ACT Government logo

ACT ECONOMIC SURVIVAL AND RECOVERY INITIATIVES

ACT Treasurer’s Update

Chief Minister, Treasury and Economic Development Directorate

June 2020

# JUNE 2020 – ACT TREASURER’S UDPATE

# ACT ECONOMIC SURVIVAL AND RECOVERY INITIATIVES

In response to COVID-19, the ACT Government has delivered 50 measures with an estimated impact of $369 million for the Territory as part of our Economic Survival and Recovery plan – a multi-staged and targeted economic response to COVID-19.

The initiatives are presented across the four objectives that have driven our response:

* Supporting local business, jobs and the economy
* Supporting families and households
* Keeping Canberrans employed
* Supporting the community

In times of economic contraction, a temporary increase to Government spending is an important and powerful tool.

Governments have a duty now to step up to support and grow the economy. These initiatives demonstrate what our Government has done so far, but there is more to do. We will help shape, create and grow markets in a way that leads to greater job creation.

We have a plan, and we are ready to deliver; creating secure jobs, supporting households, providing essential services and creating the environment for businesses to grow.

Table 1: Summary of initiatives

| Summary Table – Budget Impacts 1 |  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | Total  $’000 |
| --- | --- | --- | --- | --- | --- | --- |
| Expense impact |  | -47,558 | -39,982 | -2,390 | -503 | -216,433 |
| Revenue impact |  | -36,984 | -80,489 | -11,027 | -24,004 | -152,504 |
| Operating impact |  | -84,542 | -120,471 | -13,417 | -24,507 | -368,937 |

**Note:**

1. Totals do not add, as impacts associated with the More support for the healthcare system initiative have not been allocated to specific financial years.

Table 2: Detailed initiatives

| Initiatives | Impact | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | Total  $’000 |
| --- | --- | --- | --- | --- | --- | --- |
| Supporting local businesses, jobs and the economy |  |  |  |  |  |  |
| $1,000 additional electricity rebate for cafes, takeaways and restaurants | Expense | 0 | 1,500 | 0 | 0 | 1,500 |
| Additional support for the Vocational Education and Training Sector | Expense | 1,000 | 1,000 | 0 | 0 | 2,000 |
| Automatic $750 electricity rebates for small businesses | Expense | 9,790 | 0 | 0 | 0 | 9,790 |
| CIT IT investment | Expense | 800 | 195 | 0 | 0 | 995 |
| City Centre Marketing and Improvements Levy ̶ 50 per cent reduction | Revenue forgone | 0 | 950 | 0 | 0 | 950 |
| City Centre Marketing and Improvements Levy ̶ 50 per cent reduction | Expense | 0 | -950 | 0 | 0 | -950 |
| Commercial rates – delay of issuance | Expense | 0 | 0 | 0 | 0 | 0 |
| Commercial rates – fixed charge rebate and 2020‑21 settings | Revenue forgone | 16,200 | 6,872 | 7,285 | 7,722 | 38,079 |
| Commercial rates – hardship deferrals | Expense | ~ | ~ | 0 | 0 | ~ |
| Commercial rates – rental relief and owner‑occupier rebate scheme | Revenue forgone | 6,250 | 6,250 | 0 | 0 | 12,500 |
| Early payment of invoices | Expense | ~ | ~ | 0 | 0 | ~ |
| Expediting development application and unit titling approvals | Expense | 0 | 475 | 490 | 503 | 1,468 |
| Extending taxi industry support to lessees of privately‑owned plates | Expense | 810 | 0 | 0 | 0 | 810 |
| Fee reduction – one-year waiver for food business registration, outdoor dining and liquor licensing fees | Revenue forgone | 1,200 | 3,978 | 0 | 0 | 5,178 |
| Fee reduction – one-year waiver for other business fees | Revenue forgone | 29 | 89 | 0 | 0 | 118 |
| Fee reduction – one-year waiver for ride share and hire car fees | Revenue forgone | 55 | 155 | 0 | 0 | 210 |
| Fee reduction – one-year waiver for taxi license fees | Revenue forgone | 220 | 660 | 0 | 0 | 880 |
| Fixed water and sewerage charges rebate for accommodation providers and community clubs | Expense | 204 | 2,004 | 0 | 0 | 2,208 |
| Payroll tax – interest-free deferral for the construction industry | Expense | 27 | 30 | 0 | 0 | 57 |
| Payroll tax – interest-free deferral for the construction industry | Cash impact | -9,600 | -4,800 | 14,400 | 0 | 0 |
| Payroll tax – interest-free deferral for businesses with payroll under $10 million | Expense | 0 | 900 | 1,900 | 0 | 2,800 |
| Payroll tax – interest-free deferral for businesses with payroll under $10 million | Cash impact | 0 | -100,000 | 100,000 | 0 | 0 |
| Payroll tax – six-month waiver of payroll tax for business operations directly impacted by the national ‘prohibited activities and venues’ list | Revenue forgone | 4,200 | 3,500 | 0 | 0 | 7,700 |
| Rental relief – ACT government properties | Revenue forgone | 4,600 | 4,600 | 0 | 0 | 9,200 |
| Supporting Community Clubs | Expense | 5,888 | 0 | 0 | 0 | 5,888 |
| Training support – National Infection Control Fund | Expense | 0 | 670 | 0 | 0 | 670 |
|  |  |  |  |  |  |  |
| Supporting families and households | Cat | 1 | 2 | 3 | 4 | 5 |
| $200 Residential utility concession rebate | Expense | 7,000 | 0 | 0 | 0 | 7,000 |
| Assistance for sport and recreation bodies | Revenue forgone | 100 | 1,000 | 0 | 0 | 1,100 |
| Fee and charge reduction – one-year freeze on growth of Fire and Emergency Services Levy | Revenue forgone | 0 | 2,194 | 2,255 | 2,322 | 6,771 |
| Fee and charge reduction – one-year freeze on parking and public transport fees | Revenue forgone | 0 | 1,200 | 1,300 | 1,400 | 3,900 |
| Fee and charge reduction – one-year freeze on vehicle registration fees | Revenue forgone | 0 | 3,800 | 4,000 | 4,200 | 12,000 |
| Freezing the Utilities Network Facilities Tax | Revenue forgone | 500 | 1,500 | 0 | 0 | 2,000 |
| Residential rates – 2020-21 setting | Revenue forgone | 0 | 32,941 | 7,887 | 8,360 | 49,188 |
| Residential rates – delay of issuance of residential rates and land tax bills | Expense | 0 | 0 | 0 | 0 | 0 |
| Residential rates – expanding access to residential general rates hardship deferral | Cash impact | ~ | ~ | 0 | 0 | ~ |
| Residential stamp duty reductions | Revenue | 0 | -7,300 | 11,700 | 0 | 4,400 |
| Residential tenancy relief | Revenue forgone | 3,500 | 3,500 | 0 | 0 | 7,000 |
| Support for international students | Expense | 150 | 0 | 0 | 0 | 150 |
| Utilities hardship | Expense | 250 | 0 | 0 | 0 | 250 |
|  |  |  |  |  |  |  |
| Keeping Canberrans employed |  |  |  |  |  |  |
| Access to Portable Long Service Leave | Expense | 0 | 0 | 0 | 0 | 0 |
| Jobs for Canberrans Fund | Net Expense | 5,000 | 20,000 | 0 | 0 | 25,000 |
| Rapid rollout of ‘screwdriver ready’ minor capital works projects | Capital | 20,000 | 8,000 | 0 | 0 | 28,000 |
| Rapid rollout of ‘screwdriver ready’ minor capital works projects | Expense | 5,000 | 2,000 | 0 | 0 | 7,000 |
| Rollover of contracts for any casual or contracted ACTPS staff | Expense | ~ | ~ | 0 | 0 | ~ |
| Urban forest and other public realm maintenance functions | Expense | 1,000 | 2,000 | 0 | 0 | 3,000 |
|  |  |  |  |  |  |  |
| Supporting the Community |  |  |  |  |  |  |
| Community Support Package | Expense | 5,447 | 3,553 | 0 | 0 | 9,000 |
| Education Digital Delivery | Expense | 500 | 0 | 0 | 0 | 500 |
| Financial support for the Cultural Facilities Corporation | Expense | 0 | 2,500 | 0 | 0 | 2,500 |
| Increased Magistrates Court resourcing | Expense | 0 | 310 | 0 | 0 | 310 |
| Increased support for our arts community | Expense | 1,500 | 0 | 0 | 0 | 1,500 |
| Mental health support package | Net Expense | 192 | 3,795 | 0 | 0 | 3,987 |
| More support for the healthcare system | Expense | TBC | TBC | 0 | 0 | 126,000 |
| Public Housing – $250 rent rebate | Expense | 3,000 | 0 | 0 | 0 | 3,000 |
| Waiver of fees for Early Childhood Education and Care service providers | Revenue forgone | 130 | 0 | 0 | 0 | 130 |

**Notes:**

1. For revenue forgone impacts, expense impacts and capital impacts, a positive number indicates a cost to government and a negative number indicates a benefit to government.
2. For cash and revenue impacts, a negative number indicates a cost to government and a positive number indicates a benefit to government.
3. The listed initiatives do not include estimates for 2023-24.

## Supporting local businesses, jobs and the economy

### $1,000 additional electricity rebate for cafes, takeaways and restaurants

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 1,500 | 0 | 0 | **1,500** |

The Government will provide eligible cafes, takeaways and restaurants with a one-off $1,000 rebate on their electricity bill during the first quarter of 2020-21, to help support these businesses during the economic recovery period.

Eligible businesses can apply via the [Access Canberra website](https://form.act.gov.au/smartforms/servlet/SmartForm.html?formCode=1548&appType=Electricity).

### Additional support for the Vocational Education and Training Sector

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 1,000 | 1,000 | 0 | 0 | **2,000** |

The Government is providing support for the Vocational Education and Training Sector by increasing subsidies for apprenticeships and traineeships to access nationally recognised training in areas linked to skills needs across a range of industries. Subsidies will be provided directly to Registered Training Organisations.

### Automatic $750 Electricity rebates for small businesses

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 9,790 | 0 | 0 | 0 | **9,790** |

Small businesses with electricity usage below 100 megawatts per year will have rebates of $750 automatically applied to their next electricity bill in May, June or July 2020. This will provide necessary cashflow support for small businesses.

### CIT IT investment

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 800 | 195 | 0 | 0 | **995** |

The Government has fast tracked CIT's ‘Study Work Anywhere Any Time’ IT project to enable CIT to move delivery of components of its teaching and learning online by July 2020. The expertise required to implement this project will be sourced from local SMEs, which will support the local industry and help keep high value technology skills in the region.

### City Centre Marketing and Improvements Levy – 50 per cent reduction

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 0 | 950 | 0 | 0 | **950** |
| Offset – expense | 0 | -950 | 0 | 0 | **-950** |

The Government will reduce the City Centre Marketing and Improvements Levy (CCMIL) by 50 per cent in 2020-21, with the balance of the payment deferred until February 2021. The CCMIL is applied to all rateable commercial properties (more than 600) in the City, Braddon and New Acton.

### Commercial rates – delay of issuance

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 0 | 0 | 0 | **0** |

The Government is deferring the issuance of rates notices for the fourth quarter instalments of the 2019-20 commercial rates by four weeks. These will be then due a month later than the usual due date, providing significant immediate cash flow assistance to commercial property owners.

### Commercial rates – fixed charge rebate and 2020-21 settings

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 16,200 | 6,872 | 7,285 | 7,722 | **38,079** |

The Government is providing owners of commercial property with an Average Unimproved Value (AUV) of $2 million or less a full rebate on their commercial rates fixed charge for the 2019‑20 financial year. The credit of $2,622 (equivalent to the annual fixed charge) is being automatically applied to the fourth quarter bill of 2019-20.

The Government is also setting the average increase for commercial properties with an AUV of $2 million or less at 0 per cent. This means that no additional general rates revenue will be collected from this group of properties, but individual rates will change in line with changes in land values. General rates for around 4,600 commercial properties will be lower than in 2019-20.

In addition, the Government will freeze the 2020-21 Fire and Emergency Services Levy at the 2019‑20 amount (refer to the *One-year freeze on growth of Fire and Emergency Services Levy* initiative for further information).

### Commercial rates – hardship deferrals

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | ~ | ~ | 0 | 0 | **~** |

The Government is supporting commercial property owners who have been significantly affected by COVID-19 to apply to the ACT Revenue Office to defer their rates charges up to October 2020. No interest will be charged on the deferred amount.

Property owners who are experiencing financial hardship can apply by sending an email to [debtmanagement@act.gov.au](mailto:debtmanagement@act.gov.au).

### Commercial rates – rental relief and owner-occupier rebate scheme

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 6,250 | 6,250 | 0 | 0 | **12,500** |

The Government is providing general rates relief in 2019-20 and 2020-21 to commercial property owners who, consistent with the National Cabinet Mandatory Code of Conduct, negotiate in good faith to reduce rent for tenants affected by COVID-19. Commercial property owners who operate businesses from premises they own will also be eligible for assistance if they have been negatively affected by COVID-19.

Assistance for owners of properties with an AUV of $2 million or below is based on the significance of the impact on their tenants. Owners of properties with an AUV above $2 million can apply on a case-by-case basis.

This estimated foregone revenue has been revised down from the original estimate, due to initial take-up being lower than originally anticipated. The final cost of this initiative will depend on the take-up rates and landlord and tenant characteristics. The Government has confirmed that the scheme will remain in place until 30 September 2020.

Eligible businesses can apply via the [ACT Revenue Office website](https://www.revenue.act.gov.au/covid-19-assistance) (under the *Commercial Property Owners* section).

### Early payment of invoices

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | ~ | ~ | 0 | 0 | **~** |

Recognising the importance of cash flow to small and medium enterprises, the Government has accelerated the payment of invoices for local enterprises. The cost associated with this is due to the indirect loss of interest from these early payments.

### Expediting development application and unit titling approvals

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 475 | 490 | 503 | **1,468** |

The Government will continue to fast track development application and unit titling approvals to allow work to continue in the ACT’s construction sector. The Government has allocated funding for additional staff in the Transport Canberra and City Services Directorate to speed up asset acceptance processes, and reprioritised staff to expedite approvals in Planning Delivery.

### Extending taxi industry support to lessees of privately-owned plates

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 810 | 0 | 0 | 0 | **810** |

The Government is providing a one-off payment of up to $5,000 to taxi drivers who lease their taxi plates from private owners. This provides the same level of support as provided to those who lease Government plates in the Territory.

Eligible drivers should submit an application form available on the [ACT COVID-19 website.](https://form.act.gov.au/smartforms/servlet/SmartForm.html?formCode=1538)

### Fee reduction – one-year waiver for food business registration, outdoor dining and liquor licensing fees

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 1,200 | 3,978 | 0 | 0 | **5,178** |

The Government is providing a 12-month waiver of food business registration and liquor licencing fees from 1 April 2020 for licenced venues and off-licenced venues with gross liquor purchase value of below $3 million per annum. The Government will also waive the application fee payable by businesses who wish to apply for a general liquor licence to convert their temporary ability to sell liquor off licence (i.e. for takeaway purchases) during the public health emergency into a permanent arrangement.

The Government will also waive outdoor dining fees in 2020-21 and establish a new sub-category of off liquor licences – the first year micro-producer licence. The licence application fee for this category will be set at $250, a 90 per cent discount on the standard off liquor licence application fee.

### Fee reduction – one-year waiver for other business fees

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 29 | 89 | 0 | 0 | **118** |

The Government is providing a fee waiver for 12 months for businesses that require infection control licensing, which includes businesses such as beauty therapists, nail salons, tattoo parlours and dentists.

This fee waiver will be automatically applied through the normal licencing process, and businesses do not need to contact Health Protection Services.

### Fee reduction – one-year waiver for ride share and hire car fees

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 55 | 155 | 0 | 0 | **210** |

The Government is waiving rideshare vehicle and hire car licence fees for 12 months for from 1 April 2020 as part of the normal licencing processes. This will assist workers who provide ride share services.

This fee waiver will be automatically applied through the normal licencing process. In cases where fees have been prepaid, a credit will be provided at the next due date.

### Fee reduction – one-year waiver for taxi license fees

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 220 | 660 | 0 | 0 | **880** |

The Government is waiving all Government-leased taxi plate fees ($5,000 for one year), including wheelchair accessible taxis to help support this vital service.

This fee waiver will be automatically applied through the normal licencing process.

### Fixed water and sewerage charges rebate for accommodation providers and community clubs

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 204 | 2,004 | 0 | 0 | **2,208** |

The Government will provide a rebate of the fixed water and fixed sewerage charges payable on Icon Water bills for the first 2 quarters of the 2020-21 financial year to eligible accommodation providers including hotels, motels and serviced apartments, and a rebate for the fourth quarter of 2019-20 and first quarter of 2020-21 for community clubs. The rebate will help support these businesses during the economic recovery period.

### Payroll tax – interest-free deferral for construction industry

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Cash impact | -9,600 | -4,800 | 14,400 | 0 | **0** |
| Expense | 27 | 30 | 0 | 0 | **57** |

The Government is supporting businesses in the construction industry by allowing them to defer their payroll tax liability for the six months from April to September 2020 to provide cashflow assistance to help them retain workers. No interest will be charged on deferred amounts until 1 October 2020.

The expense component of this item relates to financing costs.

### Payroll tax – interest-free deferral for businesses with payroll under $10 million

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Cash impact | 0 | -100,000 | 100,000 | 0 | **0** |
| Expense | 0 | 900 | 1,900 | 0 | **2,800** |

The Government will provide all ACT businesses with group Australia-wide wages of up to $10 million the option to defer their 2020-21 payroll tax, interest free until 1 July 2022. Businesses need to complete a simple online application form to confirm their eligibility.

The expense component of this item relates to financing costs.

Eligible businesses can apply via the [ACT Revenue Office website](https://www.revenue.act.gov.au/payroll-tax/deferral).

### Payroll tax – six-month waiver of payroll tax for business operations directly impacted by the national ‘prohibited activities and venues’ list

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 4,200 | 3,500 | 0 | 0 | **7,700** |

The Government is providing businesses whose operations were directly affected by restrictions and prohibitions as part of the COVID-19 public health response a six-month waiver of payroll tax from April to September 2020. Businesses covered include hotels, clubs, cafes, restaurants, creative arts and entertainment industries, gyms and indoor sporting venues, cinemas, beauty therapists and nail salons.

Eligible businesses can apply via the [ACT Revenue Office website](https://www.revenue.act.gov.au/payroll-tax/deferral).

### Rental relief – ACT government properties

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 4,600 | 4,600 | 0 | 0 | **9,200** |

From 1 April 2020 to 30 September 2020, the Government will not charge any rent to community groups occupying ACT Government owned properties including head-leased Housing Asset Assistance Program properties and school facilities that are rented to the community. The Government is also providing up to $500,000 in funding to the head‑licensees of arts facilities to enable the waiving of fees for sub-licensees for 6 months (supporting 65 smaller arts organisations).

Support is also available for commercial tenants of ACT Government owned properties where they have suffered a loss of revenue as a result of COVID‑19.

### Supporting Community Clubs

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 5,888 | 0 | 0 | 0 | **5,888** |

The Government is providing further support to Canberra’s community clubs and Casino, to enable them to keep staff employed. Measures include:

* Providing clubs with the opportunity to access a payment of $15,000 per authorisation if they voluntarily surrender gaming machine authorisations.
* A waiver/refund of gaming machine tax liabilities for clubs for March 2020 activity (for larger clubs that pay gaming tax monthly) or for first quarter 2020 activity (for smaller clubs that pay gaming tax quarterly).
* The Government has made an additional $1.5 million contribution to the Clubs Diversification Fund, which will support clubs in the ACT to keep staff employed on the Clubs award rate.

This estimate has been revised down from the original estimate, due to initial take-up of measures being lower than originally estimated. The final cost of this initiative will depend on the final take-up of available measures.

Additionally, the Government has amended legislation to allow payment of award wages to staff to be claimed as community contributions where an emergency declaration has been made and provide incentives for clubs to prepare food for the vulnerable.

### Training Support – National Infection Control Fund

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 670 | 0 | 0 | **670** |

The Government will contribute of up to $670,000 towards the joint Commonwealth-Territory fund to deliver infection control training to workers, with a focus on customer facing roles in a range of industries. With Commonwealth matched funding, this will provide fully subsidised training for up to 3,800 people in the ACT.

## Supporting families and households

### $200 Residential utility concession rebate

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 7,000 | 0 | 0 | 0 | **7,000** |

Around 30,000 households receiving the Utilities Concession will automatically receive a further $200 rebate (in addition to the $700 annual rebate) on their electricity bill. This includes Centrelink Pensioner Concession Card holders, Centrelink Low Income Health Care Card holders and Department of Veterans’ Affairs Pensioner Concession Card or Gold Card holders.

### Assistance for sport and recreation bodies

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 700 | 1,500 | 0 | 0 | **2,200** |
| Offset – expense | -700 | -1,500 | 0 | 0 | **-2,200** |
| Revenue forgone | 100 | 1,000 | 0 | 0 | **1,100** |

The Government is providing funding and relief equivalent to $3.3 million for Canberra’s sports sector to address challenges associated with COVID-19. This funding incorporates an immediate financial injection of $700,000 across ACT peak sport and recreation bodies, as well as enabling early access to approximately $1.5 million through the 2021 Sport and Recreation Grants Program.

The Government will also waive sportsground hire fees, along with waivers for rent for use of government properties and schools.

### Fee and charge reduction – one-year freeze on growth of Fire and Emergency Services Levy

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 0 | 2,194 | 2,255 | 2,322 | **6,771** |

The Government will freeze the Fire and Emergency Services Levy at its current 2019-20 level for the 2020-21 financial year. This will apply to all commercial and residential properties.

### Fee and charge reduction – one-year freeze on parking and public transport fees

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 0 | 1,200 | 1,300 | 1,400 | **3,900** |

The Government will freeze parking and public transport fees at their current level for 2020‑21.

### Fee and charge reduction – one-year freeze on vehicle registration fees

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 0 | 3,800 | 4,000 | 4,200 | **12,000** |

The Government will freeze vehicle registration fees at their current level for 2020-21.

### Freezing the Utilities Network Facilities Tax

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 500 | 1,500 | 0 | 0 | **2,000** |

The Government will freeze the Utilities Network Facilities Tax (UNFT) at its current level for the next year. Freezing the UNFT will enable utility providers to pass on savings to customers and support improved hardship measures for ACT customers.

The UNFT is paid by utility providers and applies to any network facility on land in the ACT, including networks for transmitting and distributing electricity, gas, sewage, water and telecommunications.

### Residential rates – 2020-21 setting

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 0 | 32,941 | 7,887 | 8,360 | **49,188** |

The Government will automatically apply a $150 rebate to the fixed-charge components of all residential rates bills in 2020-21.

The Government is also setting the average rates increase for houses and units in 2020-21 at 0 per cent, inclusive of the $150 fixed charge rebate. This means that general rates revenue collected from current rateable properties will not increase, but individual property rates may change in line with changes in land values. General rates for over 110,000 residential properties will be lower than in 2019‑20.

### Residential rates – delay of issuance of residential rates and land tax bills

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 0 | 0 | 0 | **0** |

The Government is deferring the issuing of rates notices for the fourth quarter instalments of the 2019-20 residential general rates and land tax assessments by four weeks. These will then be due a month later than the usual due date and provide significant immediate relief to household budgets.

### Residential rates – expanding access to residential general rates hardship deferral

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Cash impact | ~ | ~ | 0 | 0 | **~** |

The Government has implemented a new process for rates deferrals for owner occupiers experiencing hardship because of COVID-19. No interest will apply to the deferred amount.

The deferral will be for 12 months where household income has been reduced by at least 25 per cent by circumstances such as unemployment, reduction in hours of work, or a loss of small business income.

An application form is available on the [ACT Revenue Office website](https://www.revenue.act.gov.au/covid-19-assistance/rates-deferral-covid-19-hardship-application-form).

### Residential stamp duty reductions

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue – deferred tax rate reductions | 0 | 4,000 | 11,700 | 0 | **15,700** |
| Revenue – owner occupier land and off-the-plan unit concessions | 0 | -11,300 | 0 | 0 | **-11,300** |
| Revenue total | 0 | -7,300 | 11,700 | 0 | **4,400** |

The Government has significantly reduced stamp duty for eligible owner occupier home buyers until 30 June 2021. This will save new home buyers thousands of dollars. This initiative will generate more work for the local construction industry and create more jobs.

The following concessions apply to contracts exchanged between 4 June 2020 and 30 June 2021:

* No stamp duty on single residential dwelling blocks
* No stamp duty on off-the-plan unit (unit-titled apartment and townhouses) purchases up to $500,000
* An $11,400 stamp duty reduction for off-the-plan unit (unit-titled apartment and townhouses) purchases between $500,000 and $750,000

The Government will delay the previously announced reductions to residential stamp duty tax rates in 2020-21 by one year.

### Residential tenancy relief

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 3,500 | 3,500 | 0 | 0 | **7,000** |

The Government is providing a land tax and rates rebate to residential landlords who reduce rents by at least 25 per cent for tenants who have been impacted by COVID-19.

The rebate will be equal to 50 per cent of the rent reduction, up to $1,300 per quarter (around $100 per week), for up to six months. This will provide rent relief to impacted tenants of up to $200 per week.

This estimate has been revised down from the original estimate, due to initial take-up being lower than originally anticipated. The final cost of this initiative will depend on the final take-up rates. The Government has confirmed that the scheme will remain in place until 30 September 2020.

An application form is available on the [ACT Revenue Office website](https://www.revenue.act.gov.au/covid-19-assistance/land-tax-credit-application).

### Support for international students

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 150 | 0 | 0 | 0 | **150** |

The Government is providing assistance for international students during COVID-19, recognising that many people on temporary visas are not eligible for other forms of assistance, such as the Commonwealth’s Job Keeper program. Funding will be provided to and subsequently managed by the Australian Red Cross. This funding supplements the $300,000 being provided to support asylum seekers and temporary visa holders as part of the $9 million Community Support Package.

### Utilities hardship

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 250 | 0 | 0 | 0 | **250** |

The Government has provided up to $250,000 to a new hardship fund to assist any households severely affected by COVID-19 to pay their utility bills. All major retailers are participating in the fund, representing coverage of 99.6 per cent of residential electricity customers in the ACT.

## Keeping Canberrans employed

### Access to Portable Long Service Leave

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 0 | 0 | 0 | **0** |

The Government has amended legislation to provide access to Long Service Leave to workers that suffer a loss of income. The legislation allows the Minister for Employment to permit early access to leave payments accrued by workers impacted by the COVID 19 pandemic.

### Jobs for Canberrans Fund

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 5,000 | 23,000 | 0 | 0 | **28,000** |
| Offset – expense | 0 | -3,000 | 0 | 0 | **-3,000** |

The Government has established the Jobs for Canberrans Fund to allow the ACTPS to employ additional workers on short-term contracts to help deliver projects and programs of benefit to the Canberra community.

This provides opportunities for those in the casual workforce, such as those who are excluded from the Commonwealth's JobKeeper wage subsidy program.

Opportunities have been identified across the ACT Public Service and will focus on roles with minimal prerequisites that can be undertaken in a manner that is compliant with health restrictions.

The expense offset relates to the reinvestment of an estimated $3 million from the Partnership on COVID-19 Response.

### Rapid rollout of ‘screwdriver ready’ minor capital works projects

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Capital | 20,000 | 8,000 | 0 | 0 | **28,000** |
| Expense | 5,000 | 2,000 | 0 | 0 | **7,000** |

The Government is providing $35 million for minor capital works projects to provide immediate support for small and medium-sized local businesses. The 2019-20 program relates to works that can start immediately, be undertaken using local suppliers and workers, and whether they can be undertaken within social distancing requirements. The 2020-21 program builds on the success of the 2019-20 activities and will also provide $2 million for early planning and design works for longer-term projects.

The expense component of this initiative relates to expenditures that cannot be capitalised.

### Rollover of contracts for any casual or contracted ACTPS staff

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | ~ | ~ | 0 | 0 | **~** |

The Government has committed to automatically extending staff employed under contracts in the ACTPS. This will provide job security during this difficult period.

### Urban forest and other public realm maintenance functions

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 1,000 | 2,000 | 0 | 0 | **3,000** |

The Government is spending $3 million on fast-tracking urban forest and public realm maintenance. This will redeploy staff who would otherwise have been employed under contract for work and events that are not expected to go ahead and provide positions for casual workers to undertake paid employment.

## Supporting the Community

### Community Support package

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 5,447 | 3,553 | 0 | 0 | **9,000** |

The Government is providing additional funding of $9 million over two years for our non-government organisation partners to meet increased service demand for emergency relief.  This provides support to partners to meet increased service demand for emergency and food relief, those in our Aboriginal and Torres Strait Islander communities who require culturally appropriate support, and those that may be experiencing domestic and family violence.

The development of the package has been undertaken through consultation with our non‑government sector partners and includes:

* $1.5 million for the Canberra Relief Network (lead by UnitingCare Kippax), for food relief coordination and delivery;
* $1.175 million to support community services organisations during the pandemic (including elements such as staff safety fixtures, and improved technology to support teleconferencing);
* $807,000 for strengthened homelessness prevention services;
* $580,000 to support a range of Aboriginal and Torres Strait Islander organisations;
* $550,000 for domestic and family violence prevention services;
* $300,000 to support asylum seekers and temporary visa holders who may be missing out on other avenues of support; and
* $200,000 for expanded legal services (such as Legal Aid).

This initiative includes $265,000 for mental health services, in addition to the *Mental Health Support Package* initiative outlined below, bringing the total funding for expanded COVID‑19 mental health services to $4.5 million.

### Education Digital Delivery

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 500 | 0 | 0 | 0 | **500** |

The Government has provided Chromebooks or similar devices to all students in years 4‑6 and free Wi-Fi in the homes of the most disadvantaged. This will ensure that students who would otherwise not have access to remote teaching materials will not be left behind as an increasing number of students were required to undertake remote learning.

### Financial support for the Cultural Facilities Corporation

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 2,500 | 0 | 0 | **2,500** |

The Government will provide additional financial support to the Cultural Facilities Corporation. This is a result of the loss of own-source revenue due to the sustained impact of COVID-19 on public gatherings, exhibition spaces and performance venues. This funding will support the arts community by allowing the Cultural Facilities Corporation to retain staff and provide rent abatements to tenants.

### Increased Magistrates Court resourcing

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 0 | 310 | 0 | 0 | **310** |

The Government will fund additional capacity in the Magistrates Court to quickly address any backlog of cases as a result of reduced court activity arising from the COVID-19 pandemic.

### Increased support for our arts community

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 1,500 | 0 | 0 | 0 | **1,500** |

Funding of up to $10,000 per artist has been made available for ACT practicing artists to support arts development and the sustainability of arts practice. This may include the development of works to be exhibited or performed into the future, research and development, making of new works or sharing of works via online platforms. A total of $500,000 has been provided through the recent grant round.

Acknowledging the role of the arts in our community’s recovery, the ACT Government will also invest up to $1 million in Canberra arts organisations that have been impacted by the COVID-19 pandemic. Eligible arts organisations (currently funded Key Arts and Program organisations) have been invited to submit proposals for support by demonstrating their financial need this calendar year.

### Mental Health Support Package

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 292 | 3,930 | 0 | 0 | **4,222** |
| Offset – expense | -100 | -135 | 0 | 0 | **-235** |

The Government is providing additional mental health support for Canberrans impacted by COVID‑19. Increased support will be provided across a range of services, including early intervention, expanded step-down support and additional counselling services.

Funding will increase capacity of both government and non-government service delivery, including Lifeline. This initiative is partially funded from reprioritising existing resources.

### More support for the healthcare system

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | TBC | TBC | 0 | 0 | **126,000** |

The Government has provided an additional $126 million to combat COVID-19.

This additional funding is for:

* Health facility infrastructure, including additional emergency department surge capacity of up to 50 beds, flexing the bed base in Canberra Health Services by an additional 131 beds, and supporting Calvary Hospital to deliver dedicated COVID-19 wards and expanded ICU capacity
* Personal protective equipment
* Establishment of respiratory clinics and additional equipment
* The Emergency operations centre
* Enhanced operational capacity for public health services including contact tracing and COVID-19 testing

This cost will be shared between the Commonwealth and the ACT under the National Partnership on COVID-19 Response.

### Public Housing – $250 rent rebate

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Expense | 3,000 | 0 | 0 | 0 | **3,000** |

The Government will make a payment of $250 to all 11,700 social housing households by 30 June 2020. This includes both public housing and community housing households that pay rent based on their income. This payment is to relieve the financial pressure that may be felt by those most vulnerable in our community during this time.

As of June 19, 8,601 households have received the payment.

### Waiver of fees for Early Childhood Education and Care service providers

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2019-20  $’000 | 2020-21  $’000 | 2021-22  $’000 | 2022-23  $’000 | **Total**  **$’000** |
| Revenue forgone | 130 | 0 | 0 | 0 | **130** |

The Government will waive fees ordinarily payable by approved early childhood education and care service providers during the 2020 calendar year under the Education and Care Services National Law. The Education Directorate will also refund any fees already paid for 2020.