

26 March 2020

Peter Gutwein, Premier

# Unprecedented new Social and Economic Support Package released

The Social and Economic Support Package we have announced today is unprecedented in the history of our state in both size, and breadth.

It is, undoubtedly, the most significant business support package in the history of our state.

Combined with the Support and Stimulus Package I announced last week, it totals \$985 million.

The Package comprises measures to support our Health, our Businesses and Jobs, Households and Individuals, and our Community.

## Health

- We will spend what is needed and we have established a provision of \$150 million to combat COVID-19 to purchase essential equipment, supplies and provide additional staff.
- For Tasmanians and our community, the Government will increase funding for primary healthcare from \$2 million to \$5 million.
- The Government is also providing \$5 million in increased funding towards the child safety and well-being, and family violence systems, as these areas respond to COVID-19.
- The Government is also investing \$4 million into mental health support to plan and respond to COVID-19, which is \$3 million more than that announced last week.

## Businesses and Jobs

- Government fees will be frozen, waived and capped, including:
  - Water and electricity bills will be waived for the first quarterly bill received after 1 April this year for small business customers on Tariffs 22, 94, 88 or 75, including small businesses on market contracts that could access these tariffs.
  - Next financial year, electricity bills will be capped, and water bills will be frozen.
  - Fees and charges subject to the Government Fee Units Act 1997 will be frozen as well.
- The Government will also waive fees and charges relating to the roads component of motor tax for heavy vehicles and vehicle registration where that business has been severely impacted because of measures taken to manage COVID-19.
- The payroll tax waivers for the hospitality, tourism and seafood sectors, and for Tasmanian businesses with payrolls less \$5 million announced in the first Tasmanian Stimulus Package, will be extended to ensure that these industries pay no payroll tax

for the entire 2019-20 year. This will include refunds and waivers to provide cash where it is required now.

- To rapidly retrain into emerging industries where necessary and to assist with job-matching in our rapidly changing labour market, the Government will also boost funding for Rapid Response Skills Initiative with an additional \$6.3 million. Through this program, up to \$3,000 will be available for individuals to gain skills or licences to help them into a new role. Businesses that have immediate job needs and opportunities available, will be able to access a job-ready pool, including to match people to our immediate priority skills needs, such as in health and retail industries.
- To ensure a steady supply of screw-driver and paint-brush ready projects, the Government has extended the Local Government Loan Scheme from \$50 million to \$150 million. This is in addition to bringing forward \$50 million of maintenance in public buildings and assets, including public housing, announced last week.
- For small business, the Government will also:
- Increase the Small Business Interest Free Loan Scheme from \$20 million to \$50 million which is now available for businesses with turnovers less than \$10 million.
- Provide a new \$40 million Small Business Grants Program with \$20 million set aside for an emergency grants program of \$2500 cash payments.
- Provide a Digital Ready for Business Program, to assist businesses take their business online.
- Provide Business Continuity Advice with \$750,000 in funding made available for businesses to seek cashflow and continuity advice, including a \$50,000 grant to Small Business Council of Tasmania. A further \$200,000 will be provided to the THA to provide business continuity and cashflow advice, and \$200,000 will be provided to Rural Business Tasmania for the extension of its Rural Financial Counselling service.

#### Specific industry Support:

- The Government will also provide an additional \$1.8 million for fisheries fees and licence relief for 12 months. This initiative is in addition to the 12 month waiver for annual fees for Rock Lobster, Giant Crab, wild capture Fin Fisheries and Abalone Divers which has a full cost of \$3.7 million.
- The Government will provide \$1.5 million to support the Creative and Cultural Industries. We will also extend arts organisation contracts due to expire by one year, supporting 19 organisations to manage through this period of disruption, manage cashflow and continue to employ their staff wherever possible and feasible.
- The Government will also provide \$2.6 million towards an air freight service for time sensitive freight, including seafood, as well as providing freight and access to our Bass Strait Islands.
- Additionally, the Government will waive annual taxi licence fees for the calendar year 2020 at a cost of \$240,000.

#### **Households and Individuals**

- The Government will cap electricity prices and freeze water bills for the next financial year, at an estimated combined cost of \$20 million. The Government also welcomes measures by Aurora Energy to assist both residential and small businesses during COVID-19.
- Freeze payment of the Community Fire levy next financial year.

- Waive school levies for this year at a cost of \$13 million this calendar year. For those who have already paid their schools levies, the Government will arrange for these to be refunded.
- The Government will not increase rent for social housing tenants, and will not count federal Government emergency payments as income for the purposes of calculating rent contributions to leave more money in the hands of low income households, and in local economies at a cost of around \$6.7 million.
- The Government will also increase funding to the Private Rental Incentive Scheme by up to 75 houses to increase the pool of available houses.
- The Government will also do its part, and will provide casual workers in the state sector with two weeks special leave if they are required to self-isolate.

### **Community organisations**

- The Government will also boost its COVID-19 funding for community organisations from an initial \$1 million announced last week to \$5 million. This funding will enable NGOs to support vulnerable people through the provision of food hampers, medical supplies or counselling.
- The Government will provide \$2.7 million in measures to address family violence including rapid rehousing, improved and increased services, and one-off packages.
- We will provide a further \$2.5 million to enhance the child safety and well-being system.
- The Government will also provide \$2 million for a grants program to support the ongoing viability and operation of sporting clubs and associations.

Keeping Tasmanians healthy, safe and secure is the Tasmanian Government's highest priority as we face the significant challenges presented to us by the spread of COVID-19.

These dark days will end; we will get through this.

There is a brighter future ahead for all of us.

But to get there, I ask all Tasmanians to action this simple message: Stay Home, Save Lives.

For more information go to: <https://coronavirus.tas.gov.au/>

Contact: Rebecca Ellston

Phone: 0477 555 227