

\$1 billion stimulus package to save SA jobs, businesses

26/03/2020 | Steven Marshall MP

The Marshall Liberal Government has announced details of its second economic stimulus package – which includes significant payroll and land tax relief for thousands of businesses across the state.

It also includes waiving of liquor licence fees for hard-hit hotels, restaurants, cafes and clubs – as part of its strong plan to save local jobs and industry in the wake of the coronavirus crisis.

The emergency \$650m Jobs Rescue Package – which brings the state's total economic response to \$1 billion – also includes the establishment of two new funds (the \$300m **Business and Jobs Support Fund** and the \$250m **Community and Jobs Support Fund**).

The Business and Jobs Support Fund will be used to directly assist individual businesses and industry sectors facing potential collapse and the loss of thousands of jobs due to the ongoing impacts of coronavirus and necessary new restrictions to limit its spread.

Community organisations, such as sporting, arts and recreational bodies, non-profit organisations and some other industry sectors will be assisted through the new Community and Jobs Support Fund. This fund will also help with training of South Australians seeking new skills and employment and to assist organisations meet increased demand for services including emergency relief.

The Government will also provide a once off boost of \$500 and bring forward the 2020-21 'Cost of Living Concession' for households who are receiving the Centrelink JobSeeker Payment, assisting those who are unemployed or lose their jobs as a result of the coronavirus restrictions. For eligible homeowners, their 2020-21 payment of \$215.10 will now become \$715.10. Eligible tenants will receive \$607.60.

Premier Steven Marshall said the unprecedented package showed the Government's strong commitment to securing South Australian jobs and supporting businesses and industry through the 'greatest national emergency of our generation'.

"We know South Australians are hurting," said Premier Marshall.

"In the space of a few weeks, in some cases overnight, once thriving local businesses and their staff are now facing uncertain futures through no fault of their own and my Government is stepping up to make sure we see them through this period.

"Our Jobs Rescue Package is aimed squarely at keeping as many hardworking South Australians in jobs as possible. For those who have been already let go, we want to see them become re-skilled and employed elsewhere.

"And by either waiving or deferring fees, charges and taxes, we are easing the cash flow burden on businesses at a time when they need it most.

Among the new initiatives in the Government's second stimulus package:

Payroll tax relief (Up to \$60 million of savings to business)

6-month waiver for all businesses with an annual payroll (grouped) up to \$4 million

Eligible businesses won't have to pay any payroll tax from April to September

This measure is expected to assist up to 2,400 businesses and save them up to \$84,000 over the six months (average saving \$25,000)

Employers with grouped annual wages above \$4 million able to defer payroll tax payments for 6 months on demonstration of significant impacts on cash flow of coronavirus

Around 4,300 businesses will be able to access this payroll deferral and is expected to increase overall cash flow by around \$580 million.

Land tax relief (Up to \$13 million in additional savings)

From July, the Government's significant land tax reforms will kick in, delivering \$189m in savings to investors and landlords over the next three years.

Under the new measures, individuals and businesses with outstanding quarterly bills for 2019-20 able to defer payments for 6 months (up to 28,000 private land tax ownerships will benefit)

For 2020-21 Land Tax Transition Fund relief will be increased from 50% to 100% based on existing relief criteria guidelines – saving some investors up to \$50,000

Fees and Charges

Waiver of liquor licence fees for 2020-21 for those hotels, restaurants, cafes and clubs forced to close as a result of new social distancing restrictions

\$200 million Business and Jobs Support Fund

\$500 million Business and Jobs Support Fund

A fund to support individual businesses and industry sectors directly affected by coronavirus, and face potential collapse – and the loss of thousands of jobs – as a result

\$250 million Community and Jobs Fund

A fund to support community organisations, sporting, arts and recreational bodies, non-profit organisations as well as some industry sectors whose operations have been impacted by the coronavirus

Will also help with training of South Australians seeking new skills and employment and to assist organisations meet increased demand for services including emergency relief.

Cost of Living Concessions (An estimated additional benefit of about \$30 million)

A once-off boost of \$500 and bring forward the 2020-21 'Cost of Living Concession' for households who are receiving the Centrelink JobSeeker Payment, assisting those who are unemployed or lose their jobs as a result of the coronavirus restrictions.

For eligible homeowners, their 2020-21 payment of \$215.10 will now become \$715.10. Eligible tenants will receive \$607.60.

Access to accrued leave for public sector workforce

If a public servant has a family member who has lost their job and moved onto Commonwealth benefits, they will be able to receive their accrued leave down to a limit of 2 retained weeks (annual and long service leave)

For more information, and how to apply to the Funds, please email:

BusinessandJobsSupportFund@sa.gov.au;

CommunityandJobsSupportFund@sa.gov.au