

# SUPPORT FOR BUSINESSES FEDERAL GOVERNMENT

On Sunday March 22 the Federal Government announced a second round of support measures for businesses impacted by COVID-19. We have summarised a number of these programs below, but operators should review the information to see if it applies to them and their individual circumstances.



## Temporary cash flow support

These payments will support the cash flow of businesses and not-for-profits so they can keep operating, pay their rent, electricity and other bills, and retain staff.

Employers will now receive a payment equal to 100 per cent of their salary and wages withheld (up from 50 per cent in the first round of support), with the maximum payment being increased from \$25,000 to \$50,000 and the minimum payment increased from \$2,000 to \$10,000.

An additional payment is also being introduced equal to the total of all the Boosting Cash Flow for Employers payments received. This means that eligible businesses will receive at least \$20,000 up to a total of \$100,000 under both payments.

Click [here](#) to find more about this program.

## Assistance to help pay the wages of apprentices or trainees

Eligible employers can apply for a wage subsidy of 50 per cent of the apprentice's or trainee's wage paid during the nine months from 1 January 2020 to 30 September 2020. Where a small business is not able to retain an apprentice, the subsidy will be available to a new employer.

Employers will be reimbursed up to a maximum of \$21,000 per eligible apprentice or trainee (\$7,000 per quarter).

Click [here](#) to find out more about this program.

## Temporary assistance for financially distressed businesses

The Australian Government has made some changes to key legislation to lessen the threat of actions that could unnecessarily push businesses into insolvency and force the winding up of the business.

The Government is temporarily increasing the current minimum threshold for creditors issuing a statutory demand on a company from \$2,000 to \$20,000. This will apply for six months.

To make sure companies have confidence to continue to trade through the Coronavirus health crisis, with the aim of returning to viability when the crisis has passed, directors will be temporarily relieved of their duty to prevent insolvent trading with respect to any debts incurred in the ordinary course of the company's business.

Click [here](#) to find out more about these measures.