

BULLETIN

All Members



Reference No: COVID-19/GG-03-20

Date issued: 30/03/2020

Government sends lifeline to business – big and small

The voice of VACC and other associations has been heard loud and clear by government with the announcement of a new Australian Government grants program designed to retain employees in the workforce, and to keep businesses viable. VACC has relayed to government major employment and labour challenges should businesses stand-down or make mass redundancies as a result of rapid downturns in business activity.

This afternoon Prime Minister Scott Morrison announced an addition \$130 billion to be made available to employers and their staff over the next six months.

It includes the introduction of a new JobKeeper payment, which will see businesses receive \$1500 per employee, per fortnight ongoing. Commencing 1 May, with payments to be back-dated to 1 March, the flat-rate payment equates to approximately 70 percent of the average wage and will help ensure many Australians remain employed during these otherwise uncertain times.

To be eligible for the JobKeeper initiative, the turnover for businesses must have decreased by 30 percent or more (50 percent if turnover is \$1 billion or more). No threshold criteria applies in regard to size of business – and the money is available to fulltime and part-time workers, casuals who have been employed by the business for at least 12 months and to sole traders – therefore all VACC members, including dealerships, are encouraged to take advantage of the government lifeline - especially those contemplating standing down staff as the COVID-19 situation develops.

VACC, along with its national body, the Motor Trades Association of Australia (MTAA), has been in dialogue with policymakers since the government's original announcement of COVID-19 relief packages, representing the interests of both small and large businesses in the automotive industry.

VACC CEO Geoff Gwilym says, “The Morrison Federal Government and Andrews Victorian State Government have taken the needs of small and large businesses very seriously, as well as the community at large – taking unprecedented but vital measures in order to keep Australia moving.”

Businesses should register with the [Australian Tax Office](#), which will be running the JobKeeper scheme.

Further JobKeeper details can be found at [https://vacc.com.au/Portals/0/News/Job%20seeker%20Fact sheet Info for Employers 0.pdf](https://vacc.com.au/Portals/0/News/Job%20seeker%20Fact%20sheet%20Info%20for%20Employers%200.pdf)

Geoff Gwilym
Chief Executive Officer