





Appendix two – Summary of other COVID-19 Stimulus and Support for small businesses in NSW in April 2020

Exhibit 8 below outlines support programs for small businesses in NSW as at April 2020.








Exhibit 8: Summary of support programs for NSW businesses in April 2020

Program	Agency	Description	Support Small Businesses
Job creation			
\$1.0 billion Working for NSW fund (announced 27 March 2020)	NSW Government	\$1.0 billion fund to sustain business, create new jobs and retrain employees, including 1000 new staff for Service NSW. The fund included \$250 million for additional cleaning services.	
Cashflow support			
Apprentice Wage Subsidy	Australian Government	Eligible employers could apply for a wage subsidy of 50 per cent of an apprentice's or trainee's wage for up to nine months from 1 January 2020 to 30 September 2020.	
Boosting Cash Flow for Employers (announced 12 March 2020)	Australian Government	Eligible employing businesses and not-for-profits with a turnover of less than \$50.0 million were eligible for up to \$100,000 to be brought forward in cashflow via the Australian Tax Office. Cash flow boosts were delivered as credits in the activity statement system and were generally equivalent to the amount withheld from wages paid to employees for each monthly or quarterly period from March to June 2020. Eligible entities could also receive an additional payment equal to the total of Boosting Cash Flow for Employers from 28 July.	
Temporary relief for financial distressed businesses (announced 22 March 2020)	Australian Government	The threshold at which creditors could issue a statutory demand on a company was temporarily increased, and the time companies have to respond to statutory demands they receive was also temporarily increased. The package included temporary relief for directors for any personal liability while trading insolvent.	

Program	Agency	Description	Support Small Businesses
Access to funding (announced 19 March 2020)	Australian Government	The Australian Office of Financial Management (AOFM) was provided with an investment capacity of \$15.0 billion to invest in wholesale funding markets, used by both small authorised deposit-taking institutions (ADIs) and non-bank lenders to enable smaller lenders to continue supporting Australian consumers and small businesses.	✓
Access to funding (announced 19 March 2020)	RBA	Reserve Bank of Australia (RBA) provided a \$90.0 billion term funding facility for ADIs which will also provide support for SMEs through protecting their access to cheap funding and includes incentives to lend to SMEs.	✓
Faster payments scheme (announced 31 March 2020)	NSW Government	Immediate payment of all current suppliers and contractors ahead of contracted terms to release \$750 million of working capital into the NSW economy by early April. NSW Government anticipated this would flow through to businesses, making it easier to retain staff.	✓
Business investments			
Instant Asset Write Off Increase (announced 12 March 2020)	Australian Government	Instant asset write off increased from \$30,000 to \$150,000 for businesses with a turnover of up to \$500 million.	✓
Accelerated Depreciation (announced 12 March 2020)	Australian Government	Businesses with a turnover of less than \$500 million could deduct 50 per cent of the cost of an eligible asset on installation, with existing depreciation rules applying to the balance of the asset's cost.	✓
Government loan guarantees for capital (announced 22 March 2020)	Australian Government	The Australian Government would guarantee 50 per cent of new loans issued to small and medium businesses by eligible lenders.	✓
Tourism, waiving of fees, deferring tax obligations			
Regional Community Support Fund	Australian Government	Targeted to areas most affected by Covid-19, including: <ul style="list-style-type: none"> waiver of fees for Tourism businesses operating in Commonwealth National Parks additional assistance through Austrade for businesses to diversify their supply chain tourism Advertising targeting the domestic market. 	!
Tax Relief	Australian Tax Office	Deferral of tax obligations for affected businesses.	✓
Aviation industry support (announced 18 March 2020)	Australian Government	\$715 million to support Australian airlines and airports.	!

Program	Agency	Description	Support Small Businesses
Financial assistance			
Payroll Tax Relief (announced 17-27 March 2020)	Revenue NSW	Deferral of payroll tax for businesses with payrolls over \$10.0 million for six months (up to \$4.0 billion deferred).	✓
	Revenue NSW	\$450 million to waive payroll tax for businesses with payrolls of up to \$10.0 million for three months.	✓
	Revenue NSW	\$56.0 million to bring forward the next round of payroll tax cuts by raising the threshold limit to \$1.0 million in 2020–21.	✓
Wage Subsidy (JobKeeper Payment) (announced 30 March 2020)	Australian Government	\$130 billion for Australian employers that experienced a decrease in turnover of at least 30 per cent, were eligible for a flat rate \$1,500 per fortnight per employee wage subsidy to retain employees for six months. Full-time, part-time, sole traders, and casuals (employed for at least 12 months) were eligible.	✓
Fee relief (announced 15 April 2020)	Service NSW	\$80 million to waive a range of fees and charges for small businesses including bars, cafes, restaurants and trades.	✓
Loan repayment relief (announced 20 March 2020)	Private sector – banking	Six-month deferral of all loan repayments (interest capitalised) for any small business affected by COVID-19, regardless of industry. Businesses with loan facilities up to \$10.0 million were eligible, which covers 98 per cent of Australian businesses and up to \$250 billion worth of loans. Small businesses will directly benefit from deferral of their own loans, and indirectly benefit through commercial property owners being eligible if they do not evict small business tenants.	✓
Deferral of gaming tax	NSW Government	Deferral of gaming tax for clubs, pubs and hotels, and lotteries tax for six months, conditional on these funds being used to retain staff.	✓
Deferral of the parking space levy (announced 27 March 2020)	NSW Government	Deferral of the parking space levy for six months.	✓
Deferral of rents in government-owned premises (announced 27 March 2020)	NSW Government	Deferral of rents for six months for commercial tenants with less than 20 employees in all government-owned properties.	✓
Moratorium on rental evictions (announced 15 April 2020)	Australian and NSW Government	Landlords were unable to evict commercial and residential tenants for six months if they are affected by COVID-19 and are unable to pay rent as a result.	✓

Program	Agency	Description	Support Small Businesses
General stimulus			
Maintenance and Infrastructure (announced 17 March 2020)	NSW Government	\$250 million to employ additional cleaners to clean public infrastructure such as transport assets, schools and other public buildings.	!
	NSW Government	Over \$250 million to bring forward maintenance of public assets including social housing and crown land fencing.	✓
	NSW Government	\$500 million to bring forward capital works and maintenance.	✓
Health system boost			
Building capacity of health system (announced 17 March 2020)	NSW Government	\$700 million in additional funding for NSW Health to assist in doubling ICU capacity, preparing for additional COVID-19 testing, purchasing additional ventilators and medical equipment, establishing acute respiratory clinics and bringing forward elective surgeries to private hospitals.	!
Local manufacturers filling gaps in medical supply chains (announced 1 April 2020)	NSW Government	A portal on the eTendering website allowed NSW manufacturing companies to register their interest in manufacturing medical supplies or supplying the required raw materials. This initiative aimed to address the global shortage of medical supplies and provide businesses with the opportunity to retain staff where their primary production has seen a decrease in demand or has experienced supply chain disruptions (example – alcohol distillers pivoting to produce hand sanitiser).	✓
Business continuity			
Australian Business Continuity (announced 24 March 2020)	Australian Government & Australian Information Industry Association	Website created to provide access to free business services during COVID-19, including for Australians on teleworking technologies.	✓
Amending licencing and regulation requirements			
Relaxing liquor licensing compliance (announced 23 March 2020)	Liquor and Gaming NSW	Relaxed liquor licensing compliance requirements to allow licensed venues that are not authorised to sell alcohol for off-site consumption to sell alcohol for off-site consumption.	✓

Program	Agency	Description	Support Small Businesses
Increased access to leave			
Greater access to long service leave for employees (announced 24 March 2020)	NSW Government	Amendments to the <i>Long Services Leave Act 1955</i> to create greater flexibility for employers and employees to access leave. Changes allow employees to take leave in shorter blocks, and without the traditional one-month notice period, by agreement with their employer.	
Business advice			
24-hour COVID-19 Hotline (announced 26 March 2020)	Service NSW	A 24-hour hotline, run by Service NSW, to provide workers and businesses with greater access to advice and support on non-health related COVID-19 matters.	
Extended operating hours			
24-hour operation of supermarkets and pharmacies (announced 25 March 2020)	NSW Government	Changes to the <i>Environmental Planning and Assessment Act 1979</i> to permit supermarkets and pharmacies to operate 24-hours a day to ensure communities have access to essential goods at all times during the COVID-19 pandemic.	
Home business operating hours			
24-hour operation of home businesses and employee more than two people (announced 25 March 2020)	NSW Government	Changes to the <i>Environmental Planning and Assessment Act 1979</i> to permit home businesses to operate 24 hours per day and to employ more than two people other than the permanent residents of the dwelling, but not more than five people, providing they can abide by social distancing rules.	
Key		Fully addressed	 Partially addressed  Not addressed

Source: NSW Treasury, 2020.