

**COVID 19: CAIRNS ECONOMIC RESPONSE AND RECOVERY SUBCOMMITTEE (ERRSC)
REPORT TO LOCAL LEADERSHIP COMMITTEE - STATUS UPDATE ON BUSINESS SURVIVAL INITIATIVES (AS AT 08 SEPTEMBER 2020)**

The ERRSC report to the Local Leadership Committee (LLC) dated 27 March 2020 (copy available [here](#)) recommended that 10 *Business Survival Initiatives* be considered by the various levels of government. This report provides a status update on implementation as at the date highlighted above in red.

Measure	Level of Government	Implemented?	Comments
1. Waiver of public sector taxes, fees and charges for significantly impacted businesses for six months (e.g. April to September 2020).	<p>Federal</p> <ul style="list-style-type: none"> - GST - PAYG - FBT <p>State</p> <ul style="list-style-type: none"> - Land tax - Lease fees to commercial tenants - Energy charges (electricity) - Licensing fees - Commercial vehicle and vessel registration <p>Cairns Regional Council</p> <ul style="list-style-type: none"> - General rates - Water rates - Business fees and charges - Lease fees to commercial tenants 	<p>Federal</p> <ul style="list-style-type: none"> - No - Yes - No <p>State</p> <ul style="list-style-type: none"> - Yes - Yes - Partial - Yes - No <p>Council</p> <ul style="list-style-type: none"> - No - No - Partial - Yes 	<p>Federal</p> <ul style="list-style-type: none"> - PAYG credit/grant up to a maximum of \$100,000 for businesses with <\$50M t/over has been implemented (Boosting cash flow for employers). - On 9 Apr 20 National Cabinet agreed to a nationally consistent approach to hardship support across the essential services for households and small businesses. <p>State</p> <ul style="list-style-type: none"> - Key area is energy charges (electricity) where QLD offer (\$500 rebate for small businesses) falls short of what is being offered in other States (see here). - Following the Prime Minister's announcements on commercial tenancies on 3 April 2020 a National Code of Conduct was adopted on 7 April 2020 (see here). The Queensland Government has since implemented a number of measures in this regard including Land Tax relief (see here). - Update 06 July 2020: Land tax relief application deadline extended for four months. <p>Council</p> <ul style="list-style-type: none"> - Consideration of what further measures may be appropriate for Council to implement in the circumstances will be a matter for the incoming Council to consider as part of its annual budget setting process for 2020/21. - Update 24 June 2020: Some fees and charges frozen for 2020-21 financial year, including on-street parking, development assessment, licences and approvals, etc, in addition to part or full waiver of fees associated with venues for Not for Profits.

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2. Direct funding support for significantly impacted businesses to enable those businesses to meet key fixed costs (rent, rates, insurance, electricity etc.).	Federal and/or State	No but partially addressed by other measures	Some support for fixed costs provided by measures outlined below (item 7) and above (item 1).
3. For businesses directly impacted by travel bans and social distancing measures significantly restricting operations (tourism, restaurants, gyms etc.) increase the Boosting Cash Flow For Employers subsidy percentage to 200% of PAYG withheld. 4.	Federal	No – but addressed via JobKeeper	Wage subsidy referred to in item 5 below supports/achieves this objective.
5. Waiver of payroll tax for impacted businesses for the entirety of the 2019/2020 financial year.	State	<u>Partial Jobkeeper</u>	<p>Jobkeeper payments exempt from Payroll Tax (see here)</p> <p>Queensland is providing a payroll tax waiver for 5 months (Nov 19 to Mar 20) for businesses with annual taxable wages of less than \$6.5M. Businesses with a larger annual taxable wages who have been adversely impacted by Coronavirus get two months waived (Jan and Feb 20). Businesses can also apply for remaining payroll tax liabilities for the 2020 calendar year to be deferred. Other States have different offers e.g. Victoria where, albeit for business with <\$3M taxable wages, payroll tax liabilities for the entire 19/20 financial year have been waived and deferrals offered for the first quarter of 20/21 (see here).</p> <p><u>Update 8 September: Extended waiver of payroll tax for taxable wages up to \$6.5 million, continued exemption of JobKeeper payments, and allowance for businesses to defer payroll liabilities to 2021.</u></p>
6. Direct wage subsidy for significantly impacted businesses to support	Federal and/or State	<u>Yes</u>	Federal Government’s JobKeeper program addresses this. Some queries/concerns raised regarding 12 month employment

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retention of critical staff during the crisis.			<p>eligibility requirement for causals. Program expires 27 Sep 20. A number of businesses/stakeholders have expressed the need for a staged reduction of this program following 27 Sep 20 (as opposed to the program stopping completely at that date).</p> <p><u>Update 21 July 2020</u>: JobKeeper payment and JobSeeker support supplement extend:</p> <ul style="list-style-type: none"> - JobKeeper has been extended until 28 March 2021, reducing to \$1,200 full rate per fortnight (\$750 for those working less than 20 hours per fortnight) from 28 September to 3 January, and then reducing further to \$1,000 full rate per fortnight (\$650 for those working less than 20 hours per fortnight) from 4 January 2021 to 28 March 2021. - The JobSeeker Coronavirus Supplement will be extended from 25 September to 31 December 2020 at the rate of \$250 per fortnight. - Asset tests and the Liquid Asset Waiting Period will be reintroduced from 25 September, and the JobSeeker Payment partner income test will increase from 25 cents for every dollar of partner income earned over \$996 per fortnight to 27 cents for every dollar of partner income earned over \$1,165 per fortnight. - The income free area for JobSeeker Payment and Youth Allowance will increase from \$106 to \$300 per fortnight. This means individuals will be able to earn up to \$300 per fortnight without foregoing any JobSeeker payment or affecting eligibility for the Coronavirus Supplement.
7. Insurance premium cost deferral or support for significantly impacted businesses.	Federal	No	
Measure	Level of Government	Implemented?	Comments
8. Commercial rent support for significantly impacted businesses with	Federal	<u>Yes</u>	Prime Minister's announcement on <u>3 April 2020</u> set out a range of measures applying to commercial tenancies. Legislation to follow

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<p>'flow through' support for commercial landlords.</p>			<p>in respective States. Details of leasing principles to be adopted in Queensland available here. Banks also offering six month payment deferral to impacted landlords (see here).</p> <p>Update 8 September: Rent relief extended for businesses renting State Government premises.</p>
<p>9. Funded business advisory support services for impacted businesses.</p>	<p>Federal and/or State</p>	<p>State Yes</p>	<p>Small businesses, including micro businesses, can apply for a share in the grants program to help pay for financial, legal or other professional advice, marketing and communications activities and digital or technology strategy development. \$100 million in funds announced for this via Small Business COVID-19 Adaptation Grant Program but grant closed after approximately 1 week due to an oversubscription of applications. An additional \$100 million is being made available for Round 2, opening 1 July 2020.</p>
<p>10. Develop a reference point/source of information for local businesses on the support packages available.</p>	<p>Cairns Regional Council</p>	<p>Yes</p>	<p>COVID hotline/call centre was established following the crisis and a specific website section established and being updated on a regular basis.</p>
<p>11. Relaxation of visa working conditions for 'stranded' working holiday migrants and students.</p>	<p>Federal</p>	<p>Yes</p>	<p>Changes to allow those within the Pacific Labour Scheme, Seasonal Worker Program and working holiday makers to continue to work in agriculture and food processing until the coronavirus has passed (see here)</p> <p>The Federal Government is making a number of changes to temporary visa holder arrangements (including international students) during the coronavirus crisis in order to protect the health and livelihoods of Australians, support critical industries, and assist with the rapid recovery post the virus (see here). Temporary visa holders who are unable to support themselves under these arrangements over the next six months are strongly encouraged to return home.</p>

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			<p>Concern has been expressed locally regarding international students unable to return home in the short term and also unable to access welfare support and thus struggling to meet basic living expenses.</p> <p><u>Update 21 August:</u> National Cabinet agree to resume the Seasonal Worker Programme (SWP) and Pacific Labour Scheme (PLS) to help with workforce shortages. States and territories to decide whether to access the arrangement.</p>
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