

Media Release

The Hon Daniel Andrews MP
Premier



Saturday, 21 March 2020

ECONOMIC SURVIVAL PACKAGE TO SUPPORT BUSINESSES AND JOBS

The Victorian Government will pump billions of dollars into the economy to help Victorian businesses and workers survive the devastating impacts of the coronavirus pandemic.

Premier Daniel Andrews and Treasurer Tim Pallas today announced a \$1.7 billion economic survival and jobs package, which has been developed following discussions at National Cabinet and complements the work of the Federal Government.

As part of the package, the Government will provide full payroll tax refunds for the 2019-20 financial year to small and medium-sized businesses with payroll of less than \$3 million – giving \$550 million back to businesses who need it.

Payments will start flowing next week and will save eligible business up to \$113,975 a year, with businesses saving an average of \$23,000. These businesses employ around 400,000 workers. This assistance is a refund, not a loan.

The same businesses will also be able to defer any payroll tax for the first three months of the 2020/21 financial year until 1 January 2021, freeing up a further \$83 million in cashflow.

Commercial tenants in government buildings can apply for rent relief – a move private landlords are also being encouraged to undertake – and 2020 land tax payments will be deferred for eligible small businesses.

The Government will pay all outstanding supplier invoices within five business days – releasing up to \$750 million into the economy earlier. The private sector is urged to do the same where possible. The Government will also support the hospitality sector by waiving liquor licensing fees for 2020 for affected venues and small businesses.

We will also provide \$500 million to establish a *Business Support Fund*. The fund will support the hardest hit sectors, including hospitality, tourism, accommodation, arts and entertainment, and retail.

The Government will work with the Victorian Chamber, Australian Hotels Association and Ai Group to administer the fund, which will help these businesses – which may not be eligible for payroll tax refunds due to their size – survive and keep people in work.

The Government will establish a \$500 million *Working for Victoria Fund* in consultation with the Victorian Council of Social Services and Victorian Trades Hall Council. The fund will help workers who have lost their jobs find new opportunities, including work cleaning public infrastructure or delivering food – providing vital contributions to our state's response to the pandemic and affording those Victorians security when its needed most.

The Government will also facilitate job matching to help Victorians find short-term or casual roles.

Due to the ongoing economic uncertainty the pandemic is causing, the 2020-21 Victorian Budget will be deferred – in line with all other Australian Governments and agreed by National Cabinet. The Government's base review outcomes will also be deferred.

The comprehensive package announced today has been developed to support small and medium sized businesses, and the Government is asking businesses to do whatever they can to support their workers.

The Government will continue to work closely with business and unions, and will announce further support over the coming weeks and months, in consultation with the Commonwealth, as the impacts of the coronavirus continue to evolve.

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Quotes attributable to Premier Daniel Andrews

“We’ve listened to business and workers and now we’re taking unique and unprecedented action to help businesses and their workers through this crisis.”

“Cash is better in the hands of struggling businesses than in a Government bank account right now – Victorian workers need us to step up to help get them through”

Quotes attributable to Treasurer Tim Pallas

“This is the first of many announcements we will make to help Victorian businesses survive and keep people in work.”

“We’re working in lock-step with the Federal Government to make sure our support complements their work as we weather this unprecedented global economic storm.”