



30 June 2020

The Hon Scott Morrison MP Prime Minister

Dear Prime Minister

Extension of JobKeeper fund to support businesses across the region

This letter, seeking further consideration of the JobKeeper program, is supported by Commerce Ballarat, City of Ballarat, Ballarat Regional Tourism and Committee for Ballarat. Together we represent over 800 businesses across sectors.

The impacts of COVID-19 have been nothing short of devastating for so many businesses across Victoria.

Almost 6000 people in Ballarat have lost their jobs since the pandemic began. More than 2800 JobKeeper applications have been lodged by businesses in Ballarat (April figures).

ABS Labour Force data shows Ballarat's unemployment rate has more than doubled from 3.1% (Feb) to 7.1% (May), taking it above the State average of 6.7% and above Bendigo (5.7%) and Geelong (6.7%). This is a sharp and concerning contrast to recent trends in which Ballarat's rate was the lowest of the three.

Areas across the municipality have been adversely affected, including areas which are already experiencing higher unemployment or lower income rates. City of Ballarat LGA already suffers significant disadvantage as measured by the SEIFA (Socio-Economic Indexes for Areas) index. In areas such as Wendouree and Sebastopol the SEIFA index of disadvantage falls within the lowest 7% nationally.

Our consultation with industry, has told us that the JobKeeper program has been integral to keeping people in some form of paid employment during this time. With the Victorian business restriction environment likely to remain uncertain for many months ahead, it is clear there is a growing concern about the cessation of JobKeeper at the end of September.

We strongly urge the Government in the coming month to reevaluate the timing and criteria of JobKeeper to ensure the survival of industries most severely affected. Allowing for a few scenarios under which businesses can continue to access this support with some certainty depending on the business restrictions of the day.

Key economic data released by ANZ research shows that spending in the visitor economy and service sectors is being replaced by household spending on shopping and groceries, as these sectors have benefitted from different restrictions to those in other sectors. The opportunities for businesses to generate enough income to cover their debts over coming months is very concerning likely leading to the net effect of job losses as businesses can no

longer afford to pay their staff in a negative cash flow environment. Resulting in a significant rise in regional unemployment and business failure.

This situation, of course, is amplified for tourism businesses geared towards the international travel market, that generally provides positive in-bound travel spending to our visitor economy. With borders closed their future is even more bleak.

We congratulate the Government in the way it has responded so swiftly in managing the crisis and supporting industry through programs like the Boosting Business Cash Flows and JobKeeper. The Industry has also welcomed the bi-partisan leadership demonstrated by the Government in working with all States and Territories in coordinating this pandemic.

We now look forward to your support on the extension of JobKeeper or similar program, in supporting business sustainability in the affected and restricted sectors over the coming months.

Yours sincerely



Janet Dore
Chief Executive Officer
City of Ballarat



Michael Poulton
Chief Executive Officer
Committee for Ballarat



Jodie Gillett
Chief Executive Officer
Commerce Ballarat



Natalie O'Brien
Chief Executive Officer
Ballarat Regional Tourism