

Media Release

Mr Tim Pallas MP

Treasurer

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Minister for Economic Development

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MORE SURVIVAL SUPPORT FOR VICTORIAN BUSINESSES

The Victorian Government will provide more support to help businesses and workers through to the other side of the coronavirus pandemic.

The Government has announced a \$534 million Business Support Package – the latest support measures on top of the \$6 billion in economic relief already invested since the pandemic began.

The latest measures include cash grants for struggling businesses, mental health support for business owners, relief for tourism operators who can no longer welcome Melbourne-based visitors for holidays, and tailored and targeted advice for businesses to adapt, stay afloat and then bounce back on the other side.

The reinstatement of restrictions across metropolitan Melbourne and Mitchell Shire is necessary to slow the spread of the virus, but we know the impact on businesses and their staff is significant.

That's why the Government will expand the Business Support Fund and provide more than 80,000 eligible businesses with a new \$5,000 grant to support them through the renewed restrictions.

This grant was previously made available to the 12 postcodes linked to outbreaks. It will now apply to all areas under Stage 3 restrictions.

Victoria's night-time economy is the envy of the nation, but right now, the deadly pandemic means it's had to do the heavy lifting to keep us all safe. That's why this package includes a \$30 million dedicated fund for the hardest hit businesses in hospitality.

A \$26 million investment in mental health support will ensure Victorians dealing with the compounding challenges of running a small business can get the support they need as they navigate their way through the crisis.

Many businesses will need to change the way they do things in order to remain sustainable, while others are dealing with challenges such as cash flow, reduced sales and debt for the very first time. The Government will establish a \$10 million business mentoring program, pairing small business owners with experienced professionals who can help them navigate their way through the crisis.

The package also provides a \$40 million capped fund for regional tourism businesses to cover the costs of refunds, as well as marketing campaigns to boost region to region visitation while Melbourne is locked down. Eligible operators will be able to claim up to \$225 per night for up to five nights for each and every room cancelled due to the return of Stage 3 restrictions, provided they refund the booking in full.

Because we know that small businesses in Melbourne's CBD are faced with a large and sustained shock to their trading environments, the Government will also establish a \$20 million CBD Business Support Fund.

Businesses will also benefit from an extended and expanded payroll tax deferral. Eligible businesses with payrolls up to \$10 million can defer their liabilities for the first half of the 2020/21 financial year.

The package has been designed in close consultation with industry, including the Australian Hotels Association and the Victorian Chamber of Commerce and Industry.

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Quote attributable to Treasurer Tim Pallas

“This is a blow for the Victorian economy and our hard-working businesses, but our economy is robust enough to help us get through to the other side.”

Quote attributable to Minister for Industry Support and Recovery Martin Pakula

“Supporting our businesses, tourism operators and the night-time economy has never been more crucial – this targeted assistance will make a big difference to those doing it tough.”

Quote attributable to Minister for Small Business Jaala Pulford

“This pandemic is hard for so many of our small businesses and that’s why we’re making sure they have the support they need to survive, adapt and keep their employees on – so more Victorians can stay in jobs.”