



Gladys Berejiklian

Premier of NSW

Dominic Perrottet

Treasurer

MEDIA RELEASE

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COVID-19 FIGHTING FUND TO PROTECT BUSINESSES, SAVE JOBS AND SUPPORT NSW THROUGH LOCKDOWN

The NSW Government today announced a comprehensive economic support package worth billions of dollars aimed at helping businesses and people right across the state fight through the current COVID-19 lockdown.

The commitment will now be up to \$5.1 billion, including more than \$1 billion from the Commonwealth as part of a business and employee support program.

The business grants program announced two weeks ago has been expanded, with grants between \$7,500 and \$15,000 available to eligible businesses with annual wages up to \$10 million. A new grant program has also been introduced for smaller micro businesses with turnover between \$30,000 and \$75,000.

Thousands of employees will also be protected with NSW committing half of a new \$2.1 billion business and employee support program to be delivered together with the Commonwealth.

Businesses will benefit from payroll tax waivers of 25 per cent for businesses with Australian wages of between \$1.2 million and \$10 million that have experienced a 30 per cent decline in turnover.

The NSW Government will also cover the disaster recovery payments for areas outside the Commonwealth declared hotspot from week four of the NSW lockdown providing valuable support across the state.

Residential tenants will have greater protection with a targeted eviction moratorium. Residential landlords who decrease rent for impacted tenants can apply for a grant of up to \$1,500 or land tax reductions depending on their circumstances.

Commercial and retail landlords will need to attempt mediation before recovering a security bond, or locking out or evicting a tenant impacted by the Public Health Order. Commercial, retail and residential landlords liable for land tax will be eligible for a land tax concession where they reduce the rent of their tenant.

Premier Gladys Berejiklian said the comprehensive package had three key aims - protecting business, saving and keeping jobs through the lockdown and ensuring people had support during an uncertain and difficult time.

"We have always said we will do whatever it takes to protect the people of NSW and keep our economy strong, and that is exactly what we are doing," Ms Berejiklian said.

“While our health and medical staff are fighting COVID-19 on the frontline, this comprehensive support package is aimed at saving jobs and protecting businesses until the lockdown is over.”

Treasurer Dominic Perrottet said the Government was offering support in as many areas as possible, with payroll tax cuts for eligible businesses, up to \$75 million in support for the performing arts sector and \$26 million for the accommodation industry.

“We saw last year during the first lockdown the importance of protecting jobs and ensuring people remained connected with their workplace,” Mr Perrottet said.

“The value of our business grants package is now up to \$2.1 billion with a 50 per cent increase, there is also a new grant for those smaller businesses turning over between \$30,000 and \$75,000, and payroll tax waivers for eligible businesses with a payroll up to \$10 million that suffer a 30 per cent reduction in turnover.

“This is a mighty package aimed at ensuring the NSW economy bends in the storm but doesn’t snap. We will come out the other side with a few scrapes but more determined than ever.”

Key components of the 2021 COVID-19 package include:

- An extension to the previously announced business grants program. This means eligible businesses with Australian wages below \$10 million can claim grants between \$7,500 and \$15,000 to cover the first three-weeks of restrictions, and takes the potential size of the program to \$2.1 billion;
- Up to \$2 billion committed to the scheme to provide cashflow support to businesses to help them retain staff, to be delivered together with the Commonwealth.
- Payroll tax waivers of 25 per cent for businesses with Australian wages of between \$1.2 million and \$10 million that have experienced a 30 per cent decline in turnover, as well as payroll tax deferrals and interest free repayment plans;
- A new grants program for micro businesses with a turnover of between \$30,000 and \$75,000 which experience a decline in turnover of 30 per cent. The businesses will be eligible for a \$1500 payment per fortnight of restrictions.
- A capped grant of up to \$1,500 for residential landlords who are not liable to pay land tax who reduce rent for tenants estimated at \$210 million;
- Land tax relief equal to the value of rent reductions provided by commercial, retail and residential landlords to financially distressed tenants, up to 100 per cent of the 2021 land tax year liability;
- Introduction of legislative amendments to ensure a short-term eviction moratorium for rental arrears where a residential tenant suffers loss of income of 25 per cent due to COVID-19 and meets a range of criteria.
- No recovery of security bonds, or lockouts or evictions of impacted retail and commercial tenants prior to mediation;
- Deferral of gaming tax assessments for clubs until 21 December 2021 and hotels until 21 January 2021;
- A \$75 million support package for the performing arts sector to be administered by Create NSW;
- A support package for the accommodation sector worth \$26 million;
- \$12 million in additional funding for temporary accommodation for those at risk of or experiencing homelessness, and
- \$5.1 million in NSW funding to support mental health.

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