

Small Business Roadshow

Far North Queensland Consultation Report 2021

Introduction

During February and early March 2021, the Minister for Employment and Small Business hosted the Small Business Roadshow to hear from local small businesses on the challenges they are facing and how government can help them to grow and thrive.

From Cairns to the Gold Coast, 17 face-to-face and seven online sessions were held, providing many opportunities for the government to hear first-hand from small businesses. More than 1400 people attended a session.

Queensland small business owners were also encouraged to complete the Small Business Survey, to help government tailor future small business programs. Nearly 1200 responses were received from across the state.



Queensland
Government



Message from the Minister

Queensland is home to a vibrant and diverse small business sector and I am proud to lead the Palaszczuk Government's efforts to support these operations as we work on economic recovery and setting the foundations for future growth.

Travelling across the state and hearing directly from small business owners in these challenging times has been a valuable experience for me. I appreciate each and every person who took the time to attend one of our Small Business Roadshow stops in person, join one of the online sessions or complete the online Small Business Survey.

The information and feedback you have provided will help the Queensland Government refine the support it provides the sector and we are redoubling our efforts to address your needs.

This roadshow has given me a greater understanding of the challenges and opportunities that small businesses in different regions and industries are facing. Offering flexible programs that can tailor support to better meet the needs of small business will be an important goal in our future work – and will produce positive benefits for the local community and our economy as well.

Queenslanders' long history with natural disasters – floods, fires, cyclones and drought – and the more recent economic challenges brought about by COVID-19 have produced a resilient and supportive community where people help their neighbours in any way they can.

That spirit has been on display in our business communities, with many customers, clients, suppliers, workers, owners and other stakeholders looking to adapt and help each other, but we know there is more still to do.

Going forward I want to ensure established small businesses in Queensland get back on their feet and return to growth, while our entrepreneurs have confidence that developing their ideas and plans will launch new successful businesses.

Thank you again for sharing your feedback. I look forward to sharing the outcomes of your insights as we release a new small business strategy for Queensland.

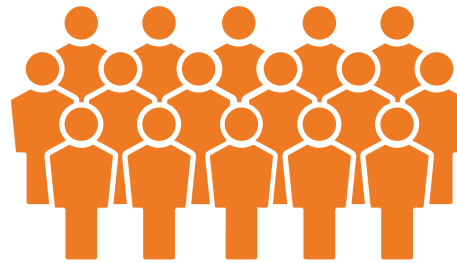
The Honourable Di Farmer MP
Minister for Employment and Small Business and
Minister for Training and Skills Development

Consultation snapshot



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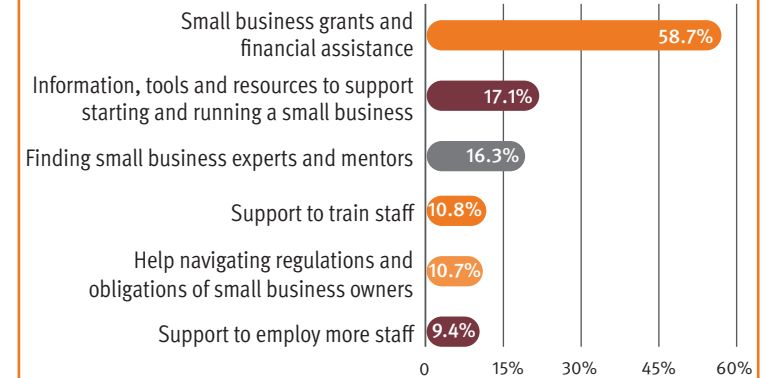
responses to the small business online survey



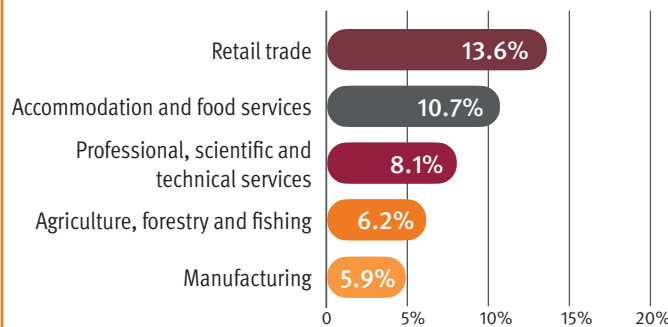
1433 people

participated in the **24 sessions** across Queensland

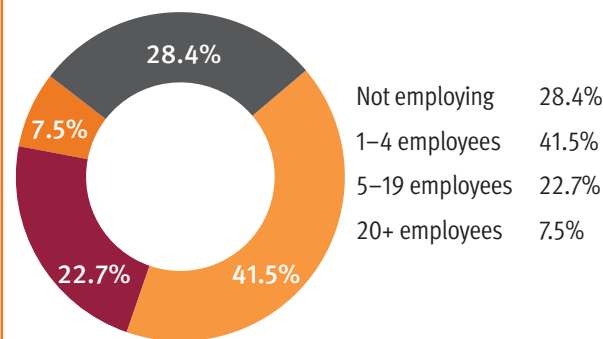
Top 6 support programs/initiatives for small business:



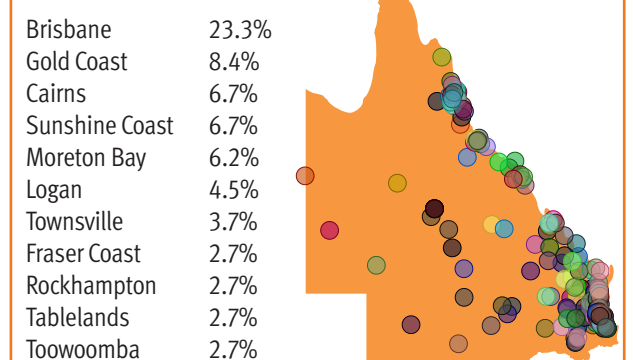
Top 5 industries survey respondents were from:



Size of businesses survey respondents were from:



Survey response – regional spread:



Queensland – what you told us

Feedback from the Small Business Roadshow identified that small businesses still face many challenges as they recover from the COVID-19 pandemic and there are a number of key areas where support is needed.

What are your challenges?

- **Skills and capability development:** business owners and operators often need support to upskill to respond to the impacts of the changing business environment. Time and resource constraints were highlighted as the common challenges for small business in developing skills for themselves and their staff.
- **Workforce skills:** Staff recruitment and retention of skilled staff are a major issue for small business, particularly in regional areas where attracting staff to relocate and then to house is a major impediment. It also reported that staff often lack job ready soft skills and the introduction of the Australian Government’s JobKeeper program has impacted employers’ ability to recruit skilled staff.
- **Government engagement and communication:** Businesses report challenges due to multiple government websites and communication channels and platforms. They also find it difficult to locate and understand what is available and keep up with a large volume of information from government agencies. They would like to have a single point of contact to get information and advice that is applicable



to their business needs. Many businesses reported being unaware of government support for small business and advised that better promotion of these programs and services is needed.

- **Access to support:** Accessing government support programs and services is considered complex and time consuming. In particular, grant and program eligibility criteria and the application processes were highlighted as problem areas. Small business also highlighted the need for more intensified and tailored support. Further, businesses were concerned by the lack of support available outside of business hours and the need for service providers with local knowledge of small business issues.
- **Red tape and compliance:** Small business find it difficult to navigate the systems and processes of government and to understand regulatory requirements.
- **Government procurement:** Procurement processes and the time and effort required to tender remain a concern for small business. Small business highlighted the lack of transparency around awarding of tenders, substantial insurance requirements, little or no feedback given if unsuccessful, and the exclusion of small business from supply chain opportunities.
- **COVID-19 specific:** Small businesses are still recovering from challenging business conditions with particular sectors more impacted than others. There was a lack of certainty and concern around the cessation of JobKeeper at the end of March 2021, combined with feedback that access to workforce had been impacted by these same support mechanisms.
- **Regional issues:** The major constraints for the growth of small business in regional areas have been identified as the level of economic demand and activity, business acumen, costs of doing business, poor internet connectivity, housing and rental shortages and reduced access to a skilled workforce.

What help does small business need to grow and thrive?

- **Workforce issues and skills development:** Small business would benefit from greater long-term support including access to information and

specific advice to plan and invest in their own skills and workforce skills. In addition, small business are seeking access to a workforce that is 'employable' and not just skilled.

- **Better communication and interaction with government:** Key feedback related to improving the Business Queensland website, providing a central point of contact that operates outside of business hours to help small business navigate information, programs and services and better promotion of available small business support.
- **Improve government's support to small business:** Feedback provided is that small business support should be tailored, affordable, accessible, flexible and include opportunities for regular peer-to-peer networking and mentoring. Specific proposals included access to one-on-one professional advice and support, streamlined eligibility and grant application processes (including checklists), scaling up existing small business services and programs that work (e.g. Mentoring for Growth and grants), targeted industry and regional grants and mentoring, professional development rebates, access to local networking and support services, and mental health support.
- **Red tape and compliance:** Lessening of regulatory constraints and better communication of the rules across all levels of government and simplification of processes.
- **Government procurement:** Key suggestions for improving access to government procurement for small businesses included simplifying processes, transparency in procurement contracts, providing concise feedback on unsuccessful tenders, breaking up larger procurement contracts and increasing new opportunities for small business.
- **COVID-19 specific:** Build business confidence and government to have a post-JobKeeper plan.
- **Regional issues:** Better connectivity, affordable housing, incentives to stay in rural or remote locations, dedicated regional economic development officers.

Far North Queensland – what you told us

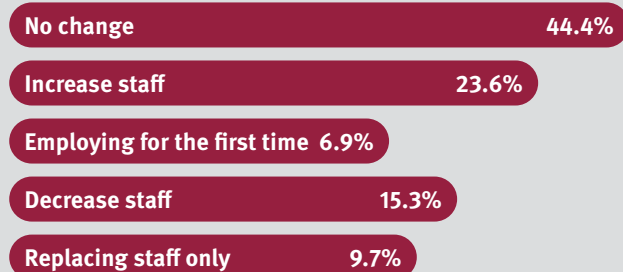
Roadshow locations: Cairns, Mount Isa

	What are your challenges	What small business needs to grow and thrive
Attracting and retaining staff	<ul style="list-style-type: none">• Housing supply issues are making it difficult to attract new residents and workers.• JobKeeper has made it difficult to secure workers, both skilled and unskilled.• Diminished access to the backpacker and international student workforces due to border closures.• Difficulty securing skilled workers and qualified professionals to the region, especially in isolated communities.• Investing in staff training only to have the employees hired by larger companies that can offer attractive salaries.	<ul style="list-style-type: none">• Promotion of a gap year (including training programs and recognised accreditation) to help address workforce issues.• Incentives and promotional campaigns to encourage workers to regional locations and to enrol in priority training areas.• More local trainers are needed, coupled with increased access to training options and flexibility with block release where required.• Promotion of ‘seasons of work’ to assist during industry peak periods.
COVID-19	<ul style="list-style-type: none">• Complying with COVID-safe regulations.• Hard border closures and lockdowns creating uncertainty and instability.• Diversifying and pivoting business to the new economic conditions and supply chain challenges (such as high costs and delayed delivery of stock).• Concerns about the end of JobKeeper.• Cessation of international travellers, waning confidence in domestic travel, and diminished confidence in the tourism and events industries (with the flow-on effect of workers leaving the industry).• Loss of international students who are no longer contributing to the economy (education, accommodation and transient employment).	<ul style="list-style-type: none">• Focus on innovation and the businesses and industries that are doing well and have successfully pivoted.• Transitioning Cairns from international tourism to domestic tourism.• Explore opportunities to support the return of international students to Queensland.

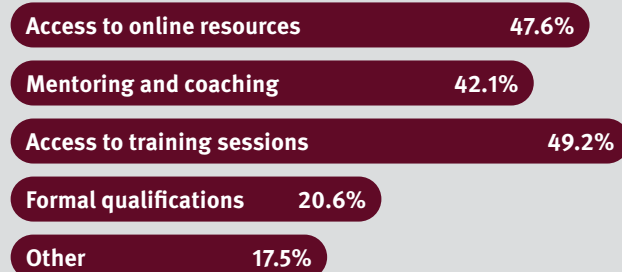
	What are your challenges	What small business needs to grow and thrive
Better communication and support	<ul style="list-style-type: none"> • Availability, awareness and eligibility of government grants and funding can limit the ability of small businesses to apply. • Some support programs are not sufficiently targeted to the specific requirements of small business. • Difficulty understanding regulatory requirements and navigating red tape. 	<ul style="list-style-type: none"> • Streamlined government websites to allow ‘quick click access’ to information and one-stop-shop for grants and funding programs. • Dedicated regional staff focused on local economic development to give regions a voice on the ground. • Increased grants, simplified application processes and wider eligibility criteria, particularly for sole traders and non-employed businesses. • Promote ‘Go Local’ campaigns and maximise opportunities for local businesses to supply to government and access supply chain opportunities for major projects. • Programs that build skills and capabilities of small business owners in areas of importance to their business. • Mental health support for small businesses. • Increased incentives to attract new investment, support start-ups and increase Indigenous business ownership.
Other	<ul style="list-style-type: none"> • High local advertising costs and difficulty reaching a transient population. 	<ul style="list-style-type: none"> • State and Federal Governments to maximise access to affordable housing, provide additional support measures targeted at regional areas and make government information and resources more accessible. • Maximise access to concessional airfares, rail and road upgrades and improved internet.

Cairns

Do you expect the number of staff that you employ to change in the next 12 months?



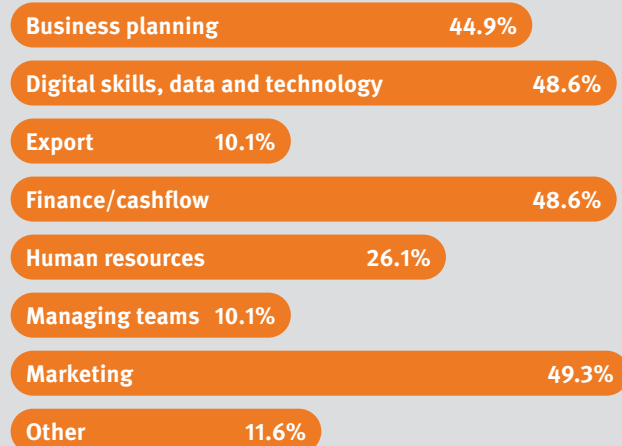
What types of assistance would be most beneficial to help you build these skills and capabilities?*



Have you previously accessed Queensland Government support program/initiatives?*



Top 3 skills you need assistance to develop to support success of your small business?*



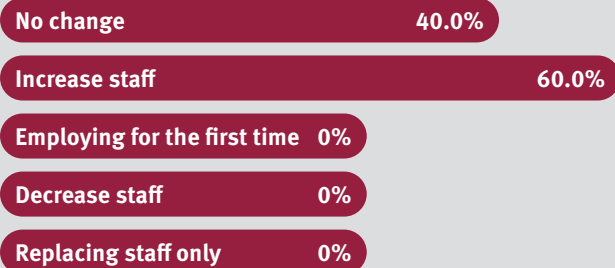
Online survey data

Cairns online survey responses included all respondents that identified that they were based in the Local Government Areas of Cairns, Cassowary Coast, Tablelands, Douglas and Mareeba.

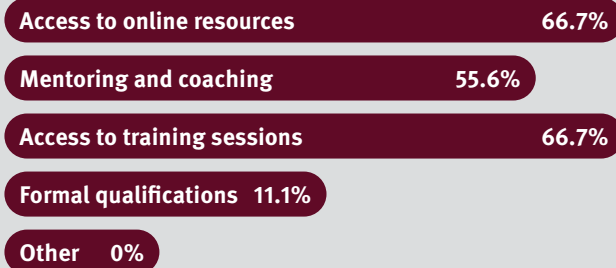
*Survey respondents could select up to 3 responses, so response percentages will not total to 100%

Mount Isa

Do you expect the number of staff that you employ to change in the next 12 months?



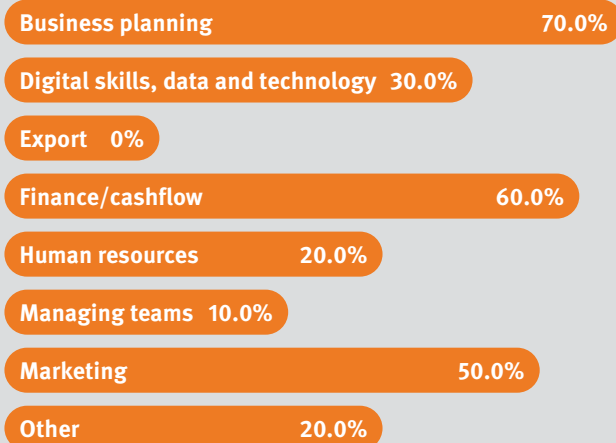
What types of assistance would be most beneficial to help you build these skills and capabilities?*



Have you previously accessed Queensland Government support program/initiatives?*



Top 3 skills you need assistance to develop to support success of your small business?*



Online survey data

Mount Isa online survey responses included all respondents that identified that they were based in the Local Government Areas of Mount Isa and Richmond. The number of survey responses received was small, these results may not be statistically reliable.

*Survey respondents could select up to 3 responses, so response percentages will not total to 100%

Industry – what you told us

Key highlights and commentary by industry

Key industry insights emerged from the face-to-face sessions and a series of seven online sessions hosted by CCIQ (Chamber of Commerce and Industry Queensland), the Australian Industry Group, Queensland Hotels Association, Queensland Tourism Industry Council, Restaurant and Catering Association, National Retailers Association and the Queensland Small Business Commissioner.

Industry	Key challenges for industry	Industry specific suggestions/solutions
Tourism, hospitality and hotels	<ul style="list-style-type: none"> • Uncertainty for tourism due to border closures. • Impacts from tourism events being cancelled. • Cost of travel to Queensland’s regions. • Hospitality/tourism operator uncertainty with last minute bookings. • Lack of profile for small Indigenous tourism operators. • Travel industry severely impacted, not only experiencing a significant downturn but also refunding customers and staff commissions. • Loss of backpacker and international student workforce (also impacting agricultural industry). 	<ul style="list-style-type: none"> • Short courses – so people are ready for work quicker. • Accessing staff at short notice when last minute travel bookings are made. • International student bubble pilot and incentivise the return of international students to Queensland. • Promote tourism ‘off season’ as open for business.
Retail	<ul style="list-style-type: none"> • The emergence of home-based businesses and working arrangements. • Patronage in CBDs remains below pre-pandemic levels with lack of foot traffic. • Lack of turnover with no international tourists. • Issues with shipping with some customers not prepared to wait for purchases from local retailers. 	<ul style="list-style-type: none"> • More support for sole traders. • Continued rent relief and ongoing support with commercial leasing disputes. • Training courses – how to set up an online business and do it better e.g. how to set up a Shopify account.

Industry	Key challenges for industry	Industry specific suggestions/solutions
Manufacturing	<ul style="list-style-type: none"> • Delays in supply of raw material an issue for manufacturing. • Pricing and delays of freight coming into country. • Need higher skill levels for both employees and employers. • Supply issues – costs and time delays. 	<ul style="list-style-type: none"> • Pursuing local manufacturing opportunities. • Building relationships with potential local suppliers.
Agriculture	<ul style="list-style-type: none"> • Food going to waste, and the agricultural industry is planting 50% less crops as the industry is experiencing issues with accessing workers. • Wages of fruit pickers are low which in turn leads to a thin labour market (less employers offering jobs). • Loss of backpacker and international student workforce (also impacting tourism industry). 	<ul style="list-style-type: none"> • Increased (subsidised) wages for fruit/vegetable pickers. • Reduced payroll tax/tax free threshold for international workers.

Next steps

The Department of Employment, Small Business and Training is continuing to consider feedback from the small business community to develop a new small business strategy as well as ensure current and future support programs and initiatives address the ongoing challenges that small businesses are facing across Queensland.

Initially this feedback will help ensure the Queensland Government's \$140 million investment committed for the **Big Plans for Small Business Strategy** delivers actions which assist small business to recover and create jobs.

Initiatives under this strategy include:

- **\$100 million Business Investment Fund** which will invest in small to medium enterprises supporting them to grow and expand into new markets
- **Go Global Export Program** providing small and medium sized businesses with financial support to enter a new international market
- **\$25 million in small business grants**
- development of a **Business Ready website** to provide online, easy-to-use information on starting a business, employing staff and growing a small business
- holding **Queensland Small Business Month** in May 2021 to celebrate the success of small business, share knowledge and build skills
- continuing the **Mentoring for Growth** program
- making the **Queensland Small Business Commissioner** role permanent

- rolling out a **targeted engagement strategy** to make sure small businesses know what support is available
- looking at the role of the **Queensland Small Business Advisory Council** and how it provides advice to government
- rolling out the **Business Health Check** online tool to help businesses understand their weaknesses and provide helpful advice on next steps to make improvements.

For more information on current programs and support for small business visit www.business.qld.gov.au or call 1300 654 687.