



# Transcript: Interview with CBA CEO Matt Comyn and CBA Group Executive Business Banking Mike Vacy-Lyle

03 July 2020

**Mike VACY-LYLE:** Hi, I'm Mike Vacy-Lyle, the Group Executive for Business Banking at Commonwealth Bank. And welcome to episode seven of the business banking forum, where we talk about those issues that are facing or challenging small business in the wake of the coronavirus. We still have a long way to travel with COVID-19 unfortunately, but business owners no longer feel that they are reacting, and are regaining some control and moving forward. Over the last three months, businesses have started to get back on the front foot. Particularly as restrictions start to be eased. As we cautiously look forward, we are very lucky today to have with us Matt Comyn, the CEO of Commonwealth Bank. Welcome Matt.

**Matt COMYN:** Thanks very much Mike.

**VACY-LYLE:** Matt, with the start of a new financial year, a lot of our customers are asking what forms of relief and assistance are out there at the moment for businesses?

**COMYN:** Well, as you would recall, we put in substantial packages of support, particularly in March, going out to six month repayment deferrals, [and] a number of tailored solutions as well. We're currently working at the moment on what the next phase of that would look like, both on behalf of the Commonwealth Bank with our regulator, but also for the broader industry. So we hope to say more on that later, but certainly we recognise how challenging it is for our customers and we want to work very closely with all of them to get through such a difficult time. I think the other thing we've really been focused on, as well as been supporting customers who need access to instant cash and working capital, we've provided more than \$750 million of the government's SME loan guarantee scheme, or your team has in particular, which has been the vast majority of those loans across the country. So, I think we've all worked really hard, as we should, to really support and stand up to help our customers at such a challenging period for them.

**VACY-LYLE:** It certainly has been a period of unprecedented change. I've been massively impressed with the level of innovation. I mean, just how businesses have been so quick to change their business models. What are your thoughts, Matt, on innovation and technology in the future of business in Australia?

**COMYN:** Well I think it's been critical for some time, but clearly we're seeing a rapid acceleration of both some of the structural changes that we've been observing for some time across all of our different customer bases, particularly the customers who are willing to use technology and do more digitally, and do those sorts of things remotely. So I think clearly at an individual business level, we're all needing to think into the future and what a much greater role technology is going to play. But also I think, at a broader sectoral level, I think there's going to be some interesting opportunities for Australian businesses, as we think through what does the next decade look like in the areas of



transport, infrastructure, energy, manufacturing, clearly healthcare, technology more broadly. So I know it's been a clear focus for many of our customers. It will continue to be, and I know the government's very focused on making sure there's the appropriate incentives to really encourage businesses to innovate and grow. That's phenomenal. I must say it really has been astounding. It's been really for me, an eye opener, seeing the speed of the response, over a very short period of time, business models completely changed.

**VACY-LYLE:** So Matt, as we talk about this road to recovery, which let's hope it comes and it comes quickly, but it is early days. What role do you think business can play, small business in particular can play, in this road to recovery?

**COMYN:** Well, absolutely critical role as it has for a long time in Australia, given just the broad contribution. There are so many small businesses that in totality add up to more than 40% of the workforce, more than a third of the economic output of Australia and play such an important role in many of our lives. And I think both in the context of how do they continue to grow and evolve through such a challenging period, as well as I think there are really important sort of confidence test for the broader nation. I was on a call last Friday with the Prime Minister and with the Treasurer and clearly the government I think, is doing an excellent job working extremely hard, but also wanting to send a real message of confidence. And I think it's important for large institutions and for small businesses, we all have to play our role, as we have in the context of combating the virus and the spread, and Australia is doing incredibly well, but also sending a real message of confidence, certainly over the medium and the longer term. There's no question it's still going to be challenging for the next few months. The calendar year and the economy more broadly has taken a tremendous shock to it. It hasn't been as bad as we'd anticipated, certainly going back in mid-March, there's certainly signs of optimism, but there are also risks. But 2021, hopefully, is going to be a much better year, but it is going to be a challenging couple of years I think for all businesses. And it's really important, that as we have in the past when there's been real challenge and crisis, people come together, we work our way through it and for businesses that continue to evolve and are able to adapt to that changing set of circumstances, I've no doubt they're going to be some fabulous success stories and I hope we will be able to play a really important part in that.

**VACY-LYLE:** And so new business models that are emerging and are going to stick, so quite an exciting time. Any parting words as we go through the last, the second half of the 2020 year and into 2021. What are your thoughts? Any advice or any parting shots that you'd like to share for business?

**COMYN:** Well, again, of course we all recognise how hard it's been and it's obviously an absolute privilege to serve so many small businesses around the country. None more so than the current time, because we have been able to put that support in place. We're having some fantastic conversations with our customers. It's a great opportunity for the Commonwealth Bank to really demonstrate its purpose and to get our customers through such a challenging time and hopefully work very closely as the economy continues to evolve. I think we're going to go through a period of real structural reform. I think the government definitely has an appetite for that. There has to be a huge focus around job creation, innovation and growth. And, of course, many businesses will have the opportunity to really play a role in that. And so hopefully together we can really shape a huge success for both our businesses, the broader country, and the future more broadly.



**VACY-LYLE:** Thanks Matt, it's really nice to hear an optimistic view, in really, really tough times and thanks so much for your time.

**COMYN:** Pleasure.

**VACY-LYLE:** Thanks very much.

**COMYN:** Thanks Mike.

END OF TRANSCRIPT