



For immediate release

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Melbourne, Australia

CPA Australia calls for further support for businesses during COVID restrictions

CPA Australia has today written to the Premier of Victoria, The Hon Daniel Andrews MP, recommending additional support for Victorian businesses significantly impacted by restrictions on their operations.

The extension of Stage Four restrictions in Melbourne until at least 28 September 2020, and the conditional timeline set out in the 'roadmap to reopening', will have disastrous consequences for businesses, many of which have already faced at least six months of severe trading restrictions. The result of this has been a significant impact on cash flow, profitability and jobs.

The viability of many businesses is under serious threat, and with it the jobs of many Victorians. While current business support measures such as the JobKeeper Payment and the Business Support Fund-Expansion grant may limit job cuts and business closures in the short term, their effectiveness will be severely tested over the coming months.

Tax professionals and business advisers have been working tirelessly at the coalface for several months, providing critical support to business to ensure that government stimulus is effectively implemented. Many of these professionals and advisers work in accounting firms that are themselves small businesses and are seeing firsthand the shocking impacts the ongoing lockdown is having on business, and the personal toll, including significant mental health issues.

CPA Australia believes that more temporary federal and state government support is needed to assist businesses until the proposed 'COVID Normal' stage is reached. Further, a clear and less restrictive plan for economic and business recovery is needed to accompany the roadmap period and beyond.

CPA Australia recommends the State Government extend the following supports to businesses facing an uncertain future:

- Increase the Business Support Fund-Expansion grant from \$10,000 to \$15,000 for ALL businesses in metropolitan Melbourne, and from \$5000 to \$7500 for ALL businesses in regional Victoria
- Extend the closing date for applications for the Business Support Fund-Expansion grant until two weeks following the commencement of the Third Step of the roadmap to allow those businesses who need assistance to complete the application, the additional time they need to physically meet their accountant to apply for such assistance
- Extend the Business Support Fund-Expansion to include non-employing sole traders
- Extend the payroll tax waiver for businesses with annual taxable wages up to \$3 million until 31 December 2020
- Introduce a small business concessional loan for businesses significantly impacted by COVID-19 along similar lines to the bushfire concessional loans for small business



- Establish an economic recovery advisory panel of external experts from business and academia to advise the Government of how best to facilitate business recovery and create jobs
- Incentivise small business to seek professional advice from their existing trusted adviser
- Working in conjunction with professional business advisers, increase the assistance available to support the mental health of small business owners.

In a crisis of this magnitude, an effective recovery requires the government to engage with and act on the advice of business experts outside of government as well as within, just as it is acting on the advice of medical and scientific experts in informing its response to COVID-19. The ongoing lockdown restrictions are unnecessarily limiting the ability of professional service providers, such as tax professionals and business advisers, from providing the services and advice that business so desperately needs.

CPA Australia urges the government to consult frequently with business and professional organisations to better understand the impact the crisis is having on small businesses and those who advise them.

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About CPA Australia

CPA Australia is one of the world's largest accounting bodies, with more than 166,000 members working in 100 countries and regions and supported by 19 offices globally. Our core services to members include education, training, technical support and advocacy. Employees and members work together with local and international bodies to represent the views and concerns of the profession to governments, regulators, industries, academia and the community. Visit cpaaustralia.com.au

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