



**Victorian  
Small Business  
Commission**

# **Inquiry into the Victorian Government's response to the coronavirus (COVID-19) pandemic**

*Judy O'Connell*

*Victorian Small Business Commissioner*



# We are here for small business

- The VSBC is an independent government agency
- We are here to advocate on issues affecting people in small business, raise awareness of their rights and responsibilities, and help them to avoid or resolve disputes



# Who we help

Statutory dispute resolution functions include:

- Retail Leases Act 2003
- Small Business Commissioner Act 2017
  - Business-to-business / government disputes
- Owner Drivers and Forestry Contractors Act 2005
- Farm Debt Mediation Act 2011

# Our dispute resolution services

For 2018–19

- Over 2,000 applications handled
- 34 per cent of matters resolved through preliminary assistance prior to mediation
- Quick, confidential, low-cost (\$195) mediation service
- 40 independent, experienced mediators
- 565 mediations held with 82 per cent successfully resolved at mediation
- 93 per cent satisfaction rate with mediation services

# Response to coronavirus

Since 23 March 2020

- **Over 2,500 phone and email enquiries regarding coronavirus-related business issues**
  - 53 per cent regarding rent relief
  - 23 per cent regarding the National Cabinet Mandatory Code of Conduct
- 175 coronavirus-related dispute applications

# Commercial Tenancy Relief Scheme

The VSBC is providing services under the Scheme

- Free mediation service for commercial tenants and landlords to support fair tenancy negotiations
  - 83 applications received under the Scheme in the two weeks to 8 May 2020, out of a total of 134 applications lodged
- New resources for tenants and landlords e.g. responses to FAQs, outline of the process under the Scheme

# Commercial Tenancy Relief Scheme

What if a tenant cannot pay rent?

- Keep paying what they can afford
- Work out what their financial situation is (what their reduced turnover is)
- Talk to their landlord to try to reach agreement on rent relief (the agreement must be in writing)
- **If this fails, lodge a dispute with the VSBC**

# Commercial Tenancy Relief Scheme – dispute process

The VSBC will provide the following services at no cost:

- A case officer will contact parties for the relevant information and organise a time for mediation
- Mediation session will be conducted by an experienced, independent mediator via videoconference or teleconference
- If parties reach agreement they will enter into binding Terms of Settlement
- If agreement cannot be reached, the dispute can go to VCAT or the Courts



# Other business supports

- Continued access to dispute resolution for tenants and landlords, where the lease is not eligible under the Commercial Tenancy Relief Scheme
- Access to dispute resolution for a range of other business disputes arising from coronavirus-related issues:
  - Disputes concerning **any commercial agreement between business-to-business / government or not-for-profit**
  - Disputes over **undelivered goods and services** or the **quality of goods and services**
  - Disputes over **non-payment of suppliers**

*No definition of 'small business'*

# Supporting mental wellbeing

Responding to coronavirus (COVID-19): a small business owner's guide to creating a mental health plan

- Developed in consultation with Beyond Blue and small business owners with lived experience
- Assists in identifying business and personal stressors, knowing the signs to look out for and planning actions to take in response
- Includes an easy-to-use template for business owners to use to develop their own plan



# We're here to help



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