



**AUSTRALIAN AUTOMOTIVE
AFTERMARKET ASSOCIATION**

LIFE DURING COVID: STATE-BY-STATE

Stuart Charity
CEO

COVID – Our response:

- Information – quickly, accurately and pragmatically – what you need to know in plain English and as quickly as we can.
- Resources – access to templates, door signs, COVID Safe Plans, masks and site decontamination.
- HR and legal advice – strong flow of questions to our hotline including stand-down, varying hours and leave accumulation whilst on stand down.
- Finally – business sentiment surveys – to inform our service provision and our advocacy.

Summary COVID Business Outlook – Survey #2

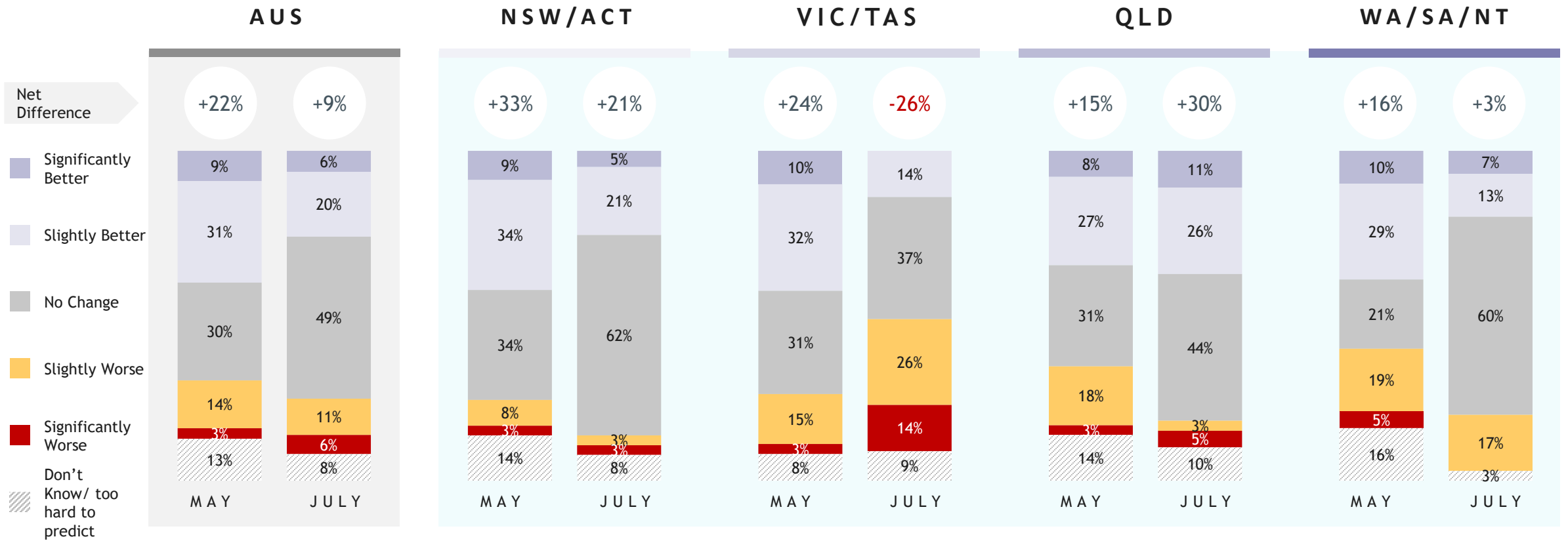
- The automotive repair and service sector is in a better place now than we saw in May.
- The industry is open, with many workshops recovering the business they lost during the lockdowns.
- They are however having to do more with less, in many cases being back at 'normal' opening hours, but having less staff available.
- Victoria is the most significant concern – the ongoing impact of the pandemic is clearly visible, with workshop operators expecting it to get worse before it gets better.

Large Variations Across Australia

- We can see that while WA / SA / NT have returned to parity, QLD and NSW are still recovering, and Victorian workshop operators feel that the worst is yet to come – they are likely to need substantial support to maintain viability through this challenging period.
- Australia-wide sees about 15% of workshops under significant revenue stress, for Victoria that figure is over 40%.
- Melbourne Metropolitan businesses will need a significant level of support to rebuild their businesses off the back of this.

COVID-19 IMPACT ON REVENUE BY REGION

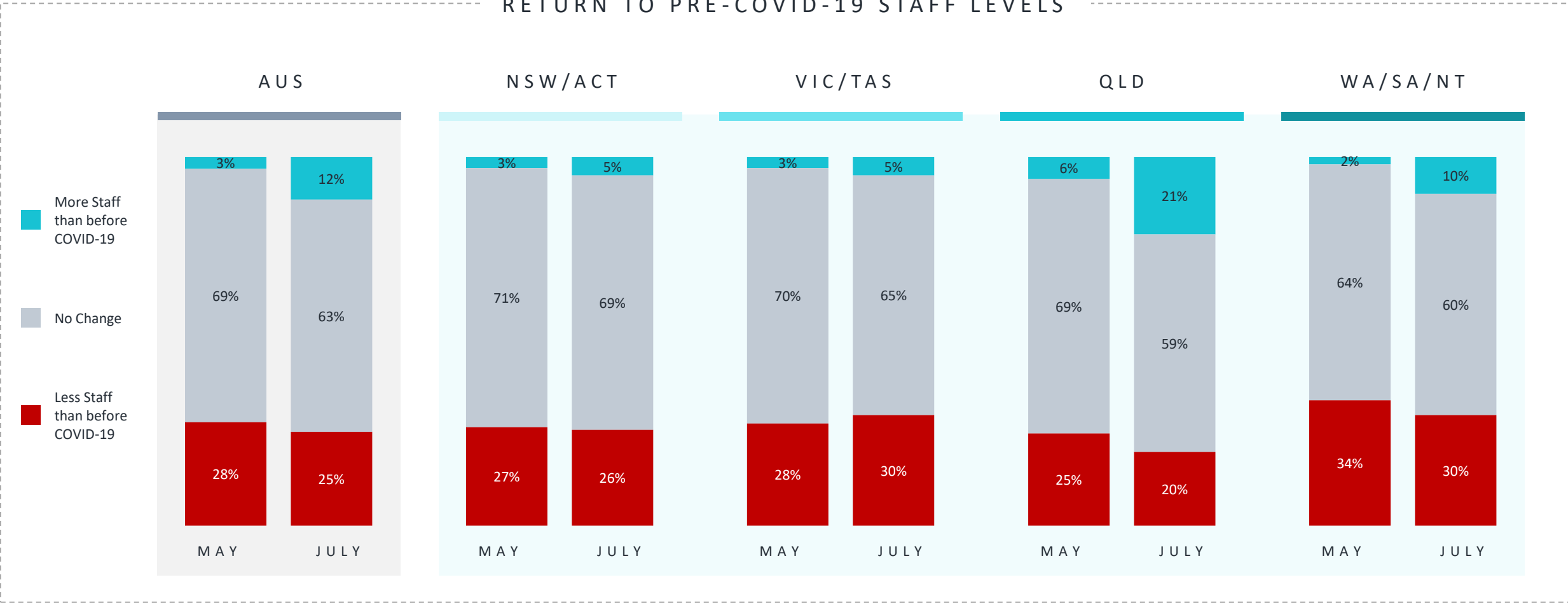
EXPECTED REVENUE IN 4 WEEKS



CHANGE IN NUMBER OF STAFF

Despite this, few have however re-employed members of staff they let go during the pandemic – this most likely signifies a level of caution remains around the future (in the case of further outbreaks), but some will have also introduced new, more efficient processes into their business

RETURN TO PRE-COVID-19 STAFF LEVELS



Optimism

- Workshops are maintaining the new 'COVID-safe' servicing offer, giving customers confidence that it is safe to have their vehicle serviced.
- Sanitizing inside the vehicle has increased to 93%.
- Non-contact vehicle pick-up and drop-off has increased to 80%.
- Complimentary services for essential workers (e.g. medical staff) 32% Australia wide and as high as 60% in WA/SA/NT
- Express services (e.g. shorter 'essential' safety checks) = 33% Australia wide.

SERVICES ON OFFER

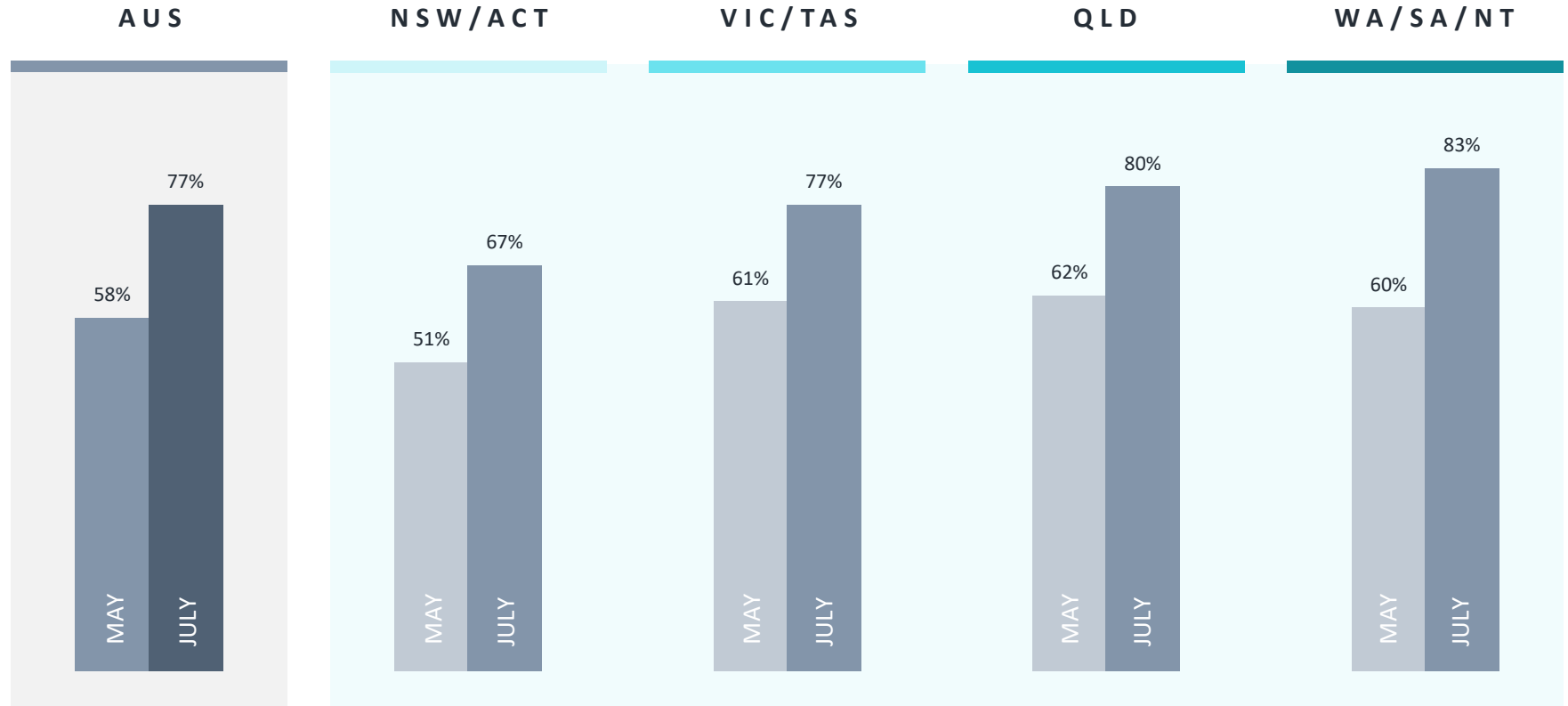
Alongside the desire for external support, many workshops are actively promoting their services to existing customers – despite this the more co-ordinated, industry-led efforts that we're seeing will remain critical when it comes to reaching the broader community

MARKETING INTRODUCED



SMS Messaging to customers informing them that you are open for business

MAY
JULY





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STATE-BY-STATE ASSISTANCE & RESOURCES

Lesley Yates

Director – Government Relations & Advocacy

Government Assistance - Tips

- 58% of workshops are accessing JobKeeper.
- The new guidelines for the JobKeeper extension will begin on September 28. 530,000 extra Victorian employees expected to join the program.
- Apprentices and Trainees: Wage subsidy program now includes medium sized businesses with an apprentice in place from 1 July.
- 65% of workshops are also accessing Government Investment Incentives including instant asset write off, and accelerated depreciation deductions.
- ATO Website – significant improvement and regular user friendly webinars.

State by State Recovery Assistance.

1. Fees and charges frozen, deferred or waived.
 - For example: payroll tax deferred or waived in most states. Toll credits for three months NSW. Parking fees, licence fees for shared transport.
2. Rebates: small business electricity rebates (for example \$750 in the ACT & \$500 in NSW, \$2500 in WA, \$500 in Queensland).
3. Grants and loans. Grants are either sector specific or for small business closures.
4. Employment legislation: e.g. NSW long service leave changes. Commercial tenancies.
5. Business advisory services.
6. Infection Control Support Programs and Training

Government Assistance

- ACT <https://www.covid19.act.gov.au/business-and-work/economic-survival-package/supporting-local-businesses-and-the-economy#Small-medium-and-large-businesses>.
- NSW <https://www.nsw.gov.au/covid-19/businesses-and-employment/financial-assistance>.
- NT <https://businessrecovery.nt.gov.au/home>
- Qld <https://www.business.qld.gov.au/> & Business Assistance Finder: <https://www.business.qld.gov.au/covid-assistance>

Government Assistance

- South Australia: <https://www.covid-19.sa.gov.au/business-and-work/support-for-businesses>
- Tasmania: https://www.business.tas.gov.au/covid-19_business_support_packages
- Western Australia: <https://www.wa.gov.au/organisation/departments-of-the-premier-and-cabinet/covid-19-coronavirus-business-and-industry-advice>

Government Assistance

- Victoria: <https://www.business.vic.gov.au/disputes-disasters-and-succession-planning/coronavirus-covid-19/coronavirus-business-support>
- Business Support Package (New Package) Applications for the program will be extended until 14 September 2020. Up to \$10,000. Grant funds may be used to assist the business, for example on:
 - Meeting business costs, including utilities, salaries or rent;
 - Seeking financial, legal or other advice to support business continuity planning;
 - Developing the business through marketing and communications activities; or
 - Any other supporting activities related to the operation of the business.



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More information: www.aaaa.com.au