

THE FEDERAL GOVERNMENT'S ECONOMIC RESPONSE TO THE CORONAVIRUS - COVID 19

The Federal Government has announced a range of Economic measures to support Individuals and households to address the significant economic consequences of the Coronavirus.

This infographic is designed to collate and illustrate these key measures in a simple format to help you understand what measures are available and for you to seek further information on what is relevant for you.



SUPPORTING INDIVIDUALS AND HOUSEHOLDS

INCOME SUPPORT FOR INDIVIDUALS

The Government is temporarily expanding eligibility to income support payments and establishing a new time-limited Coronavirus 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.

Eligibility

The income support payment categories eligible to receive the Coronavirus supplement are:

- Jobseeker Payment (and all payments progressively transitioning to JobSeeker Payment, those currently receiving Partner Allowance, Widow Allowance, Sickness Allowance and Wife Pension)
- Youth Allowance
- Parenting Payment (Partnered and Single)
- Austudy
- ABSTUDY (Living Allowance)
- Farm Household Allowance
- Special Benefit recipients

How to Apply?

To ensure timely access to payments, new applicants are encouraged to claim online from myGov account or over the phone.

When?

The Coronavirus supplement will commence from 27 April 2020.

PAYMENTS TO SUPPORT HOUSEHOLDS

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

Eligibility for the first payment

To be eligible for the first payment, you must be residing in Australia and be receiving one of the payments or concession cards listed on <https://treasury.gov.au/coronavirus/households> at any time from 12 March 2020 to 13 April 2020, inclusive.



Eligibility for the second payment

To be eligible for the second payment on 10 July 2020 you must be residing in Australia and be receiving one of the payments or holding one of the concession cards that were eligible for the first payment (above), except for those who are receiving an income support payment that is eligible to receive the Coronavirus supplement.

When?

First Payment: Paid automatically from 31 March 2020

Second Payment: Paid automatically from 13 July 2020

PROVIDING SUPPORT FOR RETIREES

1. Temporarily reduce superannuation minimum drawdown rates.

Reduce the superannuation minimum drawdown rates by 50 per cent for the 2019-20 and 2020-21 income year.

When?

Immediately

2. Lower the social security deeming rates

The Government will also be reducing both the upper and lower social security deeming rates by a further 0.25 percentage points.

When?

The changes will be effective from 1 May 2020.



TEMPORARY EARLY RELEASE OF SUPERANNUATION

Eligible individuals and sole traders directly impacted by the economic consequences of the Coronavirus to access up to **\$10,000 of their superannuation, tax-free**, in 2019-20 and up to a further \$10k in 2020-21.

Eligibility

To apply for early release you must satisfy any one or more of the following requirements:

- you are unemployed; or
- you are eligible to receive a job seeker payment, youth allowance for jobseekers, parenting payment, 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 per cent or more; or if you are a sole trader — your business was suspended or there was a reduction in your turnover of 20 per cent or more.

How to Apply?

If you are eligible for this new ground of early release, you can apply directly to the ATO through the myGov website: www.my.gov.au.

When?

You will be able to apply for early release of your superannuation from 20 April 2020.

JOB KEEPER PAYMENT

A significant wage subsidy program to support employees and businesses through the Coronavirus outbreak. Eligible businesses will receive **\$1,500 per fortnight** per eligible employee for a maximum of 26 weeks.

Eligibility

Employers (including non-for-profits) will be eligible for the subsidy if:

- their business has a turnover of less than \$1 billion and their turnover will be reduced by more than 30 per cent relative to a comparable period a year ago (of at least a month); or
- their business has a turnover of \$1 billion or more and their turnover will be reduced by more than 50 per cent relative to a comparable period a year ago (of at least a month); and
- the business is not subject to the Major Bank Levy.



How to Apply?

Employers must elect to participate in the scheme An application to the Australian Taxation Office (ATO) and provide supporting information demonstrating a downturn in their business.

When?

Register interest from 30 March, initial payments received first week of May

For more information visit <https://treasury.gov.au/coronavirus/households>

Note from the Author: Deposit Assure Pty Ltd <https://www.depositassure.com.au/>

The Author notes, that this Infographic provides general information and the words, content provided as well as linked materials, are not intended and should not be construed as any general or financial advice.

Source: <https://treasury.gov.au/coronavirus/jobkeeper>