

30 November 2020

Mr Don Challen AM  
Chair  
Premier's Economic and Social Recovery Advisory Council  
Via email: [secretariat.PESRAC@treasury.gov.au](mailto:secretariat.PESRAC@treasury.gov.au)

Dear Mr Challen,

### **PESRAC Phase 2 consultation on longer-term recovery measures**

The Chartered Accountants Australia and New Zealand (CA ANZ) Tasmanian Council welcomes the opportunity to make a submission to the Premier's Economic and Social Recovery Advisory Council (PESRAC) Phase 2 consultation on longer-term recovery measures.

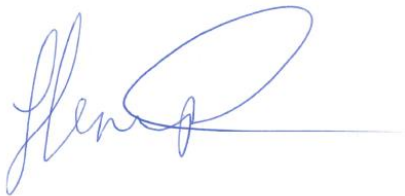
CA ANZ represents over 128,000 members and advocates in the interests of our members and the profession and in the public interest.

With over 1,000 members working in public practice and business in Tasmania, CA ANZ is well placed to report and advise on the local financial implications of COVID-19, particularly those faced by the many small-to-medium businesses our members work with and for.

Appendix A contains our feedback and Appendix B provides further information about CA ANZ.

If you would like to discuss any aspect of this submission, please don't hesitate to contact Lyndal Kimpton on 0409 906 145 or [lkimpton@ruddicks.com.au](mailto:lkimpton@ruddicks.com.au).

Yours sincerely



Lyndal Kimpton  
Chair  
CA ANZ Tasmanian Council

# Appendix A

CA ANZ's recommendations for PESRAC and other relevant Federal and State Government departments and agencies to address longer-term recovery needs and deliver practical outcomes in the next 2 to 5 years are:

1. Expedite support to small businesses by consulting and engaging with local business advisers (such as accountants and lawyers), many of whom are small businesses themselves, to determine how they can be the primary provider of services and professional advice to businesses in impacted areas, in cooperation with other organisations. Accounting and legal professionals are well placed through their existing clients, networks and connections to the community to provide insights into recovery needs and long-term ongoing support;
2. Provide government funding to enable small businesses to obtain professional advice from local business advisers to assess their financial position, viability and recovery prospects and assist with business continuity planning.

We are very concerned that there is an increasing risk of insolvencies, particularly as existing government funding such as JobKeeper and other state support comes to an end in early 2021. Struggling businesses should be seeking professional advice now, from specialist practitioners where relevant, while they still have options. However, many small businesses under financial strain are unable to afford much-needed professional advice in the midst of a pandemic-induced recession.

The Tasmanian Government's [Small Business Advice for Recovery Program](#) will close on Monday 22 February 2021 at 12pm, or when the funding has been fully allocated, whichever occurs first.

We recommend that this program be renewed and expanded to enable eligible small businesses in Tasmania to obtain a government funded subsidy of up to \$5,000 per business to obtain urgently needed professional advice from local business advisers (such as accountants, tax agents, specialist practitioners and lawyers) to assess their financial position, viability and recovery prospects and assist with business continuity planning if appropriate;

3. Equip local recovery hubs with a Quick Reference Guide to help frontline recovery staff to support businesses by explaining how a professional accountant can assist with recovery; what types of services professional accountants can provide; how to refer people to a professional accountant if they don't already have one; and where to find useful tools and resources.

If PESRAC is interested in such a Guide, please let us know and we will provide you with a resource developed by CA ANZ, CPA Australia and the Institute of Public Accountants (the professional accounting bodies);

4. Improve coordination of recovery support to small businesses across multiple service providers by developing a single-point of access to obtain assistance and connect with appropriate service providers and Government departments/agencies. Consider also how support can be triaged and staged to meet the individual needs of different businesses over time to ensure delivery of sustainable recovery support; and
5. Support a collective, coordinated approach to early identification, management and prevention of mental health conditions, recognising that the significant mental health challenges facing small businesses and their professional advisers as a result of the bushfires have been compounded by the COVID-19 pandemic.

The professional accounting bodies are [working together](#) to equip accountants to recognise and support their clients, employees and themselves in dealing with mental health issues. Accountants, as trusted advisers, are on the frontline and are often the first to recognise such stressors amongst their clients, particularly small businesses.

The Department of Innovation, Science, Energy and Resources (DISER) has awarded the IPA-Deakin SME Research Centre a \$2.24 million grant for its "[Supporting Small Business Advisors for Better Mental Health](#)" program, which will train 5000 accountants over the course of 2021.

This project will skill accountants to identify, approach and engage with their small business clients who may be struggling with their mental health. However, it is not designed to replace incidences where professional mental health clinicians are required, and access to such services must be considered in the planning phase. To this end, the initiative will involve collaboration between the professional accounting bodies, Deakin University, Beyond Blue, Mental Health First Aid Australia and Worksafe Victoria.

# Appendix B

## About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand (CA ANZ) represents more than 128,000 financial professionals, supporting them to build value and make a difference to the businesses, organisations and communities in which they work and live.

Around the world, Chartered Accountants are known for their integrity, financial skills, adaptability and the rigour of their professional education and training.

CA ANZ promotes the Chartered Accountant (CA) designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good. We protect the reputation of the designation by ensuring members continue to comply with a code of ethics, backed by a robust discipline process. We also monitor Chartered Accountants who offer services directly to the public.

Our flagship CA Program, the pathway to becoming a Chartered Accountant, combines rigorous education with practical experience. Ongoing professional development helps members shape business decisions and remain relevant in a changing world.

We actively engage with governments, regulators and standard-setters on behalf of members and the profession to advocate in the public interest. Our thought leadership promotes prosperity in Australia and New Zealand.

Our support of the profession extends to affiliations with international accounting organisations.

We are a member of the International Federation of Accountants and are connected globally through Chartered Accountants Worldwide and the Global Accounting Alliance. Chartered Accountants Worldwide brings together members of 13 chartered accounting institutes to create a community of more than 1.8 million Chartered Accountants and students in more than 190 countries. CA ANZ is a founding member of the Global Accounting Alliance which is made up of 10 leading accounting bodies that together promote quality services, share information and collaborate on important international issues.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents more than 870,000 current and next generation accounting professionals across 179 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications.