Minister for Business and Better Regulation
Question Time Briefs
August 2021

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QUESTION TIME BRIEF

CM2021/1279

Portfolio/s: Business and Better Regulation

ISSUE: How will the *Amp it Up!* Fund help live music venues recover from the impacts of COVID-19?

Communications, media and engagement implications

- Announcement of funding https://www.cmtedd.act.gov.au/open_government/inform/act_government_media_releases/cheyne/2021/local-music-venues-and-musicians-ready-to-amp-it-up.
- BMA article

  https://bmamag.com/2021/06/24/local-music-venues-and-musicians-ready-to-amp-it-up-3/

Talking points:

- I announced the succcesful 23 venues at a total of $790,000 in funding on 24 June 2021. Given the high demand and strong applications, the Government provided additional funding for the program above the initial $700,000 allocation.
- The successful applications represent a broad cross section of venues including bars, clubs, cafes, pubs and dedicated performance venues, and were from across the ACT including Civic, Belconnen, North Canberra, South Canberra and Tuggeranong.
- The support will help grow opportunities for local musicians and other performance artists to get back on stage, and give Canberrans and visitors even more great live entertainment options .
- The *Amp It Up!* Fund is designed to assist small to medium sized live venues to recover from the impacts of COVID-19 by offsetting the costs associated with performance, programming and promotion, offering live performance and music lovers an exciting calendar of gigs from June to November 2021.
- The fund covered payments to artists and technicians, and for up to 50% of marketing costs. Venues did not receive funding for any administration.

Amp It Up! Freedom of Information

- MusicACT was selected to assist with administering the fund and providing information to applicants, as it is the only organisation in the ACT dedicated to supporting live contemporary music, and has a broad understanding of the music industry and live performance venues

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- The assessment panel comprised two representatives from the Economic Development divison of CMTEDD (ArtsACT and Visit Canberra) and a representative from MusicACT.
- Panel members were required to sign Confidentiality and Conflict of Interest Undertakings, and absent themselves where any conflicts were identified.
- Applications were assessed on merit against the assessment criteria and in competition with the other applications received.

Background Information

- $700,000 was originally allocated to the *Amp It Up!* Fund. An additional $40,000 was allocated for Music ACT to assist administration of the program and $10,000 for a Night-time Economy Forum to be held later in the year.
- The funding round opened on 3 May and closed on 17 May 2021. Venues were supported by Music ACT to apply for funding.
- Venues had to demonstrate that they regularly host live music or other performances, and/or have history of hiring acts, and/or have a dedicated performance and audience space.
- Applications were assessed on merit against the following criteria by a three-member panel with collective experience and skills in funding programs and live entertainment:
    - demonstrated history and role of the venue in supporting a diversity of original music and performance artists;
    - evidence that 50 per cent of the performances in the program include ACT-based artists;
    - demonstrated capacity and capability of the venue to effectively deliver the program; and
    - demonstrated capacity to positively impact the careers of ACT-based musicians and performance artists.
- Venues could apply to meet 100% of their expected costs between 1 June 2021 and 30 November 2021 to pay artists and technicians, and up to 50% of their marketing and promotion costs. Venues did not receive funding for any other costs including for administration.
- As part of the assessment criteria, at least half of the acts programmed by venues for this fund need to be local acts, ensuring that we are continuing to provide opportunities and paid employment to local artists.
- The assessment panel met on 21 May 2021 to discuss and rank the applications and finalise the list of recommendations for your agreement.

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- MusicACT supported local venues with their applications and programming and will continue to assist in the administration of the fund.
- An information night was held on Friday 30 April and was attended by 22 venues.
- The Government received 35 applications for this fund requesting total funding of $1.27m.

QUESTION TIME BRIEF

CM2021/1279

Portfolio/s: Business and Better Regulation

ISSUE: What has ACT Government done to help small business recover from the pandemic?

Communications, media and engagement implications:

- **11 June ABC:** *Jetstar launches direct flights between Canberra and Brisbane as ACT government lures visitors with Floriade.* Chief Minister hails announcement of 5x weekly budget flights to Queensland, following years of lobbying.

- **2 June RiotACT:** *Canberra start-up ONTHEGO enters administration in bid to save the company.* Mitchell-based provider of bespoke sports kits with national distribution and export internationally entering voluntary administration in order to find buyer.

Talking Points:

To support local small businesses and local jobs, this Government has organised a range of supports:

- **Canberra Business Advice and Support Service:** I have extended the Canberra Business Advice and Support Service for another 12 months, giving businesses up to four hours free access to expert advice on a range of topics.
- **The ACT Aboriginal and Torres Strait Islander Business Support Program** supports Canberra based Aboriginal and Torres Strait Islander Businesses in accessing a range of resources, as well as connecting them directly to business assistance initiatives to help them develop and grow. This program is delivered by Yerra.
- ACT Government paid **50 per cent of a student's unit fees to eligible training organisations**, if pandemic related restrictions made completion of practical and assessment requirements impossible. The ACT Government also co-funds **JobTrainer**, which is supporting job seekers and school leavers aged 17-24 by providing fully funded training places. The budget for JobTrainer is $16.75m.
- **We've ensured that money is available to support Infection Control Training with** $1.34 million supporting 3,800 fee-free infection control places to customer facing workers, thorough a 50:50 co-contribution by the ACT and Commonwealth governments.
- **CBR Innovation Network (CBRIN)**: In June 2020, the ACT Government provided $607,000 to CBRIN to deliver support to business and academia and drive economic recovery. This funding supported 17 businesses through two COVID-19 specific streams of the Innovation Connect grant program and fully subsidised scholarships for 50 entrepeneurs to CBRIN's Idea to Impact Program. Representation in the Idea to Impact Program included 52 per cent women and 16 per cent youth (25 or younger).

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- The 2020-21 Jobs and Economic Recovery round of the **Priority Investment Program** was finalised with funding offers made to four projects. Contracts negotiations for these projects are underway and funding announcements will be made after the execution of the funding agreements.
- We've offered a range of financial supports to businesses over the course of the pandemic, including rates relief, payroll tax waivers and deferrals, stamp duty relief and land tax credit.
- We have also waived licence fees for food business registration, outdoor dining, and liquor licensing.
- We launched the **$500,000 Tourism Cooperative Marketing Fund** to help businesses drive demand. In 2020/21, 24 projects were funded supporting 86 businesses with a total value of $730K (consisting $480K in grants and $252K matched funding by businesses)
- We launched the **$750,000 COVID-Safe Tourism Co-Investment Program** to support investment in tourism product and expereinces. In 2020/21, 15 projects were funded with a total value of $1.95M (consisting of $750K in grants and and $1.20M in matched funding by businesses)
- Both these programs have been extended to 2021-22.
- Hotels and serviced apartments were offered a rebate on their water and sewage fixed charges on Icon Water bills for the first two quarters of 2020-21. This program has been extended and will be supporting hotels for the first two quarters of the 2021-22 with rebates of upto $75,000.
- Recently the Chief Minister announced the **Small Tourism Operator COVID Recovery Payment** to complement the water and sewage rebate program for boutique hotels and small tourism providers with a payment of $15,000 to offset business expenses.
- To support tourism businesses, the **ACT Government also waived hire car and charter bus registrations from 1 October 2020 to 30 September 2021**. This waiver was in addition to the hire car annual licence fees that were waived for 12 months from April 2020. 41 hire car operators and 67 charter bus operators have renewed or established their vehicle registration for free under this scheme.

Key Information

- **Rates relief:** In 2020-21, average rates for commercial properties with an average unimproved value of $2m or less did not increase.
- **Rent reduction support:** Landlords of commercial properties with an average unimproved value of $2m or less, with tenants who had been directly impacted by COVID-19, could apply for rent reduction support if they reduced rent for their tenants.
- **Payroll tax waivers/exemptions:** Have been available for businesses unable to trade or only operate on a very limited basis, due to ACT Government health-related

restrictions, on wages paid between September 2020 and June 2021. Prior to this, a six-month payroll tax waiver on wages paid from March to August 2020 had been provided to businesses directly impacted by National Cabinet's 'prohibited activities and venues' list.

- **Payroll tax deferrals:** ACT based businesses that have an Australia-wide wage bill up to $10m can defer their 2020-21 payroll tax, interest free, until 1 July 2022.
- **Construction** firms could defer their payroll tax liability for six months from April until September 2020.
- **Stamp duty relief:** The ACT Government is offering concessions for contracts exchanged between 4 June 2020 and 30 June 2021. There is no stamp duty for single residential dwelling blocks; no stamp duty on off-the plan units up to $500,000; and an $11,400 reduction in stamp duty for off-the-plan units between $500,000 and $750,000.
- **Food business registration, outdoor dining, and liquor licensing fee waivers:** Food businesses which have prepaid their license will automatically have it extended for an additional 12 months, until 31 March 2022. General licensees received an additional 12 month waiver until 30 June 2022. Application fees for obtaining commercial liquor permits and amending these permits were waived for 12 months from 25 March 2020 to 24 March 2021, where businesses could provide takeaway sales. To further support hospitality businesses impacted by interstate lockdowns this measure has been reintroduced from 1 July 2021.
- **Accommodation and Tourism Venue Operator support program:** All hotels, motels and serviced apartments in the ACT were able to apply for fixed water and sewage rebates for 2020-21. Eligible hotels had the rebate applied directly to their Icon Water account. For the 2021-22 program, hotels and tourism businesses will need to demonstrate a revenue loss of 30 percent in July 2021 compared with April 2021. It is expected that 90 accommodation and 20 privately operated tourism venues will apply for this support payment, with the average business receiving $30,000 in financial support.
- **Small Tourism Operator COVID Recovery Payment:** Small tourism operators who don't meet the requirements of the Accommodation and Tourism Venue Operator support program, will be able to apply for this complementary program to offset business expenses, incurred in June and July 2021, upto $15,000. Businesses must be able to demonstrate a revenue loss of 30 percent in July 2021 when compared with April 2021.

  Hire Car and charter bus registration fee waiver: This waiver includes 12 months registration fee for the vehicle, cost of the third party insurance and national heavy vehica fees (if required). This waiver has been offered on all active vehicle registrations, any new registraions between 1 October 2020 to 31 December 2020, and cancelled or expired vehicle registrations for hire cars and charter buses.

QUESTION TIME BRIEF

CM2021/1279

Portfolio/s: Business and Better Regulation

ISSUE: What has happened with Choose CBR?

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QUESTION TIME BRIEF

KEY POINTS

- A spot checking process is currently underway. At this stage 52 businesses have been asked to provide evidence of transactions which involved redemption of ChooseCBR discounts.
    - These businesses were selected based either on the number of transactions or patterns of redemptions identified following analysis of redemption data.
- Whilst the spot-checking process is ongoing, there has been no evidence of systematic misuse by businesses at this stage.
- An external review of the program is also underway and will be tabled in the Assembly by the last sitting day of the year.
- Choose CBR closed just after 8am on Saturday 19 June 2021, with the full $2 million value of vouchers being redeemed.
- The $2 million ChooseCBR scheme resulted in over $5.1 million being spent in ACT businesses since it was launched on 9 June. This includes just over $4 million being spent on 18-19 June, which was a split of the remaining ChooseCBR funding, and customers own spending.
- The key statistics are:
    - Total value of vouchers redeemed: $2,028,370*
      ** includes the vouchers redeemed manually. All payments to merchants have been made.*
    - Total vouchers redeemed: 59,742
    - Number of businesses that redeemed vouchers: 797
    - Number of customers that redeemed vouchers: 30,051
    - Total value of transactions involving vouchers: $5,179,162*
      ** does not include the remaining vouchers to be redeemed manually*
      Multiplier: 2.6
    - Industry breakdown (by % of total value of vouchers):

Top six business types for voucher redemption	% Total Value
Food retailing (eg. grocers and fresh meat, fish and poultry retailing)	37.1
Cafes, restaurants and takeaway food services	25.9
Recreational goods retailing (eg sport and camping equipment, toys, newspaper and book retailers)	7.6
Pharmaceutical, cosmetic and toiletry goods retailing	6.2
Personal services	5.8
Clothing, footwear and personal accessory retailing	3.7

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EXTERNAL REVIEW

- An external review of the program is underway and will be tabled in the Assembly by the last sitting day of the year.
- The review will consider the efficiency and effectivieness of the administration of the ChooseCBR stimulus program. It will consider a range of matters, including technical issues, risk management, communications and promotion and lessons learnt from the Trial.

Who is conducting the review?

- The review is being undertaken by David Butler. Mr Butler has significant experience as a Chief Executive and Senior Executive, including with the Australian Taxation Office and the OECD.

CHECKING OF PURCHASE PATTERNS

How do you know that vouchers were not misused?

- By design customers were able to access three vouchers per day and not able use more than one per business. Customers also had to submit a unique mobile phone number to register and confirm it by submitting a One Time Password.
- Under the Terms and Conditions businesses are required to keep proof of transactions to allow for checking.
- What we've seen is that Canberrans have shown a huge willingness to support and shop local by participating in ChooseCBR.
- We have received assurances from the vendor that the system has maintained an accurate record of vouchers redeemed and dollars expended.
- The ACT Government is currently undertaking a checking process, which includes looking into some reports of misuse. It is inappropriate to comment further on these reports until the checking process is concluded. Activity from 18-19 June is currently being checked.
- Any specific allegations of misuse should be reported to the ACT Government so they can be checked.

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How does the checking process work?

- As per the Terms and Conditions, businesses are required to keep proof of transactions for government checks. Businesses must be able to show the total sale value, the value of the ChooseCBR discount applied, and the date of transaction.
- As part of routine checks businesses are asked for proof of transactions. The information is assessed to determine if it supports the expenditure seen in the system.
- If any business was found to be in contravention of the Terms and Conditions the government could temporarily or indefinitely suspend, or terminate, a registration.
- After the scheme closed, redemption activity was checked to see if there were indications of irregular spending patterns. To date 52 businesses have been asked to provide evidence of these transactions and to explain redemption pattern. Should these explanations be unsatisfactory, the ACT Government will seek further advice about potential actions specific to the circumstances of each case.

Were any issues detected in last year's trial?

- Thirty-three (33) businesses who participated in the trial were asked to provide further information about their transactions. It was found that generally there was good compliance with the program Terms and Conditions.
- One pattern of questionable transactions was identified across three merchants. The merchants were provided an opportunity to explain their transaction patterns and were not able to do so satisfactorily. The merchants were removed from the program before the full rollout.

PROGRAM DESIGN

What were the changes since the trial last year?

- The key features of the program were (compared to the trial):
    - removing the requirement for eligible businesses to have received JobKeeper;
    - increasing the voucher amounts to $10, $20 and $50 per day;
    - increasing the discount from 25% to 50%; and
    - providing more resources for businesses to make the most of the program including a Business Toolkit and increased marketing and promotion of the program.
- These changes were made following consultation with businesses and industry peak bodies.

Why was the program tiered, rather than a set value voucher (per NSW scheme)

- There was a broader range of businesses eligible to participate in ChooseCBR than the NSW scheme.
- Consumers in the NSW scheme only get one lot of four $25 vouchers. The greater flexibility with ChooseCBR ensured economic stimulus was applied across a greater range of business in the ACT.
- This allowed businesses to up-sell, gave customers more flexibility and provided a range of options for different business types.

What was the scope of eligible businesses

- ChooseCBR was conceived primarily as a support measure for certain industries impacted by COVID-19 and the associated health restrictions.
- It was also, by nature, a scheme for businesses which would benefit from increased numbers of relatively small discretionary spends. This is why food and accommodation, retail, arts and recreation and personal services businesses were selected for the program.
- Any business which operates in the ACT, has less than $10 million turnover per ABN and is in the hospitality, retail, accommodation, personal services or arts and recreation sectors (as per ANZSIC code) was eligible for ChooseCBR.
- Following the trial, we consulted with businesses and made the decision to remove the JobKeeper eligibility criterion to allow more businesses to participate.
- Many franchises are small businesses and run by small business owners who would face similar challenges to independent small businesses. They also employ Canberrans.
- The great thing about ChooseCBR is that there were hundreds of local businesses participating across a range of sectors and regions, and you could choose where to spend your vouchers

Could individuals have registered more than once?

- Customers could access three vouchers per day and could not use more than one voucher per business. When they registered, customers needed to submit a unique mobile phone number and confirm it by submitting a 'one time' password.
- It is possible that individuals could have registered more than once if they were able to access more than one mobile phone number, but we are unable to verify this.
- It is important to note that the Choose CBR scheme was designed to support businesses and the scheme saw significant expenditure at businesses across the ACT.

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BUSINESS ACTIVITY

How many businesses redeemed vouchers?

At least 1 voucher:	797
10 or more:	619
50 or moe:	267
100 or more:	133
500 or more:	19

What were the businesses that redeemed the most vouchers?

- The most popular business types for voucher redemptions were for grocers, pharmacies, restaurants and personal services.
- The business that redeemed the most vouchers was in Gungahlin. This business redeemed 3.3% of all vouchers.

WHY WEBSITE WAS CHOSEN

- ChooseCBR was based on the My Darwin system which had been commissioned and used by the City of Darwin Council. It was assessed as being able to be quickly adapted and rolled out to support businesses in Canberra and encourage people to shop locally at a critical time during the economic recovery from COVID.
- When options for a discount voucher business support scheme were being explored, there were no comparable schemes being run in other states and territories. While some were under development and were launched at around the same time, these schemes mostly targeted tourism and did not cover the breadth of businesses able to access the Choose CBR Scheme.
- The other option, to build a system from the ground up, would have taken much longer, and cost more relative to the size of the program. At the time, the priority was to support ACT businesses, so the decision was made to proceed with what became Choose CBR.

ADMINISTRATION, IT AND MARKETING COSTS

- In total $203,000 was allocated for the trial and full rollout of $2.5 million in vouchers including one off establishment of the program, system and hosting capacity upgrades, supports and information for businesses and consumers, and promotional material.
- Given the issues experienced with the system when launched 9 June 2021, additional developer hours and server capacity was procured to resolved the technical issues.

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- On the other hand, marketing activities were cancelled due to the overwhelming popularity of the system.
- The final expenditure on administration costs is currently being compiled.

TECHNICAL ISSUES WITH THE FULL ROLL OUT

What happened?

- The system enabled customers to register and access vouchers and for businesses to redeem vouchers. The large volume of users trying to register and redeem vouchers at the same time caused the system to slow and eventually crash as the querying process could not keep up with the volume of transactions in the system during peak periods last week.
- The technical issues were determined to be performance issues caused by the way the application logic was communicating with the database.

How were the issues diagnosed?

- They were diagnosed once we took the system offline and were able to fully analyse the situation.
- This analysis of the system performing under load in a simulated environment identified the areas where the application logic was causing performance issues.

What fixes were applied?

- We took the time to work with our developer partners to find solutions, test them, and implement them.
- Most of the fixes involved changes to database tables and application logic to improve the efficiency of the activities.

How do the technical issues this time differ from the trial?

- The issues experienced as part of the trial were found to be caused by capacity issues, which were rectified when we purchased additional server capacity. They are not the same issues that caused the problems last week.

When were the technical issues first experienced during the full rollout?

- The first issues experienced were on Tuesday afternoon just after 1pm, 8 June following the distribution of an email to customers resulting in many customers logging on in

preparation for the launch. The vendor increased the server capacity in line with the contingency prepared for by the ACT Government for the full rollout.

- The decision was made to take the site offline for a very short window just before 5pm to carry out this work.

When was it identified that the performance issues being experienced were not due to server capacity?

- The intermittent issues continued following the launch but with different symptoms. Each h time attempts were made to resolve issues and stabilise the system, including by scaling up server capacity even further. Over Wednesday 9 and Thursday 10 June it became apparent that server capacity and the IT infrastructure were not the cause of the performance issues. As a result, the hypothesis was that the issues were caused by the application logic itself and the ACT Government made the decision to take the site down on Thursday 10 June to further investigate, diagnose, implement solutions and test.

What was the thinking behind taking the system offline?

- We initially made the decision to pause the website for maintenance until 7am last Friday 11 June. We carried out further work to improve the site's performance and hoped this would resolve all issues.
- After working Thursday afternoon and evening on the system, it became clear we required more time to investigate the issues.
- We were concerned about the impact on businesses and customers of not having a fully operational system.
- Out of an abundance of caution—and so as to not cause further disruption and uncertainty—we made the decision take the system offline for at least seven days to further investigate the issues.
- Once we took the system offline, we were able to fully analyse the situation, and became clear that the issue related to the architecture of the system and how the application logic was communicating with the database.
- Analysis of the system performing under load in a simulated environment identified the areas where the application logic was causing performance issues.
- We took the time to work with our developer partners to find solutions, test them, and implement them – and the system successfully came back on line at 7am Friday 18 June.

TESTING AND ASSURANCES

What testing was done during the trial and before the full rollout?

- Before the full rollout all reasonable testing was carried out on the site. Tests included a suite of functional testing including account registration, voucher redemption and feedback submission.
- Part of last year's trial included testing for system performance. Based on an analysis of performance during the trial, significant additional server capacity was acquired to meet the expected higher demand during the full rollout.
- However, the issue that resulted in the website being suspended for maintenance is a separate issue, related to handling of the large volume of transactions that were not seen in the trial.

What assurances did you and the Directorate seek and receive about the website prior to the full rollout and why were you confident the website would work?

- We had the experience of the trial where the system appeared to perform well. The issues that were identified related to server capacity, as a result the ACT Government purchased considerable additional capacity for the full rollout and had full expectations that the system would perform as it did during the trial.

BACKGROUND INFORMATION

- The ACT scheme is closely modelled on the MyDarwin initiative that has been implemented in the City of Darwin and is supported by a similar ICT system.
- Strong uptake when the scheme was initially launched caused some technical issues which required the system to be suspended. The issues were resolved over the course of a week, with the scheme successfully relaunched on 18 June 2021.

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QUESTION TIME BRIEF

CM21/43154

Portfolio: Business and Regulatory Services

ISSUE: ACT Business Strength and Viability

Talking points:

- The latest CommSec State of the States report (July 2021) has ranked the Territory in third spot overall, with the ACT leading the country on retail trade and in second spot on relative economic growth.

- The ACT Government has continued to protect and support Canberrans throughout this period, while seeking opportunities to reinvigorate and strengthen our economy.

- As a result, the ACT has one of the strongest economies in Australia, as we continue to respond to the pandemic and protect and create jobs.

- A healthy economy naturally has a number of business entries and exits, and while there have been a number of business closures, we have also had new businesses enter as well. The net result is that the number of businesses in the ACT grew faster than any other jurisdiction between 2016 and 2020 at 17.9% (compared to 11.6% nationally).

- On 14 July the ACT Government announced suuport of up to $75,000 for individual accommodation providers and $15,000 for small private tourism operators as the Territory faces ongoing travel restrictions and border closures due to Sydney's COVID-19 outbreaks.

- The Canberra Business and Enterprise Centre continues to offer up to four hours of free, expert advice to small businesses that need it. This includes help with business and financial planning, help with digital skills and on regulatory compliance.

- Aboriginal and Torres Strait Islander businesses are able to access a culturally appropriate ACT Government funded business support program, delivered by Yerra. This program offers mentoring, advice and connection to other services across the business support ecosystem.

- ACT Government's $2m ChooseCBR scheme unlocked $5.1m of spending across ACT small businesses and was timed to assist with encouraging consumers to purchase locally over the winter period.

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Lead Directorate:	Chief Minister, Treasury and Economic Development
Cleared for release	Yes

- In August 2020, the ACT Government released the ACT Jobs and Economic Recovery Plan, outlining how our city will be supported to recover from the COVID-19 pandemic, and reach a target of more than 250,000 local jobs by 2025.
- Through the Jobs and Economic Recovery Plan released in August 2020, the ACT Government committed to establish a Better Regulation Taskforce to help drive Canberra's recovery from the COVID-19 pandemic and support long term economic growth.
- A key part of this economic recovery is supporting business vitality and viability, particularly that of small business.
- Reporting to the Minister for Business and Better Regulation, the aim of the Taskforce is to make it easier to do business in the ACT. The Taskforce will support businesses to start and grow through better regulation and simplified interactions with ACT Government.
- The Taskforce will make interactions between the government and business better, faster and simpler.

Key Information

Better Regulation Taksforce

- On 27 August 2020, the ACT Chief Minister and Treasurer delivered the Jobs and Economic Recovery Plan (the Plan) which was designed to provide strategies for policies to counter the economic effects of the covid-19 pandemic.
- The Plan announced the creation of the ACT Better Regulation Taskforce. As detailed in the 20-21 Budget, the Taskforce is a discrete team of four staff that sits within Policy and Cabinet in CMTEDD.
- The Plan detailed that the Taskforce would be established to review the regulatory and process changes made to date, the business settings in the current pandemic economy and begin pursuing other reforms.
- The Taskforce is also leading the ACT's contribution to nation-wide regulatory reforms, such as automatic recognition of occupational licenses.
- The activities of the Taskforce are taking place within a broader context of ACT Government response to COVID-19 and other initiatives to support economic recovery and growth. This is a three-phase program of whole of Government work over 2.5 years. The phases include the Discovery Phase, Analysis and Recommendations Phase and Implementation Phase.

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Cleared for release	Yes

- The current work and priorities for the Taskforce include:
    - undertaking a wide-ranging legislative review to identify reform opportunities and ensure fit for purpose regulatory settings which ensure best practice;
    - expanding digital solutions for government interactions and business operations;
    - working nationally to introduce automatic recognition of occupational licences; and
    - working to remove barriers to investment in the Territory.
- The Taskforce is well underway in its Discovery Phase and has commenced the Analysis and Recommendations Phase in parallel with finalising its Discovery Phase engagement.
- Through the Discovery Phase, the Taskforce has undertaken a multifaceted program of review and engagement. This has included focus groups, workshops, roundtables, and one-on-ones with stakeholders.
- The Taskforce has undertaken initial analysis of the issues raised through stakeholder engagement. While there is still necessary engagement to be undertaken, some common themes and issues have presented themselves, including:
    - Small business information and communications
    - Simplification of Government to Business interactions
    - Regulator Practice (clarity, capability, culture, continuous improvement)
    - Programs and Support for SMEs
    - Skilled Workforce
    - Continuous Improvement – Reviewing ACT Legislation and Regulations.
- The Taskforce has also been solving problems throughout the Discovery Phase. If there is a quick solution to a problem facing businesses, the Taskforce is solving it then and there.
- By the end of the Discovery Phase, the Taskforce will have a catalogue of substantive issues drawn from stakeholder engagement. The ACT Government will utilise stakeholder input and ideas to develop options for reform. This Phase will ensure we recommend and implement changes through a reform program that bring about real positive change for business.
- Access Canberra's responsiveness to the needs of businesses including in the liquor, gaming and hospitality industries has help ensure they remain viable during COVID-19 restrictions.

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- This has included facilitating access to enhanced trading options such as take-away alcohol available from on licensees, expansion of outdoor dining areas to allow greater levels of patronage, and through the introduction of liquor licence fee waivers and 12-months of free outdoor dining for new permits.

Skills

- The number of ACT Government funded apprentices and trainees in training increased from 6,293 in July 2020 to 6,972 in June 2021. The May 2021 Skilled Capital release also included over 1,300 places in 62 qualifications and 37 skill sets across 19 different industry sectors.
- The 2021-22 Skills Needs List addresses skills needs across key priority areas, including construction (21 qualifications), hospitality (seven qualifications), and health and community services (17 qualifications).
- In 2020, the ACT Government entered the JobTrainer agreement with the Australian Government. JobTrainer currently represents a $16.75 million joint investment to deliver approximately up to 3,000 training places to job seekers and young people in the ACT and provide employers with access to a skilled and adaptive workforce.
- The ACT Government is considering the Australian Government's recent offer, announced in the Federal Budget, to extend and expand the JobTrainer Fund with a further $1 billion nationally over the next two financial years.
- Further, the ACT Government is advocating for a new national skills agreement with a funding model that stimulates training activity in areas of skills need in the ACT and supports an accessible and responsive vocational education and training system.

Infrastructure Delivery Program

- The ACT Government is committed to providing the infrastructure needs of a growing city, and through that commitment provide opportunities and certainty to the construction sector in the Territory.
- In 2019, the ACT Government introduced the ACT Infrastructure Plan – a 10 year $14 billion blueprint for the future development of Canberra. The Infrastructure Plan outlines key priorities in the development of critical infrastructure for the Territory, primarily in health, education and transport.
- Since the introduction of the plan, works have commenced on priority major projects including the Canberra Hospital Expansion and the CIT Campus Woden project, as well as further development of the Light Rail Stage 2A.

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- In the 2020-21 budget the ACT Government continued investment in infrastructure, outlining a four year $4.3 billion program of infrastructure works. Upcoming and ongoing works in that program include:
    - John Gorton Drive Bridge;
    - Monaro Highway Upgrades;
    - ESA Acton Station;
    - East Gungahlin High School;
    - Raising London Circuit; and
    - Growth and Renewal of the public housing portfolio.
- In addition to the major projects, the ACT Government has continued to invest in a strong pipeline of small to medium value projects. This pipeline provides local design, consulting and construction businesses the ability to continue employment of their existing workforce, as well as the confidence to scale up to meet the opportunities for future ongoing. In this way it is hoped that the infrastructure pipeline will contribute to the Government goal of growing the employment sector to 250,000 jobs by 2025.
- This pipeline of work will be augmented by further infrastructure announcements in the 2021-22 ACT Budget.

Local Industry Participation Policies

CIT Campus Woden Project

CIT Campus Woden Project has a requirement for the development of a training plan for the main package of works that will outline:

- Approaches and targets for engaging and employing apprentices and trainees, specifically CIT apprentices and trainees, through direct employment and/or group training arrangements. Tenderers must ensure a minimum of 10 per cent of labour is undertaken by apprentices and trainees; and
- Opportunities for trainers, assessors, apprentices and trainees to have access to the project as part of their training/teaching programs and professional development with specific reference to CIT.

CIT Campus Woden Project also has a requirement that tenderers respond to an evaluation criteria in their tender regarding diversity and inclusion, with a focus on increasing the participation levels of women in construction across all sectors of the industry.

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QUESTION TIME BRIEF

Canberra Hospital Expansion Project

- The Canberra Hospital Expansion Project provides a key opportunity for employment and training for Canberrans and the local region.
- The Territory has engaged Multiplex as its delivery partner for the project, with Multiplex contracted to achieve a target of Trainees and Apprenticeships accounting for 30 per cent of the project's total workforce.
- Procurement ACT has hosted two 'Aboriginal and Torres Strait Islander Business Showcase' events in December 2020 and June 2021 to connect Canberra Region Aboriginal and Torres Strait Islander Enterprises and Government Buyers. These have been hosted virtually and have been well attended by suppliers and government buyers.
- Procurement ACT, Secure Local Jobs Code Branch, Major Projects Canberra, Skills Canberra and Business and Innovation in Economic Development jointly participated in the Supply National Connect 2021 virtual tradeshow event to engage with Supply Nation certified Aboriginal and Torres Strait Islander businesses. The event allowed Act Government to provide information about how to do business with the ACT Government. At the event Procurement ACT also launched the 'Working with the ACT Government – A Practical Guide for Aboriginal and Torres Strait Islander Enterprises' eBooklet.
- Procurement ACT hosted two 'Practical Tendering Tips Workshop' for Canberra Region Aboriginal and Torres Strait Islander Enterprises in February and November 2020. These workshops were attended by 61 businesses and provided practical advice and guidance on how to navigate ACT Government procurement processes.

Business Support Measures

- Priority Investment Program – Jobs and Economic Recovery Round: In September 2020 the ACT Government announced the $1 million Priority Investment Program – Jobs and Economic Recovery round, which was later supplemented by a further $1 million from the Future Jobs Fund. Of the 22 expressions of interest that were received in this round, six were shortlisted to the business case stage from which four projects in the sectors of defence and cybersecurity, advanced manufacturing, screen industry and building and construction were funded.
- The CBR innovation Nework continues to deliver programs in support of start-ups and high growth businesses. Twenty-one Canbera cyber companies are currently participating in a cyber security business accelerator program.
- Ten companies received a total of 262,400 in early stage commercialisation funding in the April 2021 round of the Innovation Connect Program and applications are currently open for private equity Griffin Acclerator program.

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- From 1 July 2021 the legislative framework for Automatic Mutual Recognition of occupational registrations came into effect in the ACT. The Better Regulation Taskforce will work over the next 12 months to continue to bring registrations into this scheme of national harmonisation of occupational licences to support worker mobility and reduce costs to businesses.

Event and Business Coordination

- Access Canberra offers a support service for businesses trying to navigate what approvals may be required to grow or adapt their business.
- Businesses should contact the Event and Business Coordination team within Access Canberra on (02) 6205 4400.

Liquor and Outdoor Dining

- Access Canberra has seamlessly delivered direct financial stimulus to the hospitality industry, including:
    - providing a mechanism for 'on' liquor licensees to access a fee waiver to transition to a 'general' liquor licence allowing them to sell liquor for consumption both on and off the licensed premises.
    - implementing a 12-month 50% fee reduction for 566 'on' liquor licensees and an additional 12-month fee waiver to 239 outdoor dining permit holders to offset the impact of ongoing occupancy restrictions under the Public Health Directions.
    - simplifying the process for businesses to apply for a temporary outdoor dining permit and commercial liquor permit to encourage the use of suitable public unleased land to increase occupancy numbers.
    - continued support to 37 businesses activating outdoor dining options on public unleased land under the 12-months free outdoor dining trial.
    - the implementation of a process that provided nightclubs the opportunity to operate as a bar during their forced closure.

Gaming and Community Clubs

- Access Canberra has continued to support the gaming industry and community clubs by:
    - implementing a waiver and refund of $1.885 million in Gaming Machine tax for Community Clubs, and a refund of the annual licence fee of $972,196 for Casino Canberra during March 2020.
    - provided refunds of $23,000 in application fees for Lotteries permits affected by COVID-19.

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- suspended payments and provided refunds totalling one million dollars in payments to the Diversification and Sustainability Support Fund.
- implementation of a voluntary surrender incentive scheme which enabled clubs to surrender 113 gaming machine authorisations in exchange for cash payments to be used solely for the employment of staff at the relevant venues.
- assisted in coordinating a temporary deferral of Public Lotteries tax.
- working closely with 14 Gaming licensees to review and assess applications to modify approved floorplans that would see them maximise space for social interactions while allowing for enhanced use of gaming machines within venues.

Community, Industry and Trader Licensing

- Access Canberra amended the online application form for security licences enabling both new applicants and those renewing their licence to upload their signature and photo identification to the online application form. This reduced the need for people to attend a Service Centre where previously they were required to. From March 2020, Access Canberra has processed a total of 1,715 new security licence applications and 1,766 renewal applications.

- In May 2020, the *COVID-19 Emergency Response Legislation Amendment Act 2020* commenced which, among other things, allowed the Registrar-General to declare a general extension for an annual general meeting, if satisfied it is appropriate because of the COVID-19 emergency. This enabled Access Canberra to support incorporated associations to meet their legislative obligations during the Public Health Emergency.
- On 1 June 2020, temporary amendments to the *Associations Incorporations Act 1991* came into effect. The amendment enabled incorporated associations to hold their meetings through alternative methods of communication other than in person. Access Canberra contacted 2,726 incorporated associations via postal letter to notify them of the temporary changes.
- The changes provided relief to incorporated associations who had not made provision for meetings via alternative communication methods in their rules. This amendment is due to expire on 8 October 2021.

Public Transport

- The following measures were implemented by Access Canberra to provide financial support for public passenger service operators:

  - **Rideshare** – the annual rideshare vehicle licence fee was waived for 12-months from 1 April 2020 to 31 March 2021. In cases where licences had already been pre-paid in advance, an additional 12-month credit was added to the license at the next due date. [Total lost revenue was $113,500].

- **Taxis** – the annual fee for a government leased taxi licence was waived for 12 months from 1 April 2020 to 31 March 2021. In cases where licences had already been pre-paid in advance, an additional credit was added to the license at the next due date. [Total lost revenue was $70,000]
- **Stimulus payments to operators of perpetual taxi licences** – a one-off payment of $5,000 was provided to taxi operators who lease their taxi plates from private owners.
- **Re-establishment of surrendered taxi plates –** the registration re-establishment fee for taxi plates that were surrendered due to COVID have been waived and those vehicles were also exempt from the requirement of providing a roadworthy inspection certificate, if the vehicle has been inspected in the previous 9 months.
- **Taxi age restrictions –** due to reduced taxi hirings, some operators did not have their vehicles on the road for a few months and effectively lost a proportion of the taxis useful life. As a result, the age restrictions for taxis were temporarily extended to 4 September 2021, to assist operators that may need to replace their vehicle if it was nearing the age limits.
- **Hire Cars and Chartered Buses –** vehicle registration fees for tour and charter bus operators and hire cars were waived for 12 months. This included levies, Motor Accident Injuries insurance fees and the National Heavy Vehicle Regulator fees (if relevant).
    - As of 7 July 2021, 41 hire car operators and 64 charter bus operators have renewed or established their vehicle registration for free. These vehicles have been registered to 39 individuals/companies.
    - This incentive has now been extended to 31 March 2022

Commercial Rents and Payroll Tax relief Measures

Commerical tenancy relief – ceased

- Rates relief on quarterly rates bills was available from 1 April 2019 for properties with an average unimproved value of $2 million or less to support the provision of rent relief by landlords to businesses significantly impacted by COVID-19, as well as businesses who own their premises.
    - To qualify, businesses had to demonstrate that they had at least 30 per cent reduction in business income. Landlords of business tenants had to

demonstrate that they had provided at a minimum, a 25 per cent reduction in rent.

  - The amount of rates relief was capped at $5,000 per quarter (for businesses with at least 30 per cent reduction in business income) and at $8,000 per quarter (for businesses that effectively shut-down or had at least an 80 per cent reduction in business income).

- For properties with an average unimproved value above $2 million, support was considered on a case by case basis.
- Commercial tenancy relief ended on 31 January 2021 and applications closed on 31 March 2021.Commercial rates – ceased
- Rebate: Businesses who owned commercial properties with an average unimproved value (single property or unit) of $2 million or below were eligible for a rates rebate of $2,622 in 2020-21.
- Hardship deferral: It was also possible for businesses that owned commercial properties to apply for a hardship deferral on commercial rates. This measure was available up to 30 June 2021.

Payroll tax relief measures

- A number of payroll tax relief measures were provided as part of the ACT Government's 2020-21 economic response to COVID-19, including a payroll tax exemption on wages subsidised by the Commonwealth JobKeeper scheme (ceased 28 March 2021).
- Deferral of payroll tax payments were provided as follows:
  - for hardship relief - interest free to 30 June 2021; and
  - for businesses in the construction industry - interest free from April to December 2020.
- Payroll tax waivers were provided for businesses unable to trade, businesses that came within the prohibited venues and activities list, and businesses that were only able to operate on a limited basis as a consequence of an emergency direction under the *Public Health Act 1997*. These measures ceased as at 30 June 2021.

- Current payroll tax relief measures include:
    - Wages paid to new employees who are apprentices or trainees employed after 1 August 2020 are exempt from payroll tax, from the start of their employment until 30 June 2022.
    - ACT businesses with Australia-wide wages of up to $10 million can defer their 2020-21 payroll tax interest free until 1 July 2022, whether or not they are part of a group.
    - Universities can defer up to 18 months of payroll tax, capped at $10 million per university at a concessional rate of interest, until 30 June 2027.

Communications, media and engagement implications

- COVID-19 economic support for business - Business Hub (act.gov.au)
- ACT Government financial support for local tourism industry - Chief Minister, Treasury and Economic Development Directorate
- ACT_State_of_the_States_July2021.pdf (commsec.com.au)

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