

CASH FLOW ASSISTANCE FOR BUSINESS

COVID-19 FACT SHEET

These measures are designed to improve business confidence during the outbreak.

The Australian Government has introduced measures to assist businesses to manage cashflow challenges and help retain employees.

These measures are designed to support employing small and medium sized businesses and to improve business confidence.

The *Boosting Cash Flow for Employers* measure also supports the activities of not-for-profits (including charities) at a time where they are facing increased demand for services.

The wage subsidy for apprentices and trainees will help to ensure the continued development of the skilled workforce.

BOOSTING CASH FLOW FOR EMPLOYERS

The Government is providing up to \$100,000 to eligible small and medium sized businesses, and not-for-profits (including charities) that employ people, with a minimum payment of \$20,000. These payments will help businesses' and not-for-profits' cash flow so they can keep operating, pay their rent, electricity and other bills and retain staff.

Not-for-profit entities (NFPs), including charities, with aggregated annual turnover under \$50 million and that employ workers are also eligible. This will support employment activities at a

time where NFPs are facing increasing demand for services.

An additional payment is also being introduced in the July – October 2020 period.

The cash flow boost provides a tax free payment to employers and is automatically calculated by the Australian Taxation Office (ATO).

There are no new forms required.

SUPPORTING APPRENTICES AND TRAINEES

The Australian Government is supporting small business to retain their apprentices and trainees.

Eligible employers can apply for a wage subsidy of 50 per cent of the apprentice's or trainee's wage paid during the nine months from January 1, 2020 to September 30, 2020. Where a small business is not able to retain an apprentice, the subsidy will be available to a new employer.

Employers will be reimbursed up to a maximum of \$21,000 per eligible apprentice or trainee (\$7000 per quarter).

Support will also be provided to the National Apprentice Employment Network, the peak national body representing Group Training Organisations, to co-ordinate the re-employment of displaced apprentices and trainees throughout their network of host employers across Australia.

Fast facts...

- The Australian Government's economic response to the COVID-19 coronavirus totals \$189 billion across the forward estimates.
- The Government is providing up to \$100,000 to eligible small and medium sized businesses, and not-for-profits (including charities) that employ people, with a minimum payment of \$20,000.
- Not-for-profit entities (NFPs), including charities, with aggregated annual turnover under \$50 million and that employ workers are also eligible.
- Eligible employers can apply for a wage subsidy of 50 per cent of the apprentice's or trainee's wage paid during the nine months from January 1, 2020 to September 30, 2020.
- The Australian Tax Office is providing relief for taxpayers affected by the COVID-19 coronavirus outbreak, on a case-by-case basis.