



31st March 2020

Dear Members

I would like to update you on recent developments regarding Covid-19.

1. Pest Control as an essential service

AEPMA has made representations to State, Territory and Federal Jurisdictions. We have made these jurisdictions aware of decisions taken by the US Department of Homeland Security and the New Zealand, South African and British Governments to allow pest control to continue as an essential industry should a total lockdown be implemented. We have received positive feedback to this suggestion.

However, the Federal Government has advised that there is currently not a formal process for awarding essential status *“The updated list of prohibited and restricted business activities may be found [here](#). All other business are currently permitted to continue operating. Please be aware that there is currently not a formal process for awarding ‘essential’ status, and nor do we envisage declaring it for individual businesses or industries on a case-by-case basis.”*

Members should note that we continue to be in regular contact with all jurisdictions.

2. Federal Government relief

Important update for business

“The Federal Government recognises that the measures being taken to prevent the spread of the Coronavirus are seeing many otherwise profitable and viable businesses temporarily face financial distress. It is critically important that these businesses have a safety net to support them through the crisis and to make sure that when the crisis has passed they can resume normal business operations”

Detailed information on the support available for you and your business can be found in the following key fact sheets:

- Support for sole traders to withstand the economic impact of the Coronavirus, including temporary income support.
- Supporting the flow of credit in the economy, in particular for small and medium enterprises (SMEs). Timely access to credit is vital to help SMEs get through the impact of the Coronavirus.

- Delivering support for business investment including increasing the instant asset write-off and accelerating depreciation deductions.
- Cash flow assistance for small businesses including measures to boost cashflow for employers and payments to support businesses to retain apprentices and trainees.
- Providing temporary relief for financially distressed businesses, including changes to the insolvency laws, to make sure that when this crisis has passed they can resume normal business operations.
- Payments to support households who receive various income support payments to help them manage the economic impact of the Coronavirus.
- Assistance for severely affected regions and sectors to assist during the outbreak and to help with the recovery.
- Enabling Australians to temporarily gain early access to their superannuation.

3. Economic stimulus package

Courtesy of BDO Australia please find the current measures developed by the Australian States in response to Covid-19 [here](#)

4. Employment Protection Measures

The Federal Government has announced further details to support business employment. The Government will provide a historic wage subsidy to around 6 million workers who will receive a flat payment of \$1,500 per fortnight through their employer, before tax.

The \$130 billion JobKeeper payment will help keep Australians in jobs as tackle the significant economic impact from the coronavirus.

The payment will be open to eligible businesses that receive a significant financial hit caused by the coronavirus.

The payment will provide the equivalent of around 70 per cent of the national median wage.

For workers in the accommodation, hospitality and retail sectors it will equate to a full median replacement wage.

The payment will ensure eligible employers and employees stay connected while some businesses move into hibernation.

Prime Minister Scott Morrison said the JobKeeper payment would bring the Government's total economic support for the economy to \$320 billion or 16.4 per cent of GDP.

"We will give millions of eligible businesses and their workers a lifeline to not only get through this crisis, but bounce back together on the other side," the Prime Minister said.

“This is about keeping the connection between the employer and the employee and keeping people in their jobs even though the business they work for may go into hibernation and close down for six months.

“When the economy comes back, these businesses will be able to start again and their workforce will be ready to go because they will remain attached to the business through our JobKeeper payment.”

Treasurer Josh Frydenberg said the country was about to go through one of the toughest times in its history.

“Businesses will close and people will lose their jobs. That is why we have doubled the welfare safety net,” the Treasurer said.

“However, today we are going even further. Australians know that their government has their back.

“That is why we are delivering an historic \$130 billion JobKeeper payment to support businesses and to help Australians in a job.

“This will keep Australian workers connected with their employer and provide hope and more certainty during these difficult and challenging times.”

JobKeeper Payment

The JobKeeper Payment is a subsidy to businesses, which will keep more Australians in jobs through the course of the coronavirus outbreak.

The payment will be paid to employers, for up to six months, for each eligible employee that was on their books on 1 March 2020 and is retained or continues to be engaged by that employer.

Where a business has stood down employees since 1 March, the payment will help them maintain connection with their employees.

Employers will receive a payment of \$1,500 per fortnight per eligible employee. Every eligible employee must receive at least \$1,500 per fortnight from this business, before tax.

The program will commence today, 30 March 2020, with the first payments to be received by eligible businesses in the first week of May as monthly arrears from the Australian Taxation Office. Eligible businesses can begin distributing the JobKeeper payment immediately and will be reimbursed from the first week of May.

The Government will provide updates on further business cashflow support in coming days.

Eligible employers will be those with annual turnover of less than \$1 billion who self-assess that have a reduction in revenue of 30 per cent or more, since 1 March 2020 over a minimum one-month period.

Employers with an annual turnover of \$1 billion or more would be required to demonstrate a reduction in revenue of 50 per cent or more to be eligible. Businesses subject to the Major Bank Levy will not be eligible.

Eligible employers include businesses structured through companies, partnerships, trusts and sole traders. Not for profit entities, including charities, will also be eligible.

Full time and part time employees, including stood down employees, would be eligible to receive the JobKeeper Payment. Where a casual employee has been with their employer for at least the previous 12 months they will also be eligible for the Payment. An employee will only be eligible to receive this payment from one employer.

Eligible employees include Australian residents, New Zealand citizens in Australia who hold a subclass 444 special category visa, and migrants who are eligible for JobSeeker Payment or Youth Allowance (Other).

Self-employed individuals are also eligible to receive the JobKeeper Payment.

Eligible businesses can apply for the payment online and are able to register their interest via ato.gov.au

Income support partner pay income test

Over the next six months the Government is temporarily expanding access to income support payments and establishing a Coronavirus Supplement of \$550 per fortnight.

JobSeeker Payment is subject to a partner income test, and today the Government is temporarily relaxing the partner income test to ensure that an eligible person can receive the JobSeeker Payment, and associated Coronavirus Supplement, providing their partner earns less than \$3,068 per fortnight, around \$79,762 per annum.

The personal income test for individuals on JobSeeker Payment will still apply.

Every arm of government and industry is working to keep Australians in jobs and businesses in business, and to build a bridge to recovery on the other side.

The Government will continue to do what it takes to ensure that Australia bounces back stronger.

5. Other Assistance

Naturally, we are very much in uncharted waters and the business environment continues to change almost hourly. The AEPMA office is open and ready to support our members. Should you have any queries or concerns please do not hesitate to contact us via email info@aepma.com.au or Stephen Ware Executive Director can also be contacted on 0418 976 643.

On behalf of the Board of Directors I thank all AEPMA members for their continued support and hope you all remain safe.

Yours sincerely



Vasili Tsoutouras

President