



thrive
REFUGEE ENTERPRISE

INFORMATION SESSIONS

CENTRELINK

COVID-19 RESPONSE

AS OF
31 MARCH 2020

PROVIDED BY
GUS NEHME AND ARIE MOSES
NSW STATE MANAGER AND VICTORIAN STATE
MANAGER

OVERVIEW

YOUR ENTITLEMENTS

As a refugee, you can access support through Centrelink Services.

Refugees with Permanent Residency and/or Citizenship

- Job search allowance
- \$550 Coronavirus fortnightly supplement
- Rent assistance
- Family tax benefits
- 2 x \$750 household payments (first from 31/03/20 and the second from 13/7/20 onwards).

Sole trader business who have little or no income through their business can apply and will get the above benefits. All waiting periods that previously applied to qualify for these benefits have been waived. Proof of income, bank balances and more have been waived for the COVID-19 period. You do not require a separation of employment certificate to apply for JobSearch allowance under COVID-19 conditions.

TPV and SHEV Visa Holders

- Special benefits payments
- Rent assistance
- Family tax benefits on a case by case basis
- 2 x \$750 household payments.

Although people on these types of visas have always been entitled to this benefit, receiving this benefit was determined on a case by case basis. This criterion have been lifted during the COVID-19 period for TPV and SHEV visa holders.

Bridging Visa Holders

- Not entitled to any Centrelink benefits through the COVID-19 stimulus package.
- Can apply for benefits through AMES, Life Without Barriers, or SSI with the Department of Immigration. This program is called SRSS. This was granted to people on a case by case basis prior to the COVID-19 crisis. This restriction has now been lifted.

SMALL BUSINESS SUPPORT

SUMMARY

Individuals

- **Early release of superannuation** – individuals in financial distress able to access up to \$10,000 of their superannuation in 2019-20, and a further \$10,000 in 2020-21. The withdrawals will be tax-free and will not affect Centrelink or Veterans' Affairs payments.
- **Temporary reduction in minimum superannuation draw down rates** – superannuation minimum draw-down requirements for account based pensions and similar products reduced by 50% in 2019-20 and 2020-21.
- **Supplements increased, access extended and eased** (Refer above section on Centrelink Benefits for Permanent Residents and SHEV and TPV visa holders) – for 6 months from 27 April 2020:
 - A temporary coronavirus
 - supplement of \$550 will be paid to existing income support recipients (people will receive their normal payment plus \$550 each fortnight for 6 months).
 - A second one-off stimulus payment of \$750 will be paid automatically from 13 June 2020 to certain income support recipients (in addition to the payment made from 31 March 2020).
 - Eligibility for access to income support eased to include sole traders and the self-employed, and to those caring for someone infected or in isolation.
 - Waiting periods and assets tests temporarily waived.
- **Bankruptcy safety net** – temporary 6 month increase to the threshold for the minimum amount of debt required for a creditor to initiate bankruptcy proceedings against a debtor from \$5,000 to \$20,000.

Business

- **Solvency safety net** – temporary 6 month increase to the threshold at which creditors can issue a statutory demand on a company from \$2,000 to \$20,000, and an increase in the time companies have to respond from 21 days to 6 months. Directors also are provided with temporary relief from personal liability for trading while insolvent for 6 months.
- **Access to working capital** – Introduction of a Coronavirus SME guarantee scheme protecting financial institutions by guaranteeing 50% of new loans to SMEs.
- **Sole traders and self-employed eligible for Jobseeker payment** – (See above section on Centrelink Benefits for Permanent Residents and SHEV and TPV visa holders) the eligibility criteria to access income support relaxed for the self-employed and sole traders.

SMALL BUSINESS SUPPORT

SUPPORT AVAILABLE FOR EMPLOYERS

Temporary Cash Flow Support

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 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.

Casual Employees

If you employ a casual employee and they can't work because they become sick or need to self-isolate, or their income has been otherwise impacted by the economic downturn caused by COVID-19, they may be eligible for income support payments. The Government is making these payments quicker to access by waiving the usual waiting period in certain circumstances. Information on income support is available on the Services Australia website.

Solvency Safety Net

A safety net has been put in place to protect businesses in temporary financial distress as a result of the pandemic by lessening the threat of actions that could unnecessarily push them into insolvency and force the winding up of the business. These include:

- A temporary 6 month increase to the threshold at which creditors can issue a statutory demand on a company from \$2,000 to \$20,000.
- The time a company has to respond to statutory demands will increase from 21 days to 6 months.
- For 6 months, directors will be provided with temporary relief from personal liability for trading while insolvent.

It will be more important than ever for business to stay on top of their debtors. Debts incurred will still be payable by the business. Only those debts incurred in the ordinary course of the business will be subject to the safety net measures.

SMALL BUSINESS SUPPORT

SUPPORT AVAILABLE FOR SOLE TRADERS

The Increased Instant Asset Write-off

Under normal circumstances, individual assets less than \$30,000 are eligible for the instant asset write off. The Government has lifted this threshold to \$150,000 for assets that are either installed or ready for first use by 30 June 2020.

Increased and Accelerated Income Support

The Government is temporarily expanding eligibility to income support payments and establishing a new, time-limited COVID-19 supplement to be paid at a rate of \$550 per fortnight. This supplement will be paid to both existing and new recipients of the eligible payment categories. These changes will apply for the next six months.

Find out about the increased and accelerated income support.

Access to Working Capital for SMEs

The Government has announced a COVID-19 SME guarantee scheme that will guarantee 50% of new loans to SMEs up to \$20 billion. These loans are new short-term unsecured loans to SMEs. SMEs with a turnover of up to \$50 million will be eligible to receive these loans. The Government will provide eligible lenders with a guarantee for loans with the following terms:

- Maximum total size of loans of \$250,000 per borrower.
- The loans will be up to three years, with an initial six month repayment holiday.
- The loans will be in the form of unsecured finance, meaning that borrowers will not have to provide an asset as security for the loan.

Loans will be subject to lenders' credit assessment processes with the expectation that lenders will look through the cycle to sensibly take into account the uncertainty of the current economic conditions.

Early Release of Superannuation

From mid-April, individuals in financial distress will be able to access up to \$10,000 of their superannuation in 2019-20, and a further \$10,000 in 2020-21. The withdrawals will be tax free and will not affect Centrelink or Veterans' Affairs payments. To be eligible to access your superannuation you need to meet the following requirements:

·you are unemployed; or you are eligible to receive a job seeker payment, youth allowance for job-seekers, parenting payment (which includes the single and partnered payments), special benefit or farm household allowance; or on or after 1 January 2020 you were made redundant; or your working hours were reduced by 20% or more; or if you are a sole trader — your business was suspended or there was a reduction in your turnover of 20% or more.

SMALL BUSINESS SUPPORT

SUPPORT AVAILABLE FOR SOLE TRADERS

For those eligible to access their superannuation, you can apply directly to the ATO through the myGov website from mid-April.

Time Limited Fortnightly \$550 'Coronavirus Supplement'

For the next 6 months, the Government is introducing a new Coronavirus supplement to be paid at a rate of \$550 per fortnight. This supplement will be paid to both existing and new recipients in the eligible payment categories.

The payment will be made to those receiving:

- Jobseeker payment (and those transitioning to the Jobseeker payment)
- Youth allowance Jobseeker
- Parenting payment
- Farm household allowance
- Special benefits recipients

In addition, eligibility to income support payments will be expanded to:

- Permanent employees who are stood down or lose their job
- Casual workers
- Sole traders
- The self-employed
- Contract workers who meet the
- income test

Second \$750 Payment to Households

The Government is now providing two separate \$750 payments to social security, veteran and other income support recipients and eligible concession card holders residing in Australia.

The payment will be exempt from taxation and will not count as income for the purposes of Social Security, Farm Household Allowance and Veteran payments.

- **Payment 1 from 31 March 2020:** Available to people who are eligible payment recipients and concession card holders at any time between 12 March 2020 to 13 April 2020;
- **Payment 2 from 13 July 2020:** Available to people who are eligible payment recipients and concession card holders on 10 July 2020.

The payments will be made automatically to those that meet the criteria.

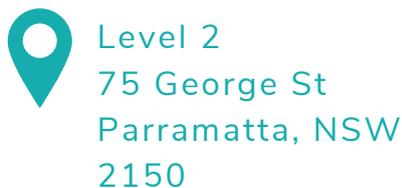
SUPPORT

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For updates on Thrive and to contact us through direct messaging you can visit us on our socials!



OUR OFFICES



RESOURCES

- https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Providing_temporary_relief_for_financially_distressed_businesses.pdf
- <https://treasury.gov.au/coronavirus/sme-guarantee-scheme>
- For those eligible to access their superannuation, you can apply directly to the ATO through the myGov website from mid-April.

CONTACT THRIVE



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