

# 2021-22 COVID-19 Business Support Program Evaluation - background



## The 2021-22 COVID-19 business support programs

The 2021-22 COVID-19 business support programs comprised three grant initiatives (the JobSaver payment, the COVID-19 Business Grant, and the Micro-business Grant) which were part of NSW Government's economic response to the 2021 COVID-19 Delta outbreak in NSW.

### JobSaver Payment

JobSaver was the largest component of the program, co-funded with the Commonwealth Government. The amount of support provided throughout the program was intended to broadly align with the impact of Public Health Order restrictions and related loss of income experienced by businesses.

#### Eligibility

Businesses and not-for-profit organisations impacted by the Public Health Order were eligible for JobSaver payments if:

- they had an Australian Business Number (ABN) and were operating in New South Wales on 1 June 2021;
- they had an aggregated annual turnover of between \$75,000 and \$250 million (inclusive) for the financial year ended 30 June 2020;
- they experienced a decline in turnover of 30 per cent or more due to the Public Health Order over a minimum 2-week period commencing 26 June 2021, compared to:
  - the same period in 2019, or
  - the same period in 2020, or
  - the 2 weeks immediately prior to any restrictions, 12-25 June 2021 (inclusive).
- for employing businesses, they maintained their employee headcount from 13 July 2021 if they receive payments from the commencement of JobSaver.

Applications were open from 26 July to 18 October 2021. Payments started from 28 July 2021 and were backdated to cover the period from 18 July 2021 onwards, three weeks after initial public health restrictions were introduced. Payments were 'tapered' as restrictions began to ease in October and ended on 30 November 2021.

#### Payment rates

Period	Per cent of weekly payroll covered by payments	Minimum and maximum JobSaver payments	Payment to non-employing businesses
18 July to 9 October 2021	40	\$1,500 and \$100,000 per week, respectively	\$1,000 per week
10 October to 23 October 2021	30	\$1,125 and \$75,000 per week, respectively	\$750 per week
24 October to 30 November 2021	15	\$562.50 and \$37,500 per week, respectively	\$375 per week

## Extensions and amendments

A number of extensions to and amendments to the guidelines of the JobSaver program were announced after the payment was introduced, as some highly impacted industries could not access any business support.

From 28 August 2021:

- businesses in the hospitality, tourism and recreation industries with an aggregated annual turnover of between \$250 million and \$1 billion that experienced a 30 per cent decline in turnover due to the impacts of the Public Health Order were eligible to receive payments of 40 per cent of their pre-COVID weekly NSW payroll – up to \$500,000 per week.
- eligible Not-For-Profits (NFP) organisations in the social support and animal welfare sectors with a turnover between \$75,000 and \$250 million that showed a minimum 15 per cent decline were also eligible for payments of 40 per cent of their pre-COVID weekly payroll.

From 10 October 2021, payments were tapered in line with the payment scales above, to reflect the easing of COVID-19 restrictions impacting businesses and industry sectors.

## **COVID-19 Business Grant**

For the first three weeks of COVID-19 restrictions (26 June to 17 July 2021) before JobSaver was available, eligible NSW businesses could access the one-off COVID-19 Business Grant for cash-flow support. Applications opened on 19 July 2021 and payments started from late July 2021.

### Eligibility

The COVID-19 Business Grant provided support to NSW businesses with a turnover of more than \$75,000 and up to \$50 million, and a total annual wages bill of below \$10 million if they:

- had an Australian Business Number (ABN) and were operating in New South Wales on 1 June 2021;
- could demonstrate a 30 per cent decline in turnover due to the Public Health Order; and
- maintained employee headcount in the relevant period.

### Payment rates

Eligible businesses received:

- \$15,000 for a decline in turnover of 70 per cent, or more.
- \$10,500 for a decline in turnover of 50 per cent, or more.
- \$7,500 for a decline in turnover of 30 per cent, or more.

## **COVID-19 Micro-business Grant**

For smaller businesses and not-for-profit organisations adversely impacted by COVID-19 restrictions and not eligible for JobSaver or the COVID-19 Business Grant, the NSW Government offered the Micro-business Grant. A fortnightly payment similar to JobSaver, applications were open from 26 July to 18 October 2021. Payments started from late July 2021 and were backdated to cover the period from 18 July 2021 onwards.

### Eligibility

The Micro-business Grant provided ongoing support to businesses (including non-employing businesses such as non-employing sole traders) and not-for-profit organisations that had an aggregated annual turnover of \$30,000 to \$75,000 for the year ended 30 June 2020.

Other than its different annual turnover requirement, eligibility was similar to the other grants (i.e., to be operating in New South Wales, to demonstrate a 30 per cent decline in turnover, and to

maintain employee headcount). Applicants were not eligible if they had already applied for JobSaver or the COVID-19 Business Grant.

### Payment rates

Eligible businesses initially received a payment of \$1,500 per fortnight. On 30 October 2021, after New South Wales reached 80 per cent double dose vaccinations, the fortnightly payment reduced to \$750 per fortnight. Payments for all grant recipients ceased on 30 November 2021.

### **Hardship Review panel**

In October 2021, a Hardship Review panel was established to consider financial support to businesses experiencing hardship that did not qualify for COVID-19 business support program measures. The panel included representatives from Revenue NSW, NSW Treasury and Service NSW. It considered various factors, such as whether the business was an employer, in a highly impacted industry, in a Local Government Area of concern, or had unavoidable costs for which no other support was available.

### **Alignment with Commonwealth support**

To ensure alignment with Commonwealth support and avoid duplication, non-employing businesses were ineligible for the grant initiatives if already receiving the Commonwealth COVID-19 Disaster Payment. Employees however could receive Commonwealth COVID-19 Disaster Payments if their employer was receiving JobSaver, the COVID-19 Business Grant or a Micro-business Grant.