

Information note – Government responses to COVID-19 pandemic

Updated 30 March 2020

The Fair Work Commission will update this note regularly to keep subscribers informed of the latest developments.

The outbreak of the coronavirus (COVID-19) and the responses from governments, both federal and state, initially put restrictions on some businesses and then forced many to close, which has consequences for employees.

Measures taken to restrict gatherings and non-essential business

The Commonwealth Government has initiated the following [guidelines](#) for social distancing in order to stop or slow the spread of the disease:

- avoid handshaking and kissing;
- visit shops sparingly;
- consider whether outings and travel are necessary;
- reconsider non-essential business travel; and
- the suspension of non-essential gatherings for an initial period of 4 weeks.

On 13 March 2020, the Commonwealth and State Governments [agreed](#) to advise against all non-essential organised public gatherings of more than 500 persons, effective from 16 March 2020. This did not impact schools, workplaces, hospitals, public transportation, domestic travel and universities as well as public transient places such as shopping centres.

In [addition](#), on 18 March 2020, non-essential indoor gatherings of more than 100 people (including staff) and outdoor activities of more than 500 people were not to be permitted. Essential gatherings include:

- public transport;
- medical and health care facilities, pharmacies, emergency service facilities;
- correctional facilities, youth justice centres or other places of custody, courts and tribunals;
- Parliaments;
- food markets, supermarkets and grocery stores, shopping centres; and
- office buildings, factories, construction sites and mining sites.

For outdoor gatherings of fewer than 500 people, there must be no more than 1 person per 4 square metres of ground space.

On 20 March 2020, the Commonwealth [announced](#) that there must be a density of no more than 1 person per 4 square metres of floor space for indoor gatherings.

The [guidelines](#) also explain that, from midday local time on 23 March 2020, restrictions on opening were placed on the following facilities:

- pubs, registered and licensed clubs (excluding bottle shops attached to these venues), hotels (excluding accommodation);
- gyms and indoor sporting venues;
- cinemas, entertainment venues, casinos and night clubs;
- restaurants and cafes restricted to takeaway and/or home delivery; and

- religious gatherings, places of worship or funerals (in enclosed spaces and other than very small groups and where the 1 person by 4 square metre rule applies).

Further [measures](#), along with clarification of current guidelines, were announced on 24 March 2020 by the Commonwealth Government, which applied from 11.59pm local time on 25 March 2020. Restrictions on opening were placed on the following facilities:

- food courts (takeaway and/or home delivery remain operational);
- auction houses, real estate auctions and open house inspections (with the exception of private appointments for inspection);
- outdoor and indoor markets will be a decision for each state/territory (food markets continue to remain operational);
- beauty therapy, tanning, waxing, nail salons, tattoo parlours, spa, and massage parlours;
- hairdressers and barber shops to only have appointments of up to 30 minutes and must abide by the 1 person by 4 square metre rule;
 - On 26 March 2020, the Commonwealth Government [announced](#) that appointments would no longer be limited to 30 minutes per patron (effective immediately) for barbers and hairdressers, but the 1 person per 4 square metre rule must be strictly observed.
- gaming or gambling venues;
- strip clubs, brothels and sex on premises venues;
- concert venues, theatre, arenas, auditoriums, stadiums (live streaming of a performance by a small group can be permissible with social distancing observed);
- amusement parks, arcades and play centres (indoor and outdoor);
- community and recreation centres except for those that host essential voluntary or public services, such as food banks or homeless services;
- health clubs, fitness centres, yoga, barre and spin facilities, saunas, bathhouses and wellness centres;
- boot camps, personal training operating inside (for outside events, limited to groups of no more than 10 people and social distancing must be exercised);
- social-sporting based activities and swimming pools;
- residential facilities, such as hotels, hostels, bed and breakfasts, campsites, caravan parks, and boarding houses will be a decision for each state and territory (excludes permanent residents and workers);
- galleries, museums, national institutions and historic sites;
- libraries, community centres, and youth centres;
- local government non-essential facilities and services (i.e., libraries and pools)
- community facilities (i.e., community halls, RSLs, PCYCs);
- weddings restricted to a maximum attendance of 5 people and where the 1 person per 4 square metre rule applies; and
- funerals restricted to a maximum attendance of 10 people and where the 1 person per 4 square metre rule applies.

In addition, a ‘do not travel’ ban on Australians travelling overseas will be implemented, with exemptions to citizens that ordinarily live overseas, where travel is essential or necessary, where travel is in the national interest, and on compassionate and humanitarian grounds. Further, measures will be taken to prevent price gouging and exporting products essential to preventing and controlling COVID-19.

On 27 March 2020, the Commonwealth Government [announced](#) additional restrictions for return travellers and enforcement that require travellers returning from overseas to undertake a mandatory 14 days of self isolation at designated facilities and will be enforced with increasing compliance checks by state and federal police. Beginning from 11.59pm on Saturday 28 March 2020, anyone who returns to Australia will be forced to quarantine in a hotel or other accommodation for 14 days. They will not be allowed to return home.

On 29 March 2020, further measures from the Commonwealth Government [advised](#) people to stay at home unless partaking in one of the following:

- shopping for what you need - food and necessary supplies;
- medical or health care needs, including compassionate requirements;
- exercise in compliance with the public gathering requirements;
- work and study, if it cannot be done remotely.

Playgrounds, skate parks and outside gyms in public places will be closed and bootcamps reduced to 2 persons, including the trainer.

The announcement limited both indoor and outdoor gatherings to a maximum of 2 persons with exceptions limited to the following:

- people of the same household;
- funerals – a maximum of 10 people;
- weddings – a maximum of 5 people; and
- family units.

In addition, the National Cabinet [endorsed](#) advice from the Australian Health Protection Principal Committee (AHPPC) that:

- where vulnerable workers undertake essential work, a risk assessment must be undertaken with consideration of the characteristics of the worker, the workplace and the work;
- special provisions apply to essential workers who are at higher risk of serious illness and, where the risk cannot be sufficiently mitigated, should not work in high risk settings; and
- international flight crew and maritime crew are granted a concession from the mandatory 14 day quarantine requirements.

References:

- Media Statement, 24 March 2020, Prime Minister: <https://www.pm.gov.au/media/update-coronavirus-measures-24-March-2020>;
- Media Statement, 26 March 2020, Prime Minister: <https://www.pm.gov.au/media/further-statement-hairdressers-barbers-and-funerals-national-cabinet>
- Media Statement, 27 March 2020, Prime Minister: <https://www.pm.gov.au/media/update-coronavirus-measures-270320>
- Media Statement, 29 March 2020, Prime Minister: <https://www.pm.gov.au/media/national-cabinet-statement>

Support for businesses

Assistance for businesses from the Commonwealth Government was [first announced](#) on 12 March 2020 that included:

- increases to the instant asset write-off and accelerating depreciation deductions;
- payments of between \$2000 and \$25,000 for small to medium-sized businesses making less than \$50 million in turnover;
- assistance for small business employing trainees and apprentices by supporting 50 per cent of apprentice/trainee wages for 9 months from 1 January 2020 to 30 September 2020.

A **second package** from the Commonwealth Government was [announced](#) on 22 March 2020 that included the following:

- a boost to cashflow of up to \$100 000 to eligible small and medium-sized businesses, and not-for-profits (NFPs) that employ people, with a minimum payment of \$20,000, to keep business operating, pay rent, electricity and other bill and retain staff. This measure is estimated to benefit around 690,000 businesses employing around 7.8 million people, and around 30,000 NFPs (including charities).
 - Employers will receive a payment equal to 100 per cent of their salary and wages withheld (up from 50 per cent), with the maximum payment being increased from \$25,000 to \$50,000, with the minimum payment being increased from \$2,000 to \$10,000. Additional payments to be introduced during the July–October 2020 period;

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Cash_flow_assistance_for_businesses_0.pdf

- increasing the instant asset write-off threshold from \$30,000 to \$150,000 and expanding access to include businesses with aggregated annual turnover of less than \$500 million (up from \$50 million) until 30 June 2020;

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_Sheet-Delivering_support_for_business_investment.pdf

- temporary increase in the threshold at which creditors can issue a statutory demand on a company and the time companies have to respond to statutory demands they receive;

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Providing_temporary_relief_for_financially_distressed_businesses.pdf

- the introduction of a 15-month investment incentive that will accelerate depreciation deductions for businesses with turnover of less than \$500 million. These businesses will be able to deduct 50 per cent of the cost of an eligible asset on installation, with existing depreciation rules applying to the balance of the asset's cost;

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_Sheet-Delivering_support_for_business_investment.pdf

- following the initial support to businesses employing trainees and apprentices, where a small business is not able to retain an apprentice, the subsidy will be available to a new employer that employs that apprentice. Employers will be reimbursed up to a maximum of \$21,000 per eligible apprentice or trainee;

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Cash_flow_assistance_for_businesses_0.pdf

- support of \$1 billion to regions most significantly affected by the Coronavirus outbreak. These funds will be available to assist during the outbreak and the recovery. In addition, assistance has been provided to the airline industry by providing relief from a number of taxes and Government charges estimated to total up to \$715 million;

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Assistance_for_severely_affected_regions_and_sectors.pdf

- a guarantee of 50 per cent to SME lenders to support new short-term unsecured loans to SMEs.

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Supporting_the_flow_of_credit_1.pdf

Reference: <https://treasury.gov.au/coronavirus/businesses>

On 29 March 2020, the Commonwealth Government also announced a range of short-term interventions within commercial and residential rental markets that involved a moratorium on evictions of both residential and commercial tenancies for the next 6 months, in cases where tenants are unable to meet their rental commitments due to the impact of coronavirus. The Government also encouraged commercial tenants and landlords to engage in discussions, supporting the survival of businesses and continuation of tenancies, including:

- tenants and landlords are encouraged to agree on rent relief or temporary amendments to the lease;
- the reduction or waiver of rental payment for a defined period for impacted tenants;
- the ability for tenants to terminate leases and/or seek mediation or conciliation on the grounds of financial distress;
- commercial property owners should ensure that any benefits received in respect of their properties should also benefit their tenants in proportion to the economic impact caused by coronavirus;
- landlords and tenants not significantly affected by coronavirus are expected to honor their lease and rental agreements; and
- cost-sharing or deferral of losses between landlords and tenants, with Commonwealth, state and territory governments, local government and financial institutions to consider mechanisms to provide assistance.

Reference: <https://www.pm.gov.au/media/national-cabinet-statement>

State governments have announced adjustments to payroll tax and other measures to assist businesses, including:

- New South Wales: waiving payroll tax for businesses with payrolls of up to \$10 million for 6 months, bringing forward the next round of payroll tax cuts by raising the threshold limit to \$1 million in 2020–21, waiving a range of fees and charges for small businesses including bars, cafes, restaurants and tradies, \$250 million to employ additional cleaners of public infrastructure, such as transport, deferral of gaming tax for clubs, pubs and hotels, and lotteries tax for 6 months (conditional on these funds retaining staff), deferral of the parking space levy for 6 months, and deferral of rents for commercial tenants with less than 20 employees for 6 months in all Government-owned properties.
- Victoria: full payroll refunds for the 2019–20 financial year for small and medium businesses with payroll of less than \$3 million, government to pay to all outstanding supplier invoices within 5 business days, liquor licensing fees for 2020 to be waived for affected venues and small businesses.
- Queensland: deferral of payroll tax for 6 months, grants of up to \$7 500 (excl. GST) to support new equipment purchases, immediate payroll tax refunds for business and deferrals for eligible businesses until the end of 2020 (all small and medium businesses with payroll up to \$6.5 million will be eligible, as will large businesses affected by COVID-19), relief for businesses renting government premises, a \$500 electricity bill rebate for small and medium businesses consuming less than 100 000 kilowatt hours, and liquor licencing fees waived for businesses affected by shutdowns.
- Western Australia: one-off grants of \$17,000 to small businesses, applications to defer payment of 2019–20 payroll tax, and the \$1 million payroll tax threshold brought forward by 6 months to 1 July 2020.
- South Australia: one-off payment to eligible welfare recipients, homeowners and tenants, a payroll tax waiver for up to 6 months for businesses with an annual payroll up to \$4 million (and payroll tax deferral for businesses with an annual payroll of over \$4 million), land and liquor licensing fees for 2020–21 for affected venues and small businesses, grants for

businesses and community organisations impacted to support employment and assist with retraining.

- Tasmania: waiving of payroll tax for the last four months of 2019–20 for hospitality, tourism and seafood industry businesses, introduction of a youth employment payroll tax rebate scheme for young people from 1 April 2020, additional \$5000 grants for businesses that hire an apprentice or trainee. Taxi license fee have been waived for 2020 calendar year. Funding for one-off arts and cultural industry projects such as script development and music recording. Direct funding provided towards critical air freight service for time sensitive freight (such as seafood).
- ACT: a 12-month waiver on food business registration and on-licence liquor licencing fees from 1 April 2020, a one-off 6 month payroll tax waiver for hospitality (cafes, pubs, hotels, clubs and restaurants), creative arts and entertainment industries from April to September 2020, deferral of 2020-21 payroll tax (interest free to 1 July 2022) for all ACT business with nation-wide wages of up to \$10 million.
- NT: eligible businesses will get a grant of \$10 000 for upgrades and a further \$10 000 if they contribute \$10 000 of their own funds.

References:

- Berejiklian G (2020), [*\\$2.3 billion health boost and economic stimulus*](#), NSW Government media release, 17 March.
- Department of Premier and Cabinet (2020), [*Economic survival package to support businesses and jobs*](#), Victorian Government, 21 March .
- Hon. Palaszczuk A (2020), [*Palaszczuk Government offers \\$500m in loans to support workers in businesses affected by coronavirus*](#), Queensland Government, 17 March.
- Government of Western Australia (2020), [*COVID-19 economic response: Relief for businesses and households*](#), media release, 16 March.
- Gutwein P (2020), [*Investing to sustain a strong economy and local jobs*](#), Premier of Tasmania media release, 17 March.
- ACT Government (2020), [*The Initial economic survival package to support Territory Economy*](#), 20 March.
- SecureNT (2020), [*Coronavirus \(COVID-19\) updates*](#), Northern Territory Government, 18 March.
- Marshall S (2020), [*\\$1 billion stimulus package to save SA jobs, businesses*](#), Government of South Australia, 26 March.
- Queensland Government (2020), [*About the COVID-19 economic relief package*](#), March.
- NSW Government (2020), [*Billions in tax relief for business, \\$1 billion fund for jobs, and help for the vulnerable*](#), 27 March.
- Ferguson M (2020), [*Supporting our industries*](#), Tasmanian Government, 27 March.

Support for individuals and households

Assistance for employees and households initially included one-off payments of \$750 to be made from 31 March 2020 to selected income support recipients.

The eligibility was extended to those receiving an eligible payment on any day from 12 March to 13 April 2020. See: <https://www.servicesaustralia.gov.au/individuals/news/more-financial-support-people-affected-coronavirus>

Further assistance for households was [announced](#) by the Commonwealth Government on 22 March 2020:

- temporarily expanding eligibility for income support payments and establishing a new, temporary Coronavirus supplement, paid at \$550 per fortnight from 27 April 2020 for at least 6 months. Both existing and new Jobseeker Payment, Youth Allowance Jobseeker, Parenting Payment, Farm Household Allowance and Special Benefit recipients are eligible:

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Payments_to_support_households.pdf

Also: <https://www.servicesaustralia.gov.au/individuals/news/more-financial-support-people-affected-coronavirus>

- a second payment of \$750 to social security, veteran and other income support recipients and eligible concession card holders made from 13 July 2020 (individuals who received the first payment of \$750 and remain eligible for the second payment will receive both payments, unless they have received the \$550 Coronavirus supplement in which case they will not be eligible for the second payment);

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Payments_to_support_households.pdf

This is for those receiving eligible payments on 10 July 2020 and payment will automatically be made. See: <https://www.servicesaustralia.gov.au/individuals/news/more-financial-support-people-affected-coronavirus>

- employees who have been stood down without pay are eligible for benefits provided that they are already in receipt of a benefit or are new income support recipients. They may become eligible (subject to leave arrangements) for the JobSeeker Payment if ‘the person’s working hours were reduced (including to zero) as a result of the adverse economic effects of the coronavirus known as COVID-19’.

Reference: *Social Security (Coronavirus Economic Response—2020 Measures No. 2) Determination 2020*: <https://www.legislation.gov.au/Details/F2020L00311>

- individuals to access up to \$10 000 of their superannuation in 2019–20 and \$10 000 in 2020–21 without needing to pay tax on the amounts released;

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Early_Access_to_Super_1.pdf

- on 12 March, the Government announced a 0.5 percentage point reduction in both the upper and lower social security deeming rates. The Government will reduce these rates by another 0.25 percentage points. As of 1 May 2020, the upper deeming rate will be 2.25 per cent and the lower deeming rate will be 0.25 per cent.

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Providing_support_for_retirees_to_manage_market_volatility.pdf

- a \$1.1 billion package to support more mental health, medicare and domestic violence services to deal with the secondary effects of the health and economic crisis.

Reference: <https://ministers.dss.gov.au/media-releases/5686>

On 30 March 2020 a third stimulus package was [announced](#), requiring legislation to take effect, that included the following:

- The introduction of the JobKeeper Allowance. This allowance is a flat \$1500 payment (before tax) per eligible employee, paid directly to businesses who then use it to subsidise the payment of their employee's wage and pay directly to eligible employees. It is designed to maintain the employment relationship between employers and employees.
 - Affected employers will be able to claim a fortnightly payment of \$1500 per eligible employee from 30 March 2020, for a maximum of 6 months.
 - Eligibility is dependent on employers having suffered a significant reduction in revenue – 30 per cent for small businesses and 50 per cent for businesses with a turnover of over \$1 billion.
 - Full-time workers; part-time workers, sole traders, casuals who have been with their employer for 12 months or more, not for profit entities, New Zealanders on 444 visas, and migrants who are eligible for JobSeeker Payment or Youth Allowance (Other) will be eligible for the subsidy.
 - Employees who have been stood down by their employer since 1 March 2020 will be eligible.
 - If workers ordinarily received \$1500 or more income per fortnight before tax, they will continue to receive regular income according to the prevailing workplace instrument, the JobKeeper Payments will subsidise part or all of their income.
 - The payment is a minimum of \$1500 per fortnight, before tax.
 - Employees cannot access both the JobSeeker and JobKeeper payments.
- The \$1500 payment will be issued from 1 May 2020 and backdated to 30 March 2020. The subsidy represents around 70 per cent of the median wage and 100 per cent of the median wage in the industries most heavily affected (such as retail and hospitality). The Government predicts around 6 million workers will access the payment over 6 months.
- Superannuation payments will not be made on the JobKeeper allowance, it will be up to employers if they want to pay superannuation or any additional wage paid because of JobKeeper Payments.
- JobSeeker recipients will have their partner's income test threshold temporarily increased to \$79 762 per annum (\$3068 per fortnight). Increasing the amount of people who will be eligible for the JobSeeker payment.

Fact sheet: https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet_Info_for_Employees_0.pdf

State governments have announced policies providing temporary relief for employees and households, including:

- South Australia: a one-off boost of \$500 and bringing forward the 2020–21 'Cost of Living Concession' for households receiving the Centrelink JobSeeker Payment.
- Queensland: a \$200 rebate for all Queensland households to offset the cost of water and electricity bills.

References:

- Marshall S (2020), [\\$1 billion stimulus package to save SA jobs, businesses](#), Government of South Australia, 26 March.
- Queensland Government (2020), [About the COVID-19 economic relief package](#), March.