



THE HON JOSH FRYDENBERG MP
Treasurer



THE HON TIM PALLAS
Victorian Treasurer

THE HON MARTIN PAKULA

Victorian Minister For Industry Support And Recovery

JOINT MEDIA RELEASE

12 August 2021

MORE SUPPORT FOR MELBOURNE BUSINESSES IN LOCKDOWN

Significant new support from the Commonwealth and Victorian Governments will bolster businesses most affected by the extension of the public health lockdown in Melbourne.

The need to combat the Delta strain of coronavirus means restrictions will remain in place in 31 metropolitan local government areas until 11:59pm on Thursday, 19 August – severely impacting the trade of businesses across a range of sectors.

Grants from the \$367 million joint Commonwealth-Victorian package announced today will flow to more than 100,000 businesses across Melbourne.

The Commonwealth and Victorian Governments have combined to allocate \$1.16 billion over the past two weeks alone to back Victorian businesses that are doing it hard, so they can continue to pay their bills and the wages of workers and be in the best shape possible to recover.

Under the new initiative, businesses including sole traders who have received or been approved for a Business Costs Assistance Program Round Two or Business Costs Assistance Program Round Two July Extension grant, or a Licensed Hospitality Venue Fund grant, will receive an automatic payment.

A significant boost to the new Small Business COVID Hardship Fund that opens today will take the one-off payments for eligible businesses that do not qualify for existing programs to \$10,000.

The Treasurer Josh Frydenberg said the Morrison Government has delivered more than \$45 billion in direct economic support to households and businesses in Victoria.

Media contacts: Kane Silom — Office of the Hon Josh Frydenberg MP — 02 6277 7340
Tom Whitty – Victorian Government 03 9651 5000
The Hon Josh Frydenberg MP | Treasurer | MELBOURNE

“This is a very difficult and challenging time for all Victorians,” the Treasurer said.

“Along with the state government we will continue to support Victorians through the crisis to ensure households and business can bounce back from this latest set of restrictions.”

“Victorian businesses have shown remarkable resilience during the pandemic. We will continue to stand by them during this crisis with support they need to get through.”

“During the most recent lockdowns the Federal Government has provided significant economic support delivering more than \$245 million of COVID-19 Disaster Payments and in conjunction with the Victorian Government, we are delivering almost \$1.2 billion to support small and medium sized businesses.” Treasurer Frydenberg said.

The Victorian Government has provided more than \$7 billion in direct economic support for businesses over the course of the pandemic, including \$1.4 billion in cash grants paid to more than 97,000 businesses since the May/June restrictions period.

Victorian Treasurer Tim Pallas said that the Victorian Government will continue to directly support businesses affected by restrictions.

“As we continue to fight the Delta strain, we are not forgetting the toll that this has taken on our business community,” Mr Pallas said.

“We’ve backed businesses with direct, targeted and consistent support where it has been needed most and we’ll continue to do so.”

Victorian Minister for Industry Support and Recovery Martin Pakula said that the funding will provide vital support and reassurance.

“Thousands of businesses will benefit from this new injection of support and we know that the funds are essential to back businesses through this difficult period. We’re acting decisively to get on top of the Delta outbreak and also to give businesses the best chance to emerge in decent shape on the other side,” Mr Pakula said.

The new package contains three main elements, with agreement also reached between the two Governments to extend Commonwealth COVID-19 Disaster Payment arrangement for workers and eligible businesses affected by the metropolitan Melbourne lockdown extension.

COVID-19 Disaster Payments

Eligible workers across the state who lose hours due to the lockdown will be able to access the Commonwealth’s COVID-19 Disaster Payment, as will individuals who are sole-trader businesses who lose work and that do not qualify for Victorian Government support programs.

The COVID-19 Disaster Payment is administered through Services Australia, with the Federal Government funding the areas declared a Commonwealth hotspot and the Victorian Government assuming responsibility to fund payments in the rest of the state.

The payment is set at \$450 for people who have lost from eight and up to 20 hours work or a full day of work (over seven days), and \$750 for 20 hours or more of work lost. People who receive certain Commonwealth income support are eligible to receive a \$200 payment.

Small Business COVID Hardship Fund

An allocation of \$41 million will boost the Small Business COVID Hardship Fund to \$180 million, with grants of \$10,000 available to small- and medium-sized businesses across the state.

The fund opens for applications today through the Business Victoria website and will help up to 18,000 businesses that have been ineligible for business support programs and have experienced a reduction in revenue of at least 70 per cent.

Businesses that are legally allowed to operate but are restricted in their ability to generate revenue – such as a food store located at a shopping centre or a manufacturer supplying goods for closed venues – will be among those that that could be eligible.

Businesses that have lost custom due to restrictions affecting foot traffic – such as pharmacists located in the CBD – could also be eligible.

Business Costs Assistance Program

More than 95,000 businesses in metropolitan Melbourne will automatically receive payments of \$2,800, with grants scheduled to be paid within seven business days.

This new \$271 million Business Costs Assistance Program assistance will allow businesses across multiple sectors to continue paying overheads and other costs despite significant impacts on revenue.

Licensed Hospitality Venue Fund 2021

Automatic payments of \$5,000, \$10,000 and \$20,000 will be made in coming weeks to more than 7,000 licensed hospitality venues in metropolitan Melbourne that have previously received or been approved grants under the Licensed Hospitality Venue Fund program. A total of \$55 million has been allocated to the new licensed venue initiative.

Payment amounts will be tiered according to premises capacity: \$5,000 for a capacity of up to 99 patrons, \$10,000 for a capacity of 100 to 499 patrons and \$20,000 for a capacity of 500-plus.

More information about the business programs is available at business.vic.gov.au