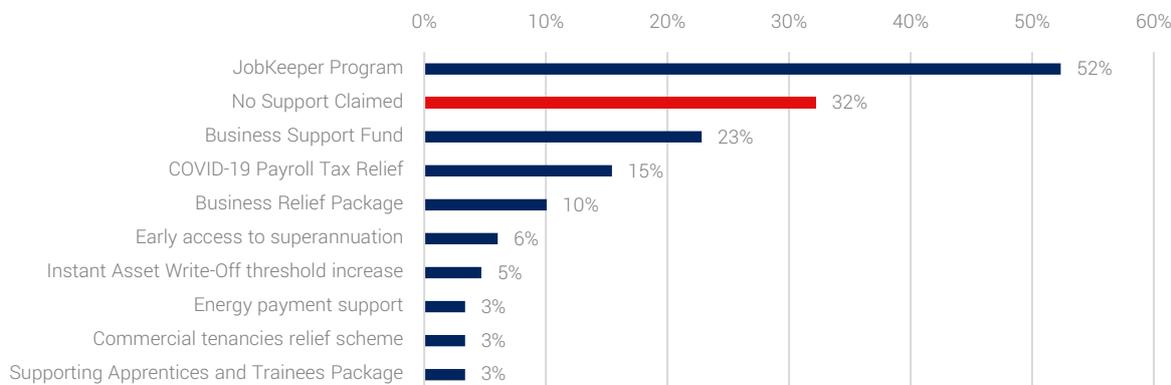
Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020

Government Support Programs Accessed

The majority of businesses (66%) reported claiming some assistance through a Government Program during the COVID-19 pandemic (as at June 2020). Among businesses who received assistance, the average number of claims made per business was two.

The most population assistance packages were the JobKeeper Program (52%), Business Support Fund (23%), COVID-19 Payroll Tax Relief (15%), Business Relief Package (10%) and Early Access to Superannuation (6%).

F7. TOP COVID-19 GOVERNMENT SUPPORT PROGRAMS



Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020

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

- Agriculture, Forestry and Fishing (77% of business respondents received no relief);
- Administrative and Support Services (75%);
- Construction (58%); and
- Professional, Scientific and Technical Services (40%).

Respondents in the 'Administrative and support services' industry primarily comprised cleaning and gardening services.

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

- Jobseeker Payment Scheme was more beneficial as a sole trader/non-employing business;
- 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

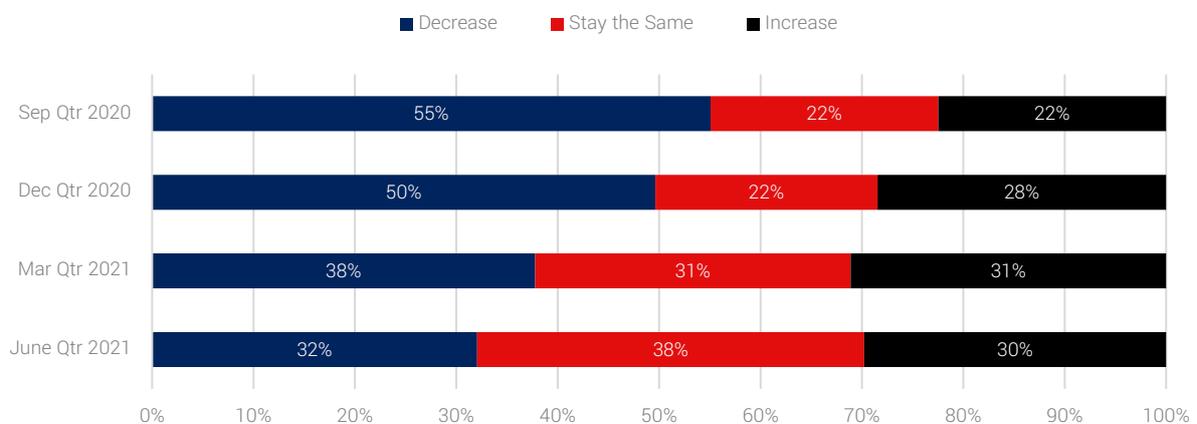
Projected Impact on Business Turnover

Businesses were asked to estimate the impact of COVID-19 and the bushfires on their usual business turnover over the next four quarters from September 2020 to June 2021. Figure F8 shows the proportion of all businesses surveyed that estimated a decrease, increase or no impact to revenue for each quarter.

Approximately half of businesses surveyed projected they would continue to experience decreased levels of turnover until the end of the 2020 calendar year. These responses are generally related to the high level of uncertainty concerning the timelines and easing of COVID-19 restrictions.

Two-thirds of respondents estimated that business performance would return to normal or improve by the end of the 2020/21 financial year. It is important to note that these predictions were made during June, when it seemed as though business, travel and hospitality restrictions were going to be further relaxed rather than further restricted. It is likely that the business outlook on projected turnover would be more negative if the survey had been undertaken in July and August, due to the impacts of the current Stage 3 and 4 restrictions across Victoria.

F8. PROJECTED BUSINESS TURNOVER TRENDS BY QUARTER – ALL INDUSTRIES



Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020.

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:

- Transport, Postal and Warehousing (18% estimated increase by Sep 2020);
- Health Care and Social Assistance (8% estimated increase by Sep 2020); and
- Agriculture, Forestry and Fishing (return to business as usual by Dec 2020).

Business activity in these industries are generally involved with the 'essential services' of the economy relating to food, health and logistics. Thus 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. Businesses dependent on the tourism industry or those offering more specialised services predicted more long-term deficits in revenue. Industries that expect the slowest recovery (below industry average) include:

- Professional, Scientific and Technical Services (50% estimated decrease in June Qtr 2021);
- Arts and Recreation Services (35% estimated decrease in June Qtr 2021);
- Accommodation and Food Services (11% decrease deficit in June Qtr 2021); and
- Manufacturing (6% 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 IMPACT ON BUSINESS TURNOVER BY INDUSTRY – RESPONDENT ANSWERS

Industry	Sep Quarter 2020	Dec Quarter 2020	Mar Quarter 2021	June Quarter 2021
Transport, Postal and Warehousing [^]	18%	10%	45%	25%
Health Care and Social Assistance [^]	8%	12%	0%	0%
Agriculture, Forestry and Fishing	-3%	0%	7%	13%
Financial and Insurance Services [^]	-3%	-9%	5%	5%
Other Services	-19%	-9%	0%	1%
Rental, Hiring and Real Estate Services	-7%	-4%	-1%	2%
Information Media and Telecommunications [^]	-60%	-50%	-20%	0%
Construction	-10%	-7%	2%	-4%
Retail Trade	-26%	-13%	-3%	-0.3%
Education and Training [^]	-20%	-8%	-10%	-5%
Manufacturing	-6%	-6%	-6%	-6%
Accommodation and Food Services	-26%	-17%	-8%	-11%
Arts and Recreation Services	-54%	-55%	-37%	-36%
Professional, Scientific and Technical Services	-73%	-63%	-50%	-50%
All Industries (Average)	-20%	-14%	-5%	-5%

Source: Murrindindi COVID19 Recovery Plan Business Survey, Urban Enterprise, 2020. [^] Indicates industries with low samples sizes.

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.
- Mental health support services for struggling business owners.
- 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 Murrindindi Shire has been calculated for the March and June 2020 quarters.

The impact has been calculated based on the percentage of output reduction recorded by survey respondents, applied as an average across each sector, as well as the percentage of output reduction across industry sectors from REMPLAN's COVID-19 Impact module for Murrindindi Shire.

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 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, results from Murrindindi Shire's REMPLAN subscription have been utilised.

As a result of COVID-19, Murrindindi Shire experienced a **loss of \$58 million in expected output in the first half of 2020**. This represents an **11% loss of the Shire's expected output** over the first two quarters of 2020.

This comprised of a **loss of -\$16 million** in the March quarter due to the combined impacts of bushfires and COVID-19, and a **loss of -\$43 million** due to the impacts of business and travel restrictions imposed by COVID-19.

Sectors most severely impacted by the pandemic over the first half of 2020 include Arts and Recreation Services (-56%), Accommodation and Food Services (-51% output), Education and Training (-38% output) Retail Trade, Wholesale Trade and Information Media and Telecommunications (-33% respectively). These sectors will require the most support, as they are reliant heavily on the tourism industry.

Education and Training output was highly impacted due to complete closure of major employers in the outdoor education sector. The impact on the conferencing and events sector has been captured within the Accommodation and Food Services category, as they are reliant on visitor and group bookings.

T11. IMPACT ON ECONOMY

Industry Sectors	2019 Output		Output Loss 2020		March + June quarters		
	Total	March + June qtrs	March qtr	June qtr	Output Loss	Loss per Sector	Total Output
Agriculture, Forestry and Fishing	\$249 m	\$125 m	-\$3 m	-\$10 m	-\$13 m	-11%	\$112 m
Education and Training	\$59 m	\$29 m	-\$2 m	-\$6 m	-\$8 m	-38%	\$21 m
Accommodation and Food Services	\$84 m	\$42 m	-\$4 m	-\$10 m	-\$14 m	-51%	\$28 m
Health Care and Social Assistance	\$54 m	\$27 m	-\$1 m	-\$1 m	-\$3 m	-11%	\$24 m
Construction	\$178 m	\$89 m	-\$2 m	\$2 m	\$0 m	0%	\$88 m
Retail Trade	\$39 m	\$20 m	-\$1 m	-\$3 m	-\$5 m	-33%	\$15 m
Public Administration and Safety	\$52 m	\$26 m	\$0 m	\$0 m	\$0 m	-1%	\$26 m
Manufacturing	\$105 m	\$53 m	-\$3 m	-\$4 m	-\$7 m	-16%	\$45 m
Professional, Scientific & Technical Services	\$43 m	\$21 m	-\$1 m	\$1 m	\$0 m	0%	\$21 m
Administrative and Support Services	\$30 m	\$15 m	\$0 m	\$0 m	-\$1 m	-6%	\$14 m
Transport, Postal and Warehousing	\$34 m	\$17 m	\$1 m	\$1 m	\$2 m	12%	\$20 m
Other Services	\$17 m	\$8 m	\$0 m	-\$2 m	-\$2 m	-26%	\$7 m
Wholesale Trade	\$40 m	\$20 m	-\$1 m	-\$4 m	-\$5 m	-33%	\$15 m
Arts and Recreation Services	\$9 m	\$4 m	-\$1 m	-\$1 m	-\$2 m	-56%	\$3 m
Rental, Hiring and Real Estate Services	\$142 m	\$71 m	\$4 m	-\$3 m	\$1 m	2%	\$72 m
Electricity, Gas, Water and Waste Services	\$30 m	\$15 m	\$0 m	\$0 m	\$0 m	-3%	\$14 m
Financial and Insurance Services	\$19 m	\$9 m	\$0 m	-\$1 m	-\$1 m	-10%	\$9 m
Information Media & Telecommunications	\$7 m	\$3 m	\$0 m	-\$1 m	-\$1 m	-33%	\$2 m
Mining	\$3 m	\$1 m	\$0 m	\$0 m	\$0 m	-17%	\$1 m
Total	\$1.192 m	\$596 m	-\$16 m	-\$43 m	-\$58 m	-11%	\$538 m

Source: Urban Enterprise, modelling based on Industry Survey June 2020 and REMPLAN impact data, 2020..

COVID-19 IMPACT ON EMPLOYMENT

The impact of the COVID-19 pandemic on employment in Murrindindi Shire has been calculated for the March and June 2020 quarters.

The employment impact of COVID-19 on the Shire has been calculated based on the reduction in output across each industry sector, and the permanent jobs attributed to the output lost. This represents total number of employees, not FTE staff.

As a result of the Covid-19 pandemic, **310 permanent jobs were lost** in Murrindindi Shire between December 2019 and June 2020, representing a **7% loss in total employment**. This does not include workers temporarily stood down.

The hardest hit employment sectors across the first half of 2019 were:

- Accommodation & Food Services (-78 jobs or -17%);
- Education & Training (-75 jobs or -14%);
- Retail Trade (-46 jobs or -13%);
- Agriculture, Forestry & Fishing (-37 jobs or -5%);
- Arts & Recreation Services (-11 jobs or -18%);
- Wholesale Trade (-11 jobs or -13%).

Major employers in the outdoor education sector and conferencing and events sector are examples of sectors that have been heavily impacted by restrictions. As a result of restrictions, it is understood that these businesses have stood down many workers, however the data presented below only counts permanent employees.

The impact of COVID-19 on employment is expected to be more severe in the September and December quarters, following the prolonged 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	Job Loss by Sector		Total Jobs June 2020	Total Job Loss as at June 2020	
		March Quarter 2020	June Quarter 2020		No.	%
Agriculture, Forestry and Fishing	720	-8	-29	683	-37	-5%
Education and Training	548	-19	-56	473	-75	-14%
Accommodation and Food Services	462	-20	-58	384	-78	-17%
Health Care and Social Assistance	435	-11	-11	412	-22	-5%
Construction	426	-5	4	425	-1	0%
Retail Trade	365	-13	-32	319	-46	-13%
Public Administration and Safety	285	-1	0	284	-1	0%
Manufacturing	207	-6	-9	193	-14	-7%
Professional, Scientific and Technical Services	165	-3	4	166	0	0%
Administrative and Support Services	159	-2	-2	154	-4	-3%
Transport, Postal and Warehousing	124	4	5	133	9	7%
Other Services	113	-1	-10	102	-12	-10%
Wholesale Trade	107	-4	-9	93	-13	-13%
Arts and Recreation Services	62	-5	-7	51	-11	-18%
Rental, Hiring and Real Estate Services	51	1	-1	51	0	1%
Electricity, Gas, Water and Waste Services	36	0	0	36	-0	-1%
Financial and Insurance Services	27	0	-1	26	-1	-5%
Information Media and Telecommunications	16	0	-2	14	-2	-12%
Mining	7	0	0	7	-1	-7%
Total	4,316	-95	-215	4,006	-310	-7%

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 Murrindindi 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, Murrindindi Shire experienced a total **loss of 193,964 visitors and a loss of \$34m in direct visitor expenditure**. This is driven by a greater loss in the June quarter of 2020 at the peak of restrictions, with a 43% loss in expected visitation and expenditure.

In the March Quarter of 2020, the Shire experienced a **loss of 67,000 expected visitors and \$9 million loss in expected visitor spend**.

Based on a business as usual estimate of 294,000 visitors to Murrindindi 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**.

Murrindindi Shire's visitor economy has been less impacted by international travel restrictions as the Shire's businesses rely mainly on domestic travel, therefore the visitor economy has been heavily affected by domestic travel restrictions. The continued directive to limit travel, restrictions on events and continued restrictions on patron numbers for hospitality and accommodation venues has had a major impact on the Shire's visitor economy.

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

		Visitation	Expenditure
March Quarter	2019	289,536	\$38m
	Expected 2020	310,481	\$44m
	Actual 2020	243,116	\$35m
	Loss	-67,365	-\$9m
	% Loss	-22%	-21%
June Quarter	2019	274,555	\$51m
	Expected 2020	294,415	\$59m
	Actual Estimate 2020	167,817	\$34m
	Loss	-126,599	-\$25m
	% Loss	-43%	-43%
Total - first half of 2020	2019	564,091	\$88m
	Expected 2020	604,896	\$103m
	Actual 2020	410,933	\$69m
	Loss	-193,964	-\$34m
	% Loss	-32%	-32%

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 Murrindindi Shire.

This calculation is based on a representative sample of Australian businesses surveyed by the ABS⁷ 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 Murrindindi Shire's business sector, it is estimated that 518 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 cash reserves or the necessary cashflow 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 3 and 4 lockdowns for Metropolitan Melbourne and Mitchell Shire. 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.

It will be extremely important for the Shire to maintain ongoing communication to identify those businesses that are particularly at risk and to provide them with as much support as possible.

T14. POTENTIAL IMPACT ON MURRINDINDI 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	518	328	625	278
% of Businesses	30%	19%	36%	16%

Source: Urban Enterprise, based on ABS Business Survey modelling, 2020.

⁷ 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

RECOVERY PHASES

Through the preparation of the Recovery Plan, three distinct 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 step 1 and 2 of the National Cabinet's Recovery Plan);
2. Returning Business Performance to Pre-COVID (includes Step 3 of the National Cabinet's Recovery Plan);
3. A New Normal (beyond the National Cabinet's Recovery Plan).

These scenarios are not predictions about what the exact impacts of the COVID-19 pandemic will be on the Shire's economy and business community, and when they might occur. 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.

This recovery plan aligns to current strategic research⁸, which supports the need to shift our focus from a 'post-COVID' world to preparing for a 'with-COVID' world.

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, business workshops, 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 Murrindindi has been undertaken, to understand Murrindindi's long-term strategic economic focus and ways to support rebuilding the economy.

The following Council documents were analysed:

- Murrindindi Shire Council Plan 2017 to 2021;
- Murrindindi Priority Action Plan 2019/20;
- Lake Eildon Masterplan; and
- Murrindindi Tourism and Events Strategy 2019 to 2025.

Murrindindi Shire Council aims to grow the local economy, particularly in key industry sectors of tourism, agriculture, and education and training⁹. 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.

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

⁹ Murrindindi Shire Council, Economic Development Strategy, 2011 to 2016.

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 Phases 2 and 3 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 each phase are delivered independently of the previous or subsequent phases. Therefore, all actions are anticipated to be delivered during the same time period to support businesses.

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:

- **Comms Unit** – Council’s Communications and Marketing Unit
- **RDV** – Regional Development Victoria
- **T&E Unit** – Council’s Tourism and Events Unit
- **TNE** – Tourism North East
- **YRT** – Yarra Ranges Tourism

5.2. PHASE 1 – SUPPORTING BUSINESSES THROUGH RESTRICTIONS

Phase 1 Overview

This is the 'Hibernation' period, which includes the current ongoing and 'off-and-on' restrictions affecting regional areas of the State as well as Metropolitan Melbourne.

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 those businesses that are particularly at-risk.

Phase 1 Recovery Objectives

The key objectives for Phase 1 Recovery will be to:

- **Minimise business loss:**
 - Continued communication with businesses to understand their financial position will be important in order to provide them with timely advice, support and to direct them to appropriate Local, State and Federal Government programs;
 - Assist as many businesses as possible to adapt operating conditions.
- **Minimise job loss:**
 - Communication and supporting businesses, as mentioned above, will assist with preventing job loss.

Phase 1 Issues and Opportunities

The majority of the Shire's businesses have experienced major reductions in turnover, with an average 9% 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 those businesses that are particularly at risk through ongoing communication, and provide them with as much support as is possible. Sectors that will require particular support from the Shire include:

- Arts and Recreation Services (-56%);
- Accommodation and Food Services (-51%); and
- Retail Trade, Wholesale Trade and Information Media and Telecommunications (-33% respectively).

These sectors will require the most support, as businesses in these sectors are reliant heavily on the tourism industry for a large proportion of their business revenue. Major employers in the Shire such as the Outdoor Education Group and Holmesglen at Eildon rely on school visitor groups, conference visitor groups and other events to support them. These businesses have experienced almost complete loss in visitation, which is impacting significantly on their business.

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.

A summary of key issues facing businesses and the economy during this stage, and the State, Federal and Local Government responses are provided below.

T15. ISSUES, RESPONSES AND OPPORTUNITIES

Business / Industry Issues	Existing Responses	
	State/Federal	Local
Assistance in accessing professional business advice	<ul style="list-style-type: none"> • Business Victoria mentoring • Free mentoring from small business Victoria 	<ul style="list-style-type: none"> • Council Business Mentoring program
Access to additional financial support and relief	<ul style="list-style-type: none"> • Instant Asset Write Off scheme • Commercial Tenancies Relief scheme 	<ul style="list-style-type: none"> • Council has \$500k allocated to support businesses and community • Refund of registration of Premises Fee for businesses • Removal of rate differential for businesses for 2020/21 year.
Need to encourage business to business connections in the local area	<ul style="list-style-type: none"> • Business Victoria and Victorian Chamber of Business online networking workshops 	<ul style="list-style-type: none"> • Online Business Workshop
Need to diversify income streams and increase sales	<ul style="list-style-type: none"> • Business Victoria and Victorian Chamber of Business online eCommerce workshops 	<ul style="list-style-type: none"> • Dindi Directory • Dindi Store • 'Buy local' campaign
Specific support for 'Hard Hit' industries	<ul style="list-style-type: none"> • Tourism Accommodation Support Program 	<ul style="list-style-type: none"> • Council has \$500k allocated to support businesses and community
Increasing unemployment	<ul style="list-style-type: none"> • Working For Victoria initiative 	<ul style="list-style-type: none"> • Council have employed 41 people through the Working For Victoria initiative
Need for physical distancing alterations to businesses	<ul style="list-style-type: none"> • Guidelines developed by Business Victoria for tourism and retail businesses 	<ul style="list-style-type: none"> • Signage provided by Council

Phase 1 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.

T16. PHASE 1 ACTION PLAN

Action	Delivery Lead	Supporting Stakeholders	Status	Cost & Budget	
STRATEGY 1 Undertake regular communication with business to promote the support programs available					
ACTION 1.1	Continue to use Business and Tourism Advisory Committee to provide local businesses with up to date information across the Shire's towns.	T&E Unit Comms Unit	Local businesses	Underway	In Kind Ongoing budget
ACTION 1.2	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>	T&E Unit Comms Unit		Underway	In Kind Ongoing
ACTION 1.3	Improve and maintain a quality business database for the Shire using Monitor CRMS.	T&E Unit		Underway	In Kind Ongoing
ACTION 1.4	Prepare and distribute a monthly newsletter to communicate programs available for businesses including business advisory and financial support programs. Update businesses on any changes to existing programs or any new programs available.	T&E Unit	Industry Associations	Underway	In Kind Ongoing
ACTION 1.5	Facilitate forums for Murrindindi businesses that showcase support programs available.	T&E Unit State Government agencies	Local businesses	Underway	In Kind Ongoing
STRATEGY 2 Encourage business to business connections in the local area					
ACTION 2.1	Council investigate an online discussion 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. This initiative should be driven through the LBTAs as localised initiatives, however Council should consider the opportunity for industry sector groups which connect like businesses across the Shire.	LBTAs T&E Unit		New initiative	\$5k Budget required
ACTION 2.2	Facilitate online industry sector focus groups to discuss opportunities for collaboration across business sectors and opportunities for	T&E Unit			In Kind

Action	Delivery Lead	Supporting Stakeholders	Status	Cost & Budget
businesses to support each other. Business leaders in key industry segments should be involved in these discussions, to assist with encouraging business engagement in networking and cross-promotion initiatives. This could occur quarterly.				
ACTION 2.3 Investigate the opportunity for a Shire-wide business membership program to streamline the business network.	T&E Unit		New initiative	In Kind Commenced

STRATEGY 3 Support businesses to diversify income streams and increase sales

ACTION 3.1 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.	T&E Unit	Online specialists State Govt	New initiative	\$20k Not started
ACTION 3.2 Increase promotion of The Dindi Store to attract metropolitan markets to purchase local produce from the Shire.	T&E Unit		New initiative	\$10k Budget required
ACTION 3.3 Formalise a 'Discover Your Backyard' initiative targeted to the local community to ensure capitalisation of greater yield from the Visiting Friends and Family market as COVID-19 restrictions ease.	T & E Unit		New initiative	\$10k Budget required
ACTION 3.4 Establish an eCommerce support Program to assist businesses in online trading and online exposure	T&E Unit	RDV Goulburn Regional Partnerships	New initiative	TBC Budget required

STRATEGY 4 Undertake professional development initiatives to support business recovery preparation

ACTION 4.1 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.	T&E Unit	Business Victoria	New initiative	TBC Budget required
ACTION 4.2 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.	T&E Unit	Business Victoria	New initiative	TBC Budget required

STRATEGY 5 Provide specific support for 'Hard Hit' industries

Action	Delivery Lead	Supporting Stakeholders	Status	Cost & Budget	
ACTION 5.1	Continue to monitor the needs of hard hit industries through ongoing discussion with businesses.	T&E Unit		Underway	In Kind Ongoing
ACTION 5.2	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 Murrindindi.	T&E Unit		Underway	In Kind Ongoing
STRATEGY 6 Develop employee retention strategies to combat increasing unemployment					
ACTION 6.1	Assist businesses to explore staff-sharing opportunities to retain employees following the completion of JobKeeper next year.	BPOs		New initiative	Not started
STRATEGY 7 Assist businesses to make physical distancing alterations to business operation					
ACTION 7.1	Support businesses to make minor investment in short-term physical distancing infrastructure and solutions, through: <ul style="list-style-type: none"> - Promoting existing resources such as 'Safe and Healthy Crowded Places Handbook' by the Australian Institute for Disaster Resilience - Investigate the provision of a 'Distancing Pack' including floor spacing stickers, posters etc. - Providing a grants program to support business investment in physical distancing alterations 	T&E Unit		Underway	\$10k allocated for Distancing Pack Ongoing Additional tasks require budget
ACTION 7.2	Ensure social distancing and business operation guidelines for industry sectors, are promoted and easily available online <ul style="list-style-type: none"> - 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. 	T & E Unit Comms Unit	Business Victoria DHHS	Underway	In Kind Ongoing
STRATEGY 8 Provide access to mental health support for business owners, operators and employees					
ACTION 8.1	Continue to promote existing mental health support programs to further information in all mail outs and communications provided by Council.	Community Engagement		Underway	In Kind Ongoing
ACTION 8.2	Provide all Council staff with a short blurb with mental health support information and references to incorporate in their email signatures.	Community Engagement		New initiative	In Kind
ACTION 8.3	Provide an online Mental Health for Business Owners Forum.	Community Engagement		New initiative	\$1k

5.3. PHASE 2 - RETURNING BUSINESS PERFORMANCE TO PRE-COVID

Phase 2 Overview

This is the main 'recovery' period, which is characterised by easing restrictions but continues to be a 'with-COVID' operating environment. This phase will begin once many restrictions have been eased, there is freer movement around Victoria, and businesses are able to start operating at a larger capacity, such as hospitality venues being able to serve 50 or more patrons.

This phase will focus on helping businesses to recover from the impacts of the COVID-19 restrictions. Although restrictions may be mostly eased during this phase, physical distancing and hygiene requirements are likely to remain for the entire duration of Phase 2. 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, as identified in existing Council plans.

Phase 2 Recovery Objectives

The key objectives for Phase 2 Recovery will be to:

- Assist individual businesses to alter operating conditions for a 'with-COVID' operating environment
- Support individual businesses to recover to 'pre-COVID' turnover

Phase 2 Issues and Opportunities

During the online workshops conducted in May 2020, business sentiment was positive, with most attendees expecting to see their industry mostly or fully recovered 12 months into the future as of May 2020¹⁰. It is likely this sentiment has changed with recent enforcement of Stage 3 restrictions in Regional Victoria and Stage 4 Restrictions in Metropolitan Melbourne and Mitchell Shire. As a result, there will likely be significant community fear and hesitation associated with allowing visitors from Metropolitan Melbourne and Mitchell Shire to return to Murrindindi Shire. Strategies to ensure visitors feel welcomed by businesses and the community should be considered.

Emerging scientific research suggests the possibility of airborne transmission of the COVID-19 virus and the potential accelerated spread of the virus indoors.¹¹ Although this research is unconfirmed, 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.

The majority of business owners indicated their business to be performing at a normal or slightly reduced level in 12 months' time, as compared with business activity for 2019. However a number of issues remain, including reduced turnover, potential business closures and greater impacts for some specific industries.

¹⁰ Business/industry online workshop, May 2020.

¹¹ 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>

Key issues facing businesses and the economy during this phase include:

- Need to attract visitors to the Shire through increased promotion and marketing;
- Need to attract high-yield visitors to the Shire to directly support visitor servicing businesses;
- Need to assist businesses with changed operating conditions;
- Need to support the growth of new jobs;
- Indoor venue capacity restrictions and impacts on business ability to operate effectively;
- Increased unemployment and financial hardship for businesses and individuals.

Phase 2 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.

T17. PHASE 2 ACTION PLAN

Action	Delivery Lead	Supporting Stakeholders	Status	Cost & Budget	
STRATEGY 9 Promote and market the Shire to attract key visitor markets					
ACTION 9.1	Develop targeted online marketing campaign to drive awareness and interest in Murrindindi's attractions, townships and activities.	T&E Unit Comms Unit	Local businesses	Expand current activities Budget required	\$25k
ACTION 9.2	Work with Tourism North East to have Murrindindi products and experiences included in social media and marketing campaigns such as Ride High Country and Walk High Country (pay to play).	T&E Unit	Tourism North East	Commencing	\$25k Ongoing
ACTION 9.3	Assist businesses to collaborate with Yarra Ranges Tourism to include Marysville and Kinglake regions within targeted marketing campaigns.	T&E Unit	YRT	New initiative	\$15k Budget required
ACTION 9.4	Provide habitual markets with visitor information promoting local products and services to encourage greater spend in Murrindindi.	T&E Unit	Industry Associations	New initiative	\$5k Budget required
ACTION 9.5	Investigate ways to encourage visitors to spend in local businesses such as supermarkets, cafés and ancillary retail instead of pre-packing. Consider promoting specials and deals for visitors purchasing local.	T&E Unit	Local businesses LBTAs Industry Associations	New initiative Assess resource requirement	In Kind
ACTION 9.6	Upon announcement of travel commencing from Metropolitan Melbourne to Regional Victoria, undertake a workshop with tourism-related businesses to ensure businesses are prepared for visitor influx.	T&E Unit	Local businesses LBTAs	Expand current activities	In Kind

Action	Delivery Lead	Supporting Stakeholders	Status	Cost & Budget
This should address business fear associated with metropolitan visitors and include strategies to appropriately deal with conflict that may arise from visitors not adhering to restrictions.		Industry Associations		

STRATEGY 10 Attract high-yield visitors to the Shire through collaborative approaches

ACTION 10.1	Collaborate with Mansfield Shire to promote Lake Eildon activities and to progress shovel ready initiatives from the Lake Eildon Masterplan, such as the sealing of Skyline Road and promotion of the Great Lake Touring Route.	T&E Unit	Mansfield Shire	New Initiative	\$5k for promotion Budget Required
ACTION 10.2	Develop visitor experience packages across multiple businesses aligned to visitor types. (e.g. golf, food, wine, attractions and accommodation).	T&E Unit	Industry	New initiative	\$10k (for promotion) Budget required
ACTION 10.3	<p>Investigate ways to attract interested local producers to collaborate in the development of a series of boutique, small scale 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"> - Event should maximise visitor dispersal and spend opportunities e.g. multi-day and multi-location - Operators should consider partnering with accommodation providers to encourage overnight stays - Partnerships with local transport businesses to move visitors between event locations - Each venue will need to maintain social distancing and limit number of patrons per venue to the government mandated limit <p>An example is the Crush Festival in Adelaide Hills, held across the Australia Day long weekend.</p>	T&E Unit	TNE	New initiative	\$10k to support and promote event Budget required

STRATEGY 11 Assist businesses with changed operating conditions

Action	Delivery Lead	Supporting Stakeholders	Status	Cost & Budget
<p>ACTION 11.1 Continue to fund a program to support businesses to make minor investment in long-term physical distancing infrastructure and solutions.</p> <p>A grant of up to \$5k per business should be considered based on demonstration of the following:</p> <ul style="list-style-type: none"> - Inability to operate effectively with temporary physical distancing set up - Need for new equipment/infrastructure/fit out to comply with physical distancing restrictions - Particular support for customer-facing businesses such as hospitality and retail businesses - Consider potential to alter outdoor settings to provide heating, cover, and outdoor seating 	T&E Unit		Underway	TBC Use existing Grants Program

STRATEGY 12 Attract investment in public and private sector development opportunities to support new jobs

<p>ACTION 12.1 Advocate for infrastructure investment in shovel ready major projects to encourage transient labour, such as:</p> <ul style="list-style-type: none"> - Eildon play space - Sealing Skyline Road - Investment in sewerage pipelines from Eildon to Jerusalem Creek and Eildon to Blue Gums Caravan Park - Investment in tracks and trails infrastructure including Mt Pinniger to Eildon walking trail, Snobs Creek Falls infrastructure improvements, and Great Victorian Rail Trail activations 	T&E Unit		Underway	In Kind Ongoing
<p>ACTION 12.2 Promote private sector investment in viable accommodation options across the Shire.</p> <p>Examples include smaller-scale accommodation such as glamping at Mt Pinniger and smaller-scale private accommodation such as Skyline Rd boutique self-contained accommodation, caravan park in Kinglake.</p>	T&E Unit		Underway	In Kind Ongoing

Action	Delivery Lead	Supporting Stakeholders	Status	Cost & Budget
ACTION 12.3 Identify other key sites for activation, and develop investment prospectus material to attract private sector interest. Present investment prospectus material on Council's website and through direct promotion to investors.	T&E Unit		Expand current activities	\$15k (investment prospectus) New budget
ACTION 12.4 Undertake planning scheme amendment process for sites recommended for rezoning in Murrindindi Shire in the Lake Eildon Masterplan.	T&E Unit		New initiative	\$100k New budget
STRATEGY 13 Promote social distancing behaviour to visitors and residents				
ACTION 13.1 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.	Community Engagement		Underway	In Kind Ongoing
ACTION 13.2 Appoint a recovery officer to offer specialised support and advice to businesses.	Community Engagement		Complete	\$75k p.a.
STRATEGY 14 Promote opportunities for employment to support unemployed residents				
ACTION 14.1 Consider the development of an online Job Board in partnership with surrounding local government areas to match skilled and unskilled workers with available opportunities. - Council to liaise with neighbouring LGAs to develop the portal. - Explore the opportunity for partnership with Hume RDV or Goulburn Regional Partnership to promote the initiative.	Community Engagement	Neighbouring Shires RDV Goulburn Regional Partnership	New initiative	\$10k New budget
ACTION 14.2 Investigate a skills development scheme to support industry sectors that traditionally struggle to find suitably qualified workers, such as hospitality and healthcare.	Community Engagement	RDV	New initiative	In-kind Needs budget to implement

5.4. PHASE 3 - A NEW NORMAL

Phase 3 Overview

This will be the final phase of recovery, which may take years to reach. This phase will focus on moving businesses and the economy towards a 'new normal' and re-instating a growth economy.

This includes potential international travel recovery, boosting the value of domestic tourists, improvements to supply chains to allow for greater importing and exporting, and investment in infrastructure, attractions and residential development that will create jobs and economic growth.

Phase 3 Recovery Objectives

The key objectives for Phase 3 Recovery will be to:

- **Return to a growth economy**
 - Continue to support businesses to achieve an increase in jobs, output and business investment
- **Build a sustainable economy**
 - See growth in sustainable population-based sectors less reliant on tourism, such as education and training, healthcare and social assistance

Phase 3 Issues, Needs and Opportunities

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 due to COVID-19, but also due to recent bushfires and natural disasters which will impact their future decisions to travel and increase their perceived level of risk¹². Although Murrindindi has low levels of international visitation, there is long term opportunity to promote the nature based assets of Murrindindi to international markets.

This phase will need to acknowledge the potentially changed mindset of the consumer, as well as the changes in consumer profile. This may include a greater focus on economic sustainability, preference for informed and ethical purchasing, and a renewed appreciation for natural assets and nature-based experiences. Council may need to rethink major infrastructure projects and align investment to changing preferences.

Key issues affecting businesses and the economy during this phase include:

- Need for future disaster preparation for both Council and businesses;
- Need to drive economic growth and investment across the Shire;
- Need to drive visitation by building the Shire's events sectors; and
- Need to respond to changing resident and consumer needs.

¹² 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 3 Action Plan

An Action Plan has been prepared for Phase 3 of Recovery, in response to business and industry issues, and opportunities identified through preparation of the Plan.

T18. PHASE 3 ACTION PLAN

Action	Delivery Lead	Supporting Stakeholders	Status	Cost
STRATEGY 15 Prepare for future disasters				
ACTION 15.1 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.	T&E Unit	Business Victoria	New initiative Budget required	\$10k
STRATEGY 16 Drive economic growth and investment				
ACTION 16.1 Prepare an economic development strategy for Murrindindi Shire which focuses on investment attraction, business attraction and resident attraction. This should consider expansion of the industry base and consideration of future industries in a post COVID- 19 era.	T&E Unit		New initiative Budget required	\$60k
ACTION 16.2 Increase advocacy and investment attraction in larger-scale projects that will drive economic growth, focused towards new markets. This may include investment in Mt Pinniger, Mid-level resort and residences at Eildon Boat Club and redevelopment of the Golden Trout Hotel.	T&E Unit	Local businesses LBTAs TNE YRT	Increased effort	TBD
ACTION 16.3 Undertake and implement township improvement plans, including streetscape improvements and retail activation for key towns of Yea, Alexandra and Eildon. This will support growth across a range of industries and improve the Shire's attractiveness to both residents and visitors.	Assets and Development		Underway	TBC
ACTION 16.4 Undertake a Shire-wide planning strategy that deals with rural land use, settlement, commercial and industrial land use across the Shire.	Assets and Development		New initiative Budget required	\$200k
ACTION 16.5 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.	Development and Community Services Units		New initiative Budget required	\$40k

Action	Delivery Lead	Supporting Stakeholders	Status	Cost
STRATEGY 17 Build events sector				
<p>ACTION 17.1 Undertake an events strategy and action plan designed to drive new events in the Shire in COVID recovery conditions. This should include funding for event procurement and attraction.</p> <p>Changed event dates should be co-ordinated to ensure spread of events and maximise visitor yield. Consideration should be given to creating or expanding existing events to be multi-day as well as coordinating activities and packages for visitors.</p>	T&E Unit		New initiative Budget required	\$30k
<p>ACTION 17.2 Support development of new events and festivals, particularly those that promote overnight stays.</p>	T&E Unit		Underway Ongoing	

APPENDICES

APPENDIX A SUMMARY OF STATE AND FEDERAL GOVERNMENT SUPPORT INITIATIVES

T19. FEDERAL GOVERNMENT BUSINESS SUPPORT PROGRAMS

Initiative / Funding Stream Name	Description	Eligibility
JobKeeper Program <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"> • On 1 March 2020, you carried on a business in Australia • You employed at least one eligible employee on 1 March 2020. • Your eligible employees are currently employed by your business for the fortnights you claim for (including those who are stood down or re-hired). • 30% fall in turnover (for an aggregated turnover of \$1 billion or less) • 50% fall in turnover (for an aggregated turnover of more than \$1 billion) • 15% fall in turnover (for ACNC-registered charities other than universities and schools). • Your business is not in one of the ineligible employer categories.
Concessional loans <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>
Boosting cash flow for employers <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>
Assistance to pay wages of trainees or apprentices <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>
Small to Medium Enterprise (SME) Scheme	<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.	
Director obligations <i>Federal Government of Australia</i>	<ul style="list-style-type: none"> • Relief for directors from any personal liability for trading while insolvent • 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 • 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 • 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. 	
Backing Business Investment <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.

T20. STATE GOVERNMENT SUPPORT PROGRAMS

Initiative / Funding Stream Name	Description	Eligibility
Business Support Fund <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"> • 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. • 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.
Sustaining Creative Workers initiative <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"> • Stream 1: First Peoples creatives/artists, micro organisations/businesses from across Victoria with a minimum track record of 5 years in professional public outcomes • Stream 2: Metro and Outer Metro Melbourne creatives/artists, micro organisations/businesses with a minimum track record of 5 years in professional public outcomes • Stream 3: Deaf and Disabled creatives/artists and arts workers or disability-led micro organisations/businesses from across Victoria • 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.
Licensing, land tax and rent relief <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>Payroll: Businesses with annual Victorian taxable wages up to \$3 million will have their payroll tax for the 2019-20 financial year waived.</p> <p>Liquor License Relief: 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>
Payroll tax refund and deferral <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>
Commercial tenancy relief scheme	<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).	
Night-time Economy Business Support Initiative <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"> o Operate licenced pubs, clubs or restaurants on tenanted premises as part of a group or chain; o Have an annual turnover of less than \$50 million at each individual premise operating within the group); and Do not qualify for the Victorian Government's Commercial Tenancy Relief Scheme.
Small Business Bushfire Support Grant <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"> o be a small business owner o hold an Australian Business Number (ABN) and have held that ABN at the time of the eligible disaster o have been engaged in carrying on the small business in a defined disaster area when affected by the eligible disaster o 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.
Small Business Bushfire Recovery Grants Victoria <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.
Working for Victoria Fund <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.
New payment terms <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.	
Support for pubs, clubs and restaurants <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.	
Tourism Accommodation Support Program <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"> • A refund has been made for 100% of the booking amount; and • No cancellation fee or other tariff was charged to cancel the booking; and • The cancelled booking was not re-booked or filled; and • The booking is from a resident of a restricted postcode.

Source: Various sources, desktop research, 2020.

APPENDIX B RELEVANT COUNCIL STRATEGIES

MURRINDINDI SHIRE COUNCIL PLAN 2017 TO 2021 AND PRIORITY ACTION PLAN 2019/20

The Murrindindi Shire Council Plan identifies the priorities for Council between 2017 and 2021. These priorities fall under four strategic objectives which are:

- 1. Together we will celebrate and encourage diverse, caring and connected communities;*
- 1. We will maintain and enhance places to be attractive and liveable, in balance with our natural environment;*
- 2. In partnership with the community we will promote an environment in which business and community can thrive;*
- 3. We will all work in collaboration with our communities to deliver the best possible outcomes in all that we do.*

Of the above objectives, Objective 3 *In partnership with the community we will promote an environment in which business and community can thrive* relates to the prosperity and the economic development of Murrindindi, with key strategies to support this objective being:

- *“Use a fresh approach to attract new and existing business investment;*
- *Work with our businesses, regional partners, and communities to support a diverse visitor experience that promotes our natural assets, and a vibrant range of events”*
- *Support and encourage local businesses to work together, thrive and grow, through networking, start-up assistance, mentoring and access to skills;*
- *Advocate for and support high quality opportunities for education and training to meet community and business needs; and*
- *Advocate for improved infrastructure and access to public land to realise social and economic opportunities”.*

The above strategies are identified in the Murrindindi Priority Action Plan 2019/20 which identifies actions that will be undertaken by Council in the 2019/20 financial year.

Council acting to implement these strategies will be critical to the recovery of businesses in Murrindindi.

LAKE EILDON MASTERPLAN

The Lake Eildon Masterplan, developed as part of the Activating Lake Eildon Project, provides guidance for the future of the Lake. The Plan provides a cohesive strategy for the land and water assets of Lake Eildon and includes a business case to prioritise investment.

The Masterplan provides an overarching vision and strategic themes and objectives for the tourism development, including projects, to support the vision for Lake Eildon. The Strategic Objectives include:

- Attract Lifestyle Leader market segments to the region;
- Improve the experience of current water based and nature based visitors;
- Grow visitor yield through investment in accommodation, food and beverage product and nature based tours and experiences;
- Improve the general amenity of the region and in particular the key towns and villages;
- Focus investment to create a critical mass of product at key visitor nodes;
- Support improved activation and access to the Lake;
- Deliver improved governance and management of visitor services, tourism infrastructure, marketing, and investment attraction.

To achieve these objectives, the Masterplan identifies a series of projects which are identified to have either a regional impact or subregional impact. Projects identified include large scale accommodation investment, a premier nature based precinct, Skyline Rd Tourist Precinct, and reticulated sewerage investment.

The Lake Eildon Masterplan is relevant to the recovery of businesses in Murrindindi as the implementation of projects identified will generate economic growth both in short term and long term.

MURRINDINDI TOURISM AND EVENTS STRATEGY 2019 TO 2025

The Murrindindi Tourism and Events Strategy provides Council with a strategy providing guidance for the delivery of tourism and event activities in Murrindindi. The Strategy identifies the following vision for tourism in Murrindindi;

Murrindindi will transform into one of Victoria's leading nature-based tourism destinations which is accessible to family markets, adult couples, nature-based tourism enthusiasts and emerging international markets. Murrindindi will strengthen its complementary tourism product including food and agribusiness and new and improved accommodation to meet contemporary market expectations and needs.

To achieve this vision, the Strategy identified 4 directions which are:

- Deliver a streamlined approach to industry governance – *Identifies strategies to improve how Council governs and interacts with industry and other stakeholders such as Visit Victoria;*
- Deliver streamlined and effective marketing and visitor information services – *Identifies strategies to build awareness of Murrindindi's competitive strengths and destinations as well as the need to improve visitor services;*
- Development of product strengths and investment in emerging opportunities and supporting infrastructure – *Identifies strategies to promote tourism assets in Murrindindi (such as its nature-based assets) including promoting investment in visitor accommodation, and*
- Drive tourism growth to Murrindindi through an enhanced events calendar - *Identifies a strategy identifying the need to enhance Murrindindi's event calendar which leads to increased visitation.;*

Together these directions, and accompanying strategies support investment and growth in the tourism and events sector in Murrindindi, including by attracting additional visitors to the Shire and through investment in tourism businesses and infrastructure.

APPENDIX C MODELLING OF EMPLOYMENT AND OUTPUT 2019

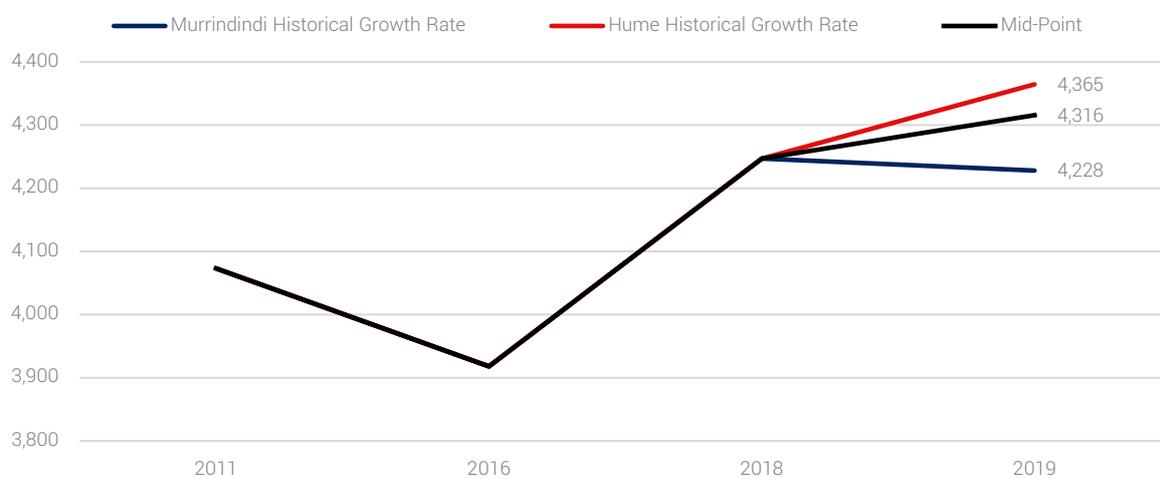
Employment and output estimations for the Murrindindi municipality in 2019 are based on three different growth scenarios, including:

- 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.

Historical growth rates were calculated at the industry level and applied to the existing 2018 data from Remplan to estimate the different scenarios.

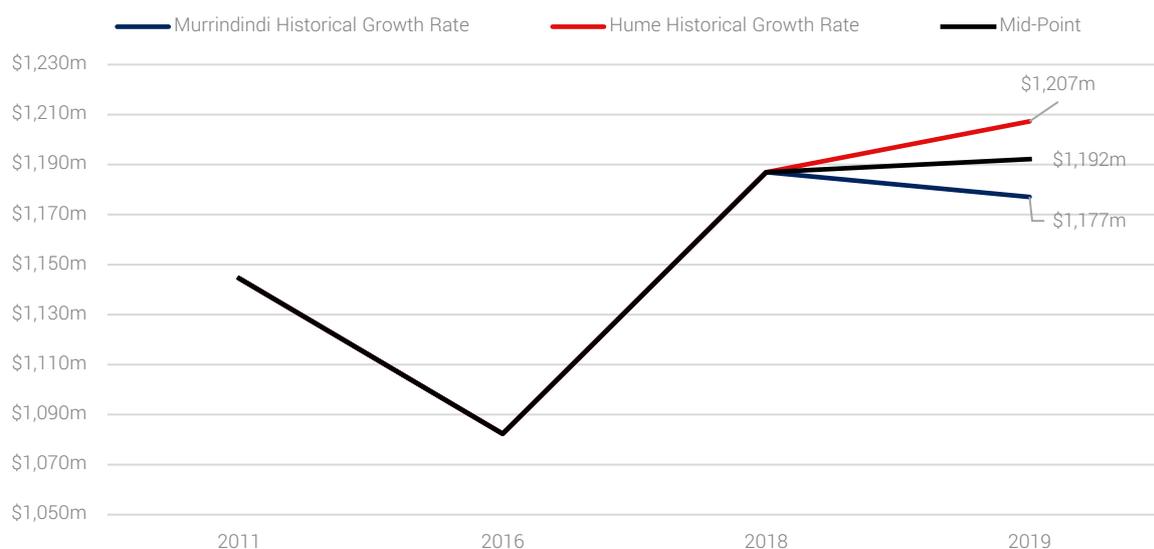
Figures F9 and F10 show the various employment and output scenarios for Murrindindi in 2019. Urban Enterprise has adopted the mid-point scenario in the analysis.

F9. EMPLOYMENT ESTIMATE SCENARIOS, MURRINDINDI SHIRE



Source: ABS, 2016. Remplan, 2018. Urban Enterprise, 2020

F10. OUTPUT ESTIMATE SCENARIOS, MURRINDINDI SHIRE



Source: ABS, 2016. Remplan, 2018. Urban Enterprise, 2020

APPENDIX D ISSUES AND OPPORTUNITIES FACING INDUSTRY

T21. PHASE 1 - ISSUES, RESPONSES AND OPPORTUNITIES

Business / Industry Issues	Existing Responses		Opportunities for Council to provide additional support
	State/Federal	Local	
Assistance in accessing professional business advice	Business Victoria mentoring Free mentoring from small business Victoria	Council Business Mentoring program	<ul style="list-style-type: none"> Continue to use Business and Tourism Advisory Committee to provide local businesses with information Promotion of existing local business advisory services within Shire & elsewhere
Access to additional financial support and relief	Instant Asset Write Off scheme Commercial Tenancies Relief scheme	Council has \$500k allocated to support businesses and community Refund of registration of Premises Fee for businesses Removal of rate differential for businesses for 2020/21 year.	<ul style="list-style-type: none"> Consider a weekly newsletter from Council to increase awareness of financial support available from State/Federal Government and provide businesses with up to date information Encourage businesses to apply for the Instant Asset Write Off scheme to improve cash flow and help businesses withstand and recover from the economic impact of the coronavirus. Encourage business application for Commercial Tenancies Relief scheme
Need to encourage business to business connections in the local area	Business Victoria and Victorian Chamber of Business online networking workshops	Online Business Workshop	<ul style="list-style-type: none"> 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 have opportunities for group conversation as well as direct communication between individuals (Investigate Localized) Council to run industry focus groups to discuss opportunities for collaboration across business sectors and opportunities for businesses to support each other Council to implement and run Shire-wide business membership program to streamline business network, promote upskilling opportunities, promotional campaigns and increase business access to information.
Need to diversify income streams and increase sales	Business Victoria and Victorian Chamber of Business online eCommerce workshops	Dindi directory Dindi Store 'Buy local' campaign	<ul style="list-style-type: none"> Identify and assist business owners in utilising online opportunities to support the growth of their business Potential to allocate a proportion of \$500k support package to eCommerce Support Grants Expand Dindi Store with other LGA's to increase reach – potential to link to other LGA's and create a 'Buy Goulburn Valley' online store Increase promotion of Dindi Store and buy local' campaign to attract metropolitan markets. This could be a 'Buy from your

Business / Industry Issues	Existing Responses		Opportunities for Council to provide additional support
	State/Federal	Local	
			Backyard' initiative targeted to people across the State and advertised on TV
Specific support for 'Hard Hit' industries	Tourism Accommodation Support Program	Council has \$500k allocated to support businesses and community	<ul style="list-style-type: none"> • Council to consider allocating funds to the hardest hit industries, including retail, accommodation and food services and art and recreation, as well as the largest employers in the Shire required to support the economy • Council to advocate for extension of JobKeeper for hardest hit industries - Federal Government has announced it will be looking into targeted package for industries hardest hit
Increasing unemployment	Working For Victoria initiative	Council have employed 41 people through the Working For Victoria initiative	<ul style="list-style-type: none"> • Explore staff-sharing opportunities for businesses to retain employees following the completion of JobKeeper
Need for physical distancing alterations to businesses	Guidelines developed by Business Victoria for tourism and retail businesses	Signage provided by Council	<ul style="list-style-type: none"> • Support businesses to make minor investment in short-term physical distancing infrastructure and solutions • Promote existing resources such as 'Safe and Healthy Crowded Places Handbook' by the Australian Institute for Disaster Resilience¹³ • Potential to develop a physical distancing guideline for each industry sector (where relevant and necessary)

T22. PHASE 2 ISSUES AND OPPORTUNITIES

Business / Industry Issues	Opportunities for Council to provide support
Need to attract visitors to the Shire	<ul style="list-style-type: none"> • Increased marketing of the Shire – MSC to continue advertising on Melbourne TV & radio and to increase marketing campaigns using social media • Development of partnerships and collaboration with Yarra Valley Tourism to promote Marysville region • Encourage habitual visitors to return to the Shire, such as holiday home owners, campers and houseboat owners. Encourage spend in local businesses such as supermarkets, cafés and ancillary retail as part of the marketing campaign • Council to consider offering free or reduced rates for Council owned caravan and camping sites • Engage directly with the holiday home sector through non-resident ratepayer database

¹³ Australian Institute for Disaster Resilience, 2020. <https://knowledge.aidr.org.au/media/5914/crowded-places-handbook.pdf>

Business / Industry Issues	Opportunities for Council to provide support
	<ul style="list-style-type: none"> • Work with Tourism North East to be included in social media and marketing campaigns such as Ride High Country and Walk High Country
<p>Need to attract high-yield visitors to the Shire</p>	<ul style="list-style-type: none"> • Collective approach to attracting visitors through the development of packages aligned to visitor types e.g. boutique spa and wellness packages for high-end travellers • Development of boutique, small scale food and wine events showcasing local produce across the Shire, but remaining at a small number of patrons per venue
<p>Need to assist businesses with changed operating conditions</p>	<ul style="list-style-type: none"> • Development of industry guidelines for each Sector – refer to Business Victoria’s Tourism Industry Guidelines as an example, but provide more localised and detailed information¹⁴ • Develop a program to support business to make minor investment in long-term physical distancing infrastructure and solutions
<p>Need to support new jobs</p>	<ul style="list-style-type: none"> • Advocate for infrastructure investment in shovel ready major projects to encourage transient labour, such as: <ul style="list-style-type: none"> • Sealing Skyline Road • Investment in Sewerage from Eildon – Jerusalem Creek and Eildon – Blue Gums Caravan Park • Investment in tracks and trails infrastructure including Mt Pinniger to Eildon walking trail, Snobs Creek Falls infrastructure improvements, and Great Victorian Rail Trail activations • Investment in viable accommodation options such as glamping at Mt Pinniger and smaller-scale private accommodation such as Skyline Rd boutique self-contained accommodation • Identify other key sites for activation and develop investment prospectus to attract private sector interest
<p>Dealing with consumer fear</p>	<ul style="list-style-type: none"> • Promoting social distancing to locals and visitors and supporting businesses with social distancing guidelines and advice • Potential to appoint a recovery officer to offer specialised support and advice to businesses
<p>Indoor venue capacity restrictions</p>	<ul style="list-style-type: none"> • Council to assist with small grants for hospitality businesses to support re-opening with restrictions, including potential to alter outdoor settings to provide heating, cover, and outdoor seating
<p>Increased unemployment and financial hardship</p>	<ul style="list-style-type: none"> • Council to assist with advertising opportunities for employment in those sectors more immune to the impacts of COVID-19 like agriculture and construction • Potential to develop an online Job Board in partnership with surrounding local government areas to match skilled and unskilled workers with available opportunities.

¹⁴ Business Victoria Tourism Industry Guidelines for coronavirus (COVID-19), 2020. <https://www.business.vic.gov.au/disputes-disasters-and-succession-planning/coronavirus-covid-19/tourism-industry-guidelines-for-coronavirus-covid-19>

T23. PHASE 3 ISSUES AND OPPORTUNITIES

Business / Industry Issues	Opportunities for Council to provide support
<p>Need for future disaster preparation</p>	<ul style="list-style-type: none"> • Develop a Disaster Response Council management plan e.g. Sunshine Coast Council prepared an Emergency Event Economic Recovery Manual¹⁵. This could be completed as part of a newly prepared Economic Development Strategy. • Provide a template for preparing Business Continuity Plans and undertake a workshop event to assist businesses with preparation of the plans
<p>Need to drive economic growth and investment</p>	<ul style="list-style-type: none"> • Preparation of an economic development strategy for Murrindindi Shire which focuses on investment attraction, business attraction and resident attraction • Increase advocacy and investment attraction in larger-scale projects that will drive economic growth, focused towards new markets. • Investment in infrastructure, township improvement plans which will support growth across a range of industries.
<p>Build events sectors</p>	<ul style="list-style-type: none"> • Undertake an events strategy and action plan designed to drive new events in the Shire in COVID recovery conditions. This should include funding for event procurement and attraction. • Support development of new events including festivals, particularly those that promote overnight stays
<p>Need to respond to changing resident and consumer needs</p>	<ul style="list-style-type: none"> • Invest in infrastructure and attractions aligned to changed resident and consumer needs, such as investment in walking and cycling trails.

¹⁵ Sunshine Coast Council 2020. <https://www.sunshinecoast.qld.gov.au/Business/Developing-Your-Business/Economic-Recovery>

