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The Hon. Scott Morrison MP
Prime Minister

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EO&E...

PRIME MINISTER: Good afternoon, everyone. Now is the time to dig deep. We are living in unprecedented times with the twin battles that we face and that we fight against the virus and against the economic ruin that it can threaten. This calls for unprecedented action, governments making decisions like they never have before. And today our government has made a decision today and that I announce today - that no government has made before in Australia in response to crises such as these. And I hope and pray they never have to again. In the past, on so many occasions, they couldn't. But today we can. Today we must. And today we will. We are working now to a whole new set of rules. But it's our principles and values as Australians that will guide us through this uncharted territory and will get us to the other side together.

Our actions must be well considered. They must be well tempered and targeted. They must be effective. They must be clear in their purpose and they must be efficient in their execution. It is never the time for rash and ill-conceived decisions. That is why we have applied ourselves to delivering this plan that will provide Australians with the economic lifeline that they will need in the many months ahead to make it through and to get on this bridge we're building together to the other side.

Some will say it's too little. Others will say that it's too much.

What I say is, we must work together to make this work, and to make it go as far as possible. We still do not know the many other challenges we will face in the months ahead and our decisions have been calibrated to that end. Our goal is to protect the lives and livelihoods of Australians, to protect and preserve the very economy that we will depend on so significantly in the months ahead and on the other side as well, for the generations that will follow us out of this. Many countries in the months ahead and perhaps beyond, that may well see their economies collapse. Some may see them hollow out in the very worst of circumstances, we could see countries themselves fall into chaos. This will not be Australia. We will get Australians through this with uniquely Australian solutions to deal with the unique Australian challenges we face here. Using our Australian systems to address these challenges, but built, most importantly of all, on our values and principles as Australians. To date, we have announced two packages of support - of economic packages worth almost \$70 billion dollars.

You may have thought that was a lot. And it certainly seems so at the time.

This has been subsequently supported by some \$15 billion dollars in additional measures by our states and territories working to the same purpose. Together with the Reserve Bank we've put together a \$105 billion into our financial markets to keep our credit lines open and to support our financial system through this crisis. It's been about keeping Australians in jobs. It's about been about keeping Australian businesses in business, and it's been about cushioning the blow for those who most significantly will be impacted by strengthening our social safety net, of which we can be very proud of in this country.

Today, I announce that we are committing \$130 billion over the next six months to support the jobs and livelihoods of what we anticipate are being almost six million Australians, who will need that lifeline in the months ahead. We have already boosted the job seeker payment for those who have lost their jobs. Today, we are introducing a \$1,500 per fortnight JobKeeper payment to keep Australians in their jobs, even when the work may dry up. We will pay employers to pay their employees and make sure they do. To keep them in the businesses that employ them and to ensure they can get ready together to bounce back on the other side.

These businesses and their owners will tell you, are their employees - they are their most important asset. And this plan is about keeping those businesses together, by keeping these employees in these businesses. We want to keep the engine of our economy running through this crisis. It may run on idle for a time, but it must continue to run.

Our plan will see our businesses large and small, right across our entire economy share the load with our welfare system, deliver these important income support. Our JobKeeper plan sees every Australian worker the same way, no matter what you earn. There is not more support for some than there is for others. That is not the Australian way. If one person falls on a hard time, if anyone falls on a hard time, it's the same hard time. We're all in this together. That's what's fair. That's what's Australian. So with this plan now, it is time to draw together again. It is time to chart our way through together these businesses with their employees staying together, looking ahead, seeing what it will be like on the other side and working and building towards that on the other side so they can take that opportunity and create a new future together on the other side of this.

So they emerge together and we all emerge together as Australians as one.

I'm going to ask the Treasurer to go through the details of those announcements. I would also note, in addition to the JobKeeper package, we are also extending arrangements for the JobSeeker arrangements to those who are receiving payments or seeking to receive payments where they have a partner pay income test. That partner pay income test will be changed with the taper rate and that'll extend out to what would be an annual income for the partner of \$79,762 per annum, which will broaden the access to that payment for people in that situation whose partners previously were earning around about \$48,000. That was the threshold. And I would note, though, that many of those partners who were seeking those payments will obviously now in very many cases be covered by this JobKeeper payment by remaining attached to their employers. I want to thank the Treasurer for the work that he has done together with the Treasury Secretary and the Treasury Department. The Finance Department, of course, the Finance Minister. This is a very big challenge. And I appreciate the work you've done, Josh, but from. All of us. It's about the support that's needed, Josh.

JOSH FRYDENBERG: Well, thank you, Prime Minister. Australia is facing a war on two fronts. As the Prime Minister said, we are facing a health crisis and an economic crisis at the same time. The past weeks have been tough, but the weeks ahead will be tougher. And Australians know that no matter how great the challenge is, their government has their back.

Our priority all along has been to properly resource and prepare our health system for the challenges that we face in the period ahead. But we have also never lost sight of what the need is to cushion the harsh economic impact for Australians from the coronavirus as we build a bridge to the recovery. This is what the hibernation strategy has been all about. We are partnering with banks to support lending to their customers and the banks are providing a six month reprieve from having to make repayments. We are ensuring that tenants facing significant hardship as a result of the coronavirus, will have the security of a six-month moratorium on evictions. We're working with the utility and the insurance companies who have a responsibility in this Team Australia moment to help their customers get to the other side.

But most importantly of all, we have been focussed on keeping Australians in jobs and Australian businesses in business. This has seen the government join with the banks to provide loans of up to \$250,000. And as the prime minister referred to earlier packages, we are providing cash payments of up to \$100,000 to small and medium sized enterprises. Where people have tragically lost their job, we've effectively doubled the safety net with the new JobSeeker coronavirus supplement.

But today we go further, we go much further at a cost of \$130 billion over the next six months. We are providing support to the Australian worker like never before. Extraordinary times call for extraordinary measures. And this new \$1,500 a fortnight JobKeeper payment will provide job security at a time when it's needed most. This payment will give working Australians their best chance of keeping their job and keeping them connected to their employers so that they can bounce back in the recovery phase. This \$1,500 payment is a flat payment. As the Prime Minister said, it is the equivalent of around 70-percent of the median wage and represents about 100-percent of the median wage in those sectors, most heavily impacted by the coronavirus like retail, like hospitality and tourism.

It will be available to full and part time workers, sole traders, and in the case of casuals, to those who have been with their employer for 12 months or more. From today, employers and sole traders will be able to apply to the Australian Tax Office for workers that are on their books as of 1 March. The payments will flow from the first week of May and be backdated to today. If employees have been stood down by their employer since March 1, they are still eligible for these payments. To be eligible the turnover of the business will need to have fallen by 30-percent or more, or in the case of a business with an annual turnover of more than \$1 billion by 50-percent or more. Our wage subsidy scheme for Australia is unlike those announced by other nations. It's more generous than New Zealand's scheme, it's broader than the United Kingdom scheme as it applies to all employees, not just those that have been stood down, and it's available to all eligible firms, not just small businesses, as is the case with the Canadian scheme.

Our scheme is as the prime minister has said is uniquely Australian, with every eligible employee receiving the same wage subsidy. Today's announcement, together with our previous two packages, including the \$105 billion injected into the financial system with the Reserve Bank of Australia, sees total support from the federal government during the coronavirus reach more than \$320 billion dollars or 16.4-percent of GDP. This unprecedented level of support reflects the unprecedented moment that we are in, and the announcement today is the means by which Australians can get to the other side of this coronavirus.

PRIME MINISTER: I'm going to start over here and then I'm going to move across and make sure everyone gets a go. Okay. So might start with you, David.

JOURNALIST: Is this going to be enough to shield workers and businesses already affected by this?

PRIME MINISTER: With \$130 billion of support on top of the almost \$70 billion already put in and the support to financial markets, this is an extraordinary level of support in extraordinary times. But we are in uncharted waters, David. And the government will continue to do all within our power and all within our capacity. And with a measure, a plan of this scale and this size, it is certainly our intention that we hope that is the case today.

I'm just going to move around so they will get an opportunity.

JOURNALIST: PM, there are renters in the big cities who'll be struggling to pay the rent if they lose work. Fifteen hundred a fortnight while welcome may not be enough to cover their rent. Is there anything further that can be done? Is that mainly a state responsibility or is there something else that you can do to help people pay their rent?

PRIME MINISTER: Well, we're currently looking at rental assistance payments at the moment. We're also working with the states and territories when it comes to residential tenancy issues. That continues to be a matter that's a subject of work within the national cabinet right now, as you heard me say last night, there is a moratorium on evictions that would apply and be put in place by the states and territories to both commercial and residential leases. The follow on effects of that in terms of guarantees around rents and things of that nature for landlords and vice versa is a matter that's still being worked through.

JOURNALIST: What happens, if after six months if this is still going? And also, what guarantee is there that businesses will pass this money on to staff?

PRIME MINISTER: I should stress this measure is being delivered through the ATO. As I've said to all of you, on many occasions, we've been about finding existing delivery mechanisms to ensure that these supports get out. When you design new systems, then you can find yourselves in all sorts of difficulties. And even with these systems, as you can see, there of course, will be a lot of work to do, I mean, these payments are always done in arrears for things of this nature. So that will not be news. And those arrangements businesses can put in place to ensure that they can keep going and working with their banks and so on, because this is an absolute guarantee of a payment they will receive when it comes to supporting their payrolls. But the systems that will deliver this program are systems that we have assurances from in terms of the Australian Taxation Office, and that provides the mechanisms for them to follow through on the employers. This is a payment per employee that will be able to be followed through on what is known as the single touch payroll system, which is now being broadly implemented right across Australia. And that puts the checks and balances in place for the tax office to be able to ping those who are not doing the right thing.

But Josh did you want to add to that?

TREASURER: Well thanks Prime Minister, there's a legal obligation on the part of employers in this case. And importantly, there's an alignment of interests between the employers and the employees. They want to keep this connection because they know there's going to be a time after the coronavirus and they want to bounce back stronger than ever. So we have been motivated by two key issues here. Firstly, to reduce the cost of doing business for those employers so that they can continue to keep their people employed.

And secondly, to maintain that formal connection between the employer and the employee, which will give great confidence to the employee. This is a psychological and tangible material boost to employees around the country.

PRIME MINISTER: Lanai, and then Katherine.

JOURNALIST: Prime Minister, this money, it will start hitting people's accounts by, in May. So what do people who lose their jobs today or tomorrow do to make ends meet between now and May? And am I right in that, you expect 6 million Australians to lose their jobs?

PRIME MINISTER: No, no, that's not what this means. And first of all, people will be getting paid from now. The reimbursement in arrears happens with the companies on that date, but it applies back to now, from today.

JOURNALIST: [inaudible] in their accounts?

PRIME MINISTER: Well, what will happen is the businesses are using their payroll systems through their normal pay arrangements and those pay arrangements will be supported from today. So what this means is, is these employees won't be going to Centrelink. They won't be engaging with the Social Security system. They'll be engaging directly with their employer. And their employer will be making the payments. And then we will be reimbursing the employer. Josh made a very important, the Treasurer made a very important point in terms of how this is different to the UK system for example, the UK system pays employers for employees that are stood down that are no longer doing any work. What we are doing is providing this support to employers when their businesses are still functioning, when their employees are actually still at work. Our scheme is designed to actually keep people not just in pay, but in actual work, wherever that's possible. And so that's why the the mechanisms kick in, the threshold kicks in when they have a downturn in revenue of 30 per cent. Now, I've been taking some soundings from people in my own electorate and they've seen their businesses fall by 50 per cent, 70 per cent. But they're still keeping people on and they're still running businesses. And this is actually an incentive for businesses to adapt to these new circumstances to keep people on doing actual work. And for those businesses that have had to close their doors because of the decisions to close down certain businesses. That means they can still have them on the books, on the payroll and still looking at how they can work together to resuscitate and revive the business on the other side. So this isn't, this isn't money for people just to go away and do nothing. This is about people remaining connected to their business and looking to the future. So we anticipate the number of employees in businesses that will be affected in this way can be as much as that 6 million figure, but they wouldn't be people who would normally be finding themselves in the unemployment statistics, even in these circumstances or even necessarily being able to go to Centrelink and get access to the job seeker support. That's why it's called a job keeper payment. It's about keeping people in jobs.

Katherine.

JOURNALIST: Prime Minister, are there any exclusions in terms of this wage subsidy, for example, if you are in Australia on a temporary work visa, will you, will you be eligible for the subsidy? also you've been talking about businesses, eligible businesses. Does this also apply to charities,

TREASURER: Yes it does.

JOURNALIST: Not for profits, visas, arts companies? You know, the sort of people that have been absolutely slammed over the last couple of weeks.

PRIME MINISTER: Sure. I'll let the Treasurer add to this, but it does apply to not for profits as the Treasurer has said. It applies to New Zealanders who are here on 444 visas. I've had that conversation with Prime Minister Ardern. We had a discussion earlier today about those issues. That is a departure from the arrangements we've put in place when it relates to the social welfare system. New Zealanders under, on 444 visas don't don't get access to the welfare system, but they are getting access to this job keeper payment. The reason for that is we have New Zealanders who've been making a life here, have been part of work here. They're connected to businesses here. They have commitments here. And they own properties and they rent properties. And they're part of an ongoing economy in Australia. And so we're about keeping them part of that economy because they're part of what happens on the other side. The Prime Minister herself has told me that for those disconnected, if you like, from the Australian economy, they know the rules when it comes to the welfare system in the economy. And many of them are finding their way back to New Zealand.

But Josh?

TREASURER: Yes, Katherine, it does apply to not for profits, just like our cash payments to small and medium sized businesses also apply to not for profits. The other point I just want to make about the UK and New Zealand schemes are they were 3 months schemes and this scheme's been announced and costed for 6 months.

PRIME MINISTER: Yeah Tom?

JOURNALIST: Prime Minister could you just clarify whether any workers who have already been stood down will qualify for this latest job keeper payment?

PRIME MINISTER: Do you want to?

TREASURER: Yes they will. It goes back to March the 1st. And so if you have employees who are on the books as of March the 1st and you're the employer, you are eligible to receive this job keeper payment.

JOURNALIST: [inaudible] reach out to those employees [inaudible]?

TREASURER: Yes, the employers and employees, in many cases, when you've stood them down, you've still got them obviously, on the books. And no doubt the employers will do that.

PRIME MINISTER: The ATO has a button on their, on their site, which employers can hit I understand from today that will register them as being, going into this program and that system. And so it would be a matter of the employee making contact with their employer if they fit into the categories if, the Treasurer's outlined, full time, part time and casual for more than 12 months. And then they can enter into those arrangements.

Coming across, ok yep?

JOURNALIST: So just clarifying on from what Lanai asked, are you saying that businesses could with confidence give their employees \$1,500 dollars a fortnight from now and get that amount reimbursed to them in mid-May or what?

PRIME MINISTER: Yes.

JOURNALIST: And another one,

PRIME MINISTER: Assuming on their self declaration that they are eligible, that their turn out, that their business has fallen by 30 percent.

JOURNALIST: And just another point of clarification for people-

PRIME MINISTER: And they register with the ATO. Yes?

JOURNALIST: For people who might have already put in or in the process of trying to get the jobseeker payment. What exactly should they do? There are going to be a lot of confused Australians at the moment.

PRIME MINISTER: They should ring their employer, find out whether they're registering to be part of the job keeper program, and they'll be able to take up that arrangement with job keeper. You obviously can't get job keeper and job seeker, and that will be one of the conditions that the employers will be working through to ensure that they're not double counting on those measures. So if you have applied to job seeker through Centrelink, then you can get in touch with your employer and translate across to the other program. That will mean it will take a lot of pressure off Centrelink and the government services system, and that will hopefully mean that we'll be able to even move more quickly through those arrangements.

Andrew?

JOURNALIST: Prime Minister, correct me if I'm wrong, maths, it's about \$39,000 dollars a year. You're calling it a wage subsidy? Is it your expectation that employers if they can, would have a contribution? Secondly, it's a gobsmacking amount of money. This is clearly going to require some legislation. When is parliament going to resume?

PRIME MINISTER: Okay I'm going to deal with those in turn. I've already spoken to the leader of the opposition today, from this week we are having a weekly telepresence meeting between the senior leaders of the opposition and of the government to just run through issues that are being managed by the government and to provide the opportunity to engage with the opposition with those on those items from tonight and tomorrow our key ministers, obviously the Treasurer, and others, will be engaging with their shadow ministerial, your counterparts, to provide further information and briefings from our officials to the opposition so they can understand these measures. We will be having to recall parliament. I discussed that with the leader of the opposition today, and he understands that. And we put in place the measures, the mechanisms last Monday to enable that to be done in a much smaller arrangement, and that would be done in person. Here in the parliament in Canberra to enable these, this legislation to be progressed through the parliament to give effect to it. On top of that, it would be important to ensure that if there was agreement reached on the legislation even before the parliament were able to sit, that would create greater certainty and clarity. This, some of this legislation could be a bit complicated. And so we need to

ensure that that that we get that legislation right when it comes into the parliament. So it'll be convened at a time when officials can appropriately draft that legislation and we can share that with the opposition and we can have it progress through the parliament as quickly as possible, as we saw last Monday when we did that exact process for around \$70, almost \$70 billion worth of measures.

Now, you'd have to remind me of the second question.

JOURNALIST: Wage subsidies?

PRIME MINISTER: Yeah, yeah. Good point. And Josh will add to this, I'm sure. Yes. Is the short answer to that question. I mean, there will be businesses that will particularly those who continue in operations, who will have their employees operating and they will have the first \$1,500 dollars of their wages each fortnight met by this payment. And that will give employers a bit more room to be able to keep employees in jobs and on the job for longer.

But Josh?

TREASURER: Well Prime Minister-

PRIME MINISTER: And it doesn't include the superannuation. There is no superannuation guarantee levy on this payment. I should stress.

TREASURER: That is correct. Employees who are eligible will be receiving a minimum of \$1,500 dollars because in some cases the employer will be paying them more than that amount. And as I said in my opening comments, you will have many workers in the retail space, in the hospitality space, in the tourism space who may have been on minimum wage, this effectively is a 100 per cent of that wage. So this will this is why it's it's a very fair system with a flat payment of \$1,500 dollars, that will be a minimum payment to those many people.

PRIME MINISTER: Over the back?

JOURNALIST: Is this, so you're saying it's the same amount of money for everyone. Would that include, so, it's full time workers, casual workers, part time workers all receive the exact same amount? And say there was a casual worker who was on the books but was potentially earning less than this amount on a general fortnight, are they still earning the same amount it's just across the board?

PRIME MINISTER: it's a flat, it's a flat wage payment for every single worker that feels it fits into that category.

Phil?

JOURNALIST: A lot of workers have been stood down, have been retrenched. Are they, first question are they ineligible for this payment if they're effectively sacked? And of the 6 million estimated recipients, how many do you estimate will be completely dependent on this \$1,500? They won't have any other income for the next 6 months?

PRIME MINISTER: Well, the second part of that question is difficult to answer Phil because we're in very uncertain times and that'll depend very much on the circumstances of each and every business. But in our answer to Andrew, we're obviously saying that those who are actually performing work functions during their hours of work. Then there are arrangements that are there for them that will continue to be honoured. And so that that is hopefully the case from, for many. But how many? It wouldn't be possible to make a, I think, a determination on that. And Phil, you just might remind me the second part of the question?

JOURNALIST: If someone's been retrenched?

PRIME MINISTER: I'll let Josh do that.

JOURNALIST: Could an employer who may have sacked someone in the last couple of weeks maybe have a rethink and put them back on the books now and they know this wages [inaudible]?

TREASURER: Well exactly right Phil. Because this, this changes the financial equation for those employers. If they were on the books on the 1st of March for an employer, they will then be employees who were eligible for this particular payment through their employer. So if you're an employer who's been forced as a result of a downturn following the coronavirus to retrench workers, you'll put them back on your books and you'll receive this \$1,500 dollar payment.

PRIME MINISTER: There would be, though, the issue if they've paid out any entitlements under that arrangement. And that would have to be sorted out, obviously, with the with the employer. For those who continue on with the business, then they obviously keep all their entitlements, but they're not paid out those entitlements, because they're actually still employed by the business.

JOURNALIST: PM a lot of these businesses, are exporters, they sell goods internationally a functioning international trading system will be necessary to to kickstart the global economy again. You've made some comments at the G20 about this the other day. What more would you like to see in the way of global leaders working together to resuscitate that global trading system? What forums should be used and what role will Australia play?

PRIME MINISTER: Well those challenges are the same, the same challenges we were confronted with before this crisis regarding global trading systems and the WTO and many of the dysfunctions that were occurring there and frustrating export trade, they remain, and they they still remain issues that need to be progressed. Right now, my supply chain and trade issues are very focussed on ensuring the delivery and clear supply lines for medical supplies at present. And that was a key focus of the discussion that was had the other night. Many countries all over the world have contractual arrangements in place for medical supplies and we would expect those to be honoured and not disrupted politically by any sovereigns. So that is something obviously we would expect and we would be calling out that behaviour were it to be practised. More broadly, though, I think all governments are very focussed right now on the needs of their domestic economies and the supports that are needed for people here and now. So those issues, it would be wonderful to see them progress. But right now the priority is ensuring that we can keep our economies running. And and that remains such an important issue for Australia. And we must have a running economy to ensure that we can come through this together.

Josh, did you offer any further comment on that? No? Now Brett, Brett, can have the last one and then,

JOURNALIST: PM just two quick qualifications, the recalling of parliament, how quickly would that happen given people are relying on these payment almost immediately. Do you expect that that will happen this week? And you've mentioned New Zealanders on the triple 4 visa. Are there any other exemptions for other nationalities that are here on temporary work visas, people from the Pacific and those types of programs?

PRIME MINISTER: Short answer, no on the second issue, such matters are under consideration. But for now, the short answer to that is no. In terms of recalling parliament, well, we will draft the legislation. We will engage with the opposition as from now and to work with them over the course of this week like we did on the last package. And I'm sure we'll be able to move to the early recall of parliament, which was envisaged when we put these mechanisms in place. It won't be this week. The legislation will take at least this week to draft and to ensure that we can properly brief the opposition on the meaning and on the measures that will be contained in that legislation. But I hope to move through that in a co-operative way as quickly as possible. And I've had productive discussions with the leader opposition so far on those issues to date, I obviously haven't gone into the details of the measures they've been announced here today, but that will enable us now to enter into those discussions and move through that as quickly as possible.

Thank you all very much.

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