

Impact of Vaccine Mandate on WA Regional Businesses

16th November 2021

Summary Overview

In late October the WA State Government introduced mandatory vaccines for certain industries and businesses with a staged approach. We understand that the intent of the mandate is to increase WA's total vaccination rate as we all work towards being able to open up the State. Broadly, regional businesses support the mandate however there is concern about the unintended consequences of the vaccine mandate, particularly on small businesses in Regional WA.

We conducted this survey in response to a number of very distressed queries that our members had received from their members – businesses in Regional WA. The purpose of this survey is to collect information on the impact of the mandate on regional businesses. Let us be very clear in the fact that this is not a survey on vaccines or on the mandate, but rather on how this directive is already and will adversely affect some regional businesses.

The response from regional businesses to all WA Government COVID 19 directives since March 2020 has been impressive. They have willingly done everything that has been asked of them. They have changed their business models, reduced their hours, closed, opened, closed again as well as being wholeheartedly committed to doing their part for the greater good of the whole state. For some regional businesses, particularly small businesses they are incredibly stressed, understaffed and the past 20 months has taken its toll. The vaccine mandate, for some, seems to be the final straw for them.

85% of our survey respondents were small businesses, that is businesses with 20 employees or less. Worryingly, **51%** of all respondents are already understaffed. When we also consider that **26%** of respondents also said that losing valuable employees was their biggest concern in regard to the vaccine mandate, it places those businesses in a very precarious position. When we asked if they expected that their business would be adversely impacted by the vaccine mandate, it was pretty even with **43%** saying yes and **46%** telling us no.

From the survey responses we can summarise that for regional businesses with concerns, the vaccine mandate is:

- A workforce issue – they are already understaffed
- An information issue – the announcement was made with very little detail or information being available, and it is slow in coming
- A mental health issue – we are concerned about the additional stress this directive has placed on already stretched businesses
- An industrial relations issue – businesses are worried about the implications for them

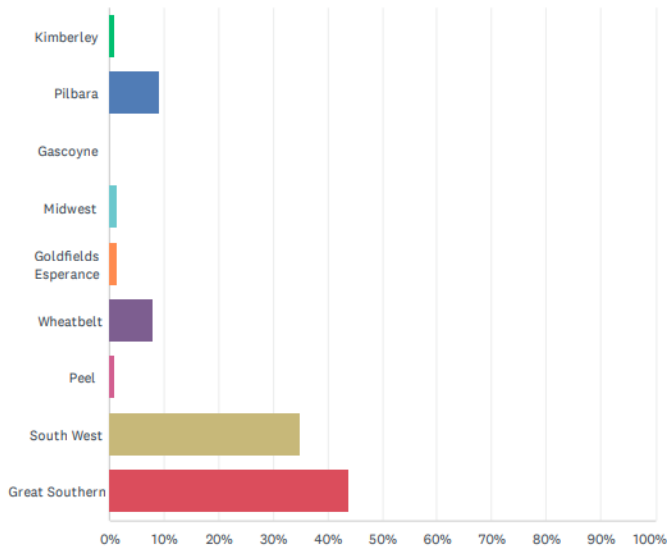
When we asked what support businesses would like to see the WA Government provide to assist their business in managing the impacts of the vaccine mandate:

- **38%** asked for more detailed IR information and fact sheets on all aspects of this mandate
- **15%** asked for financial support to be offered to those businesses genuinely impacted
- **26%** asked for none

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Business Demographics

241 businesses across regional Western Australia responded from across eight of the nine regions, with the majority of **78%** coming from the Great Southern and South West regions. All respondents are businesses operating in Regional WA.



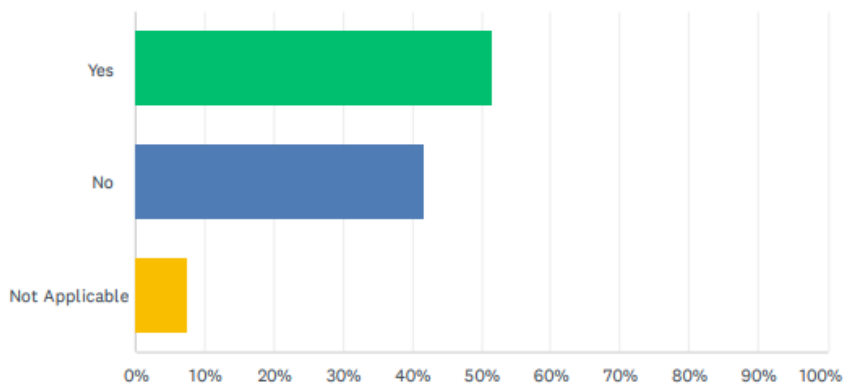
Whilst we saw a wide range of industry sectors represented, **50%** are from the Retail Trade and Accommodation & Hospitality & Tourism sectors.

ANSWER CHOICES	RESPONSES	
Agriculture, Forestry & Fishing	5.39%	11
Mining	0.00%	0
Manufacturing & Engineering	3.43%	7
Electricity, Gas, Water & Waste Services	1.96%	4
Wholesale Trade	0.49%	1
Retail Trade	27.45%	56
Accommodation & Hospitality and Tourism	22.55%	46
Transport, Logistics Warehousing	2.94%	6
Information Media & Telecommunications	0.98%	2
Financial & Insurance Services	5.39%	11
Rental, Hiring & Real Estate Services	1.96%	4
Professional, Scientific & Technical Services	6.86%	14
Administrative & Support Services	4.90%	10
Public Administration & Safety	1.47%	3
Education & Training	3.43%	7
Health Care & Social Assistance	8.33%	17
Arts & Recreation Services	2.45%	5
TOTAL		204

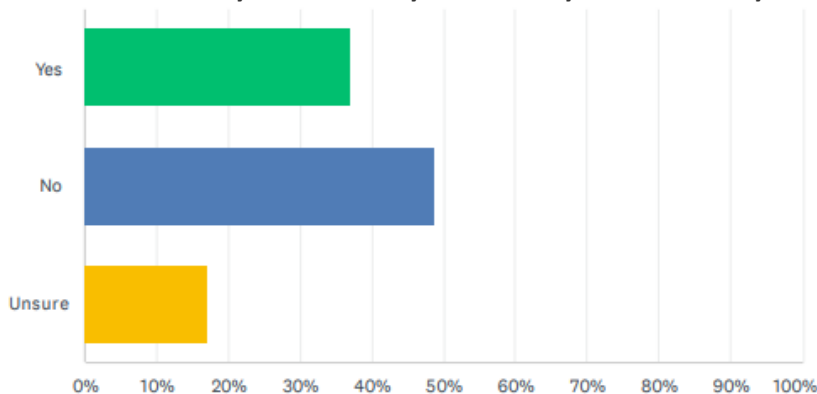
COVID 19 Vaccine Mandate Impacts

The information collected is telling us that this is mainly a workforce and Industrial Relations issue for those regional businesses that either are already impacted or expect to be. They are already understaffed, are extremely worried about losing trusted and valuable employees (when there is no one around to replace them), are concerned about the IR implications and are frustrated with the lack of relevant information about all aspects of the vaccine mandate. It is important and pleasing to note that just under half of all respondents **46%**, do not expect to be impacted by the vaccine mandate in any way. We are also nervous about the number of businesses who are unsure whether they need fall into the mandatory vaccination categories – this again points to not enough information being available.

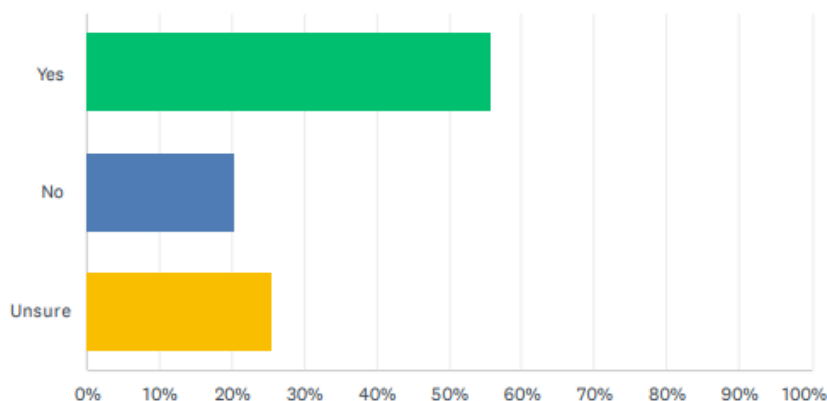
Is your business currently understaffed?



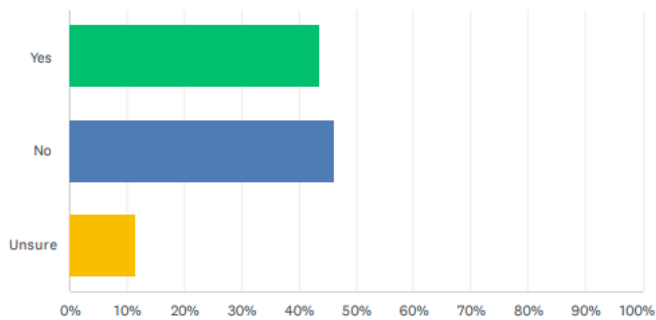
Is your business currently in an industry that already has mandatory vaccination in place?



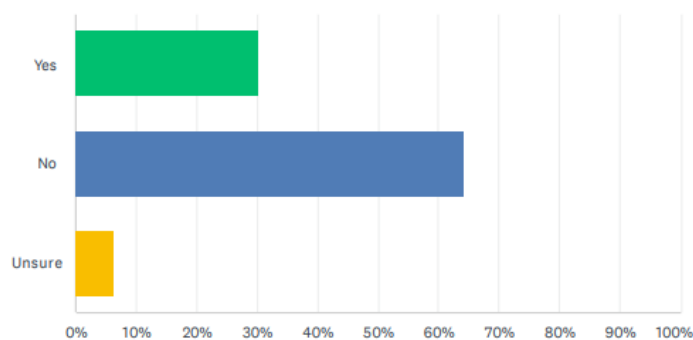
Does your business fall into the two groups recently announced that are required to have all employees vaccinated?



Do you expect your business to be adversely impacted by the Vaccine Mandate?



Has your business already been adversely impacted by the Vaccine Mandate announcement?



What are your perceived or actual concerns in relation to the Vaccine Mandate?

For this question, the respondents could only tick one response, however the majority wrote in comments that they were concerned about all of these factors, but that losing valuable staff or being unable to recruit new employees were the most critical factors for their business.

Other concerns they wrote in the comments were:

- Stress and anxiety on me and my employees – massive mental health impact
- Having to close, temporarily or permanently
- Being unable to service current bookings and client orders
- That the onus for this is on the business owners – does not seem fair

ANSWER CHOICES	RESPONSES	
Losing valuable employees when our business is already understaffed	26.29%	56
Possible Industrial Relations action being taken against me and my business	7.51%	16
Having to reduce the services we offer, due to reduced staff	6.10%	13
Having to reduce our operating hours, due to reduced staff	2.82%	6
Having to knock back future work	5.63%	12
A reduction in expected forecasted revenue	2.35%	5
Loss of revenue	5.16%	11
There will be no impact on my business	28.64%	61
I am overwhelmed and there is no detailed information	4.23%	9
I am unsure at this stage, and pretty confused	11.27%	24
TOTAL		213

What support would you like to see WA Government provide to assist your business in managing the Mandate?

ANSWER CHOICES	RESPONSES	
More detailed IR information	9.81%	21
More detailed fact sheets needed on all aspects of this mandate	28.04%	60
Dedicated support line	4.21%	9
Financial support for those businesses genuinely impacted	15.42%	33
I am not sure	16.36%	35
None	26.17%	56
TOTAL		214

Other suggestions of support were:

- Incentivise people to get vaccinated rather than penalise small businesses
- Bring in more workers from overseas immediately
- Create detailed, easy to understand IR templates for small businesses to use

Our final survey question, an open ended one, was to ask whether they had any further comments to make in how RCCIWA can assist with in regard to the mandatory COVID 19 vaccination. The suggestions below were the most common:

- We need certainty of timing – dates and more detail of how long the mandate will be in place. Does it finish once we reach 90%?
- Better education needs to be provided on reasons why people should be vaccinated, and that it is safe
- Mandate all industries, to eliminate confusion
- It feels like small businesses are carrying the load
- Establish Government grants for those small business that can prove they were significantly financially impacted.

Summary Conclusion

In reading all of the responses and also in talking with our members, we know that the mandate is not going to affect a huge number of businesses, and whilst larger businesses might experience some additional workforce pressure, they will manage. We also acknowledge that for a large number of regional businesses, the past 12 months has been their best year ever in terms of turnover and revenue.

However, for some small businesses in regional WA, the impact is going to be very significant, with some businesses feeling like they have no other option than to close. They are in an impossible situation that they have no control over.

RCCIWA would like to see the following measure looked at:

- Creating a dedicated hotline for small business owners
- Urgent creation of detailed and easy to read fact sheets and templates on all aspects of the Mandate
- Creation of a financial assistance fund to support those businesses who have been genuinely financially impacted
- Work closely with our members to ensure information and support is communicated and reaches those businesses in need, throughout regional Western Australia
- Ensure all detail and information is prepared and ready first, prior to making further COVID 19 announcements that will directly impact small businesses