

## Business support payments – Western Australia

FEDERATION FUNDING AGREEMENT – AFFORDABLE  
HOUSING, COMMUNITY SERVICES AND OTHER

<b>Table 1: Formalities and operation of Schedule</b>	
Parties	Commonwealth Western Australia
Duration	This Schedule is expected to expire on 30 June 2022.
Purpose	<p>This Schedule will support the delivery of business support packages (the packages) to eligible Western Australian businesses financially impacted by COVID-19. Details of each package can be found in the relevant appendix to this Schedule.</p> <p>Implementation and compliance will be managed by Western Australia.</p>
Reporting arrangements	<p>At the conclusion of each support package, Western Australia must provide a report to the Commonwealth that includes:</p> <ul style="list-style-type: none"> <li>• total number of unique applications received, total number of unique applications paid, total value of applications paid</li> <li>• total value of payments already made to businesses that were subsequently found, to have been ineligible for support under this scheme; and</li> <li>• a statement of assurance confirming that the money has been disbursed to applicants in accordance with the criteria set out in the appendices to the Schedule.</li> </ul> <p>The data should be broken down by each element of each support package as set out in the appendices to the Schedule.</p> <p>The reports should be provided to the Commonwealth no later than 10 business days after the conclusion of each package.</p> <p>The Commonwealth may request additional data on the support packages in writing.</p>

<p>Estimated financial contributions</p>	<p>The Commonwealth's financial contributions under each package will be set out in the appendices to this Schedule.</p> <p>Payments to Western Australia will be made following the conclusion of each package based on the final reports provided by Western Australia.</p>
<p>Additional terms</p>	<p>Western Australia agrees to implement each package in accordance with the parameters outlined in the Appendix.</p> <p>Where businesses that received a payment are later found to have been ineligible, Western Australia will repay the Commonwealth's financial contributions towards those businesses where the funding has been recovered.</p> <p>Repayments to the Commonwealth may be managed by either the Commonwealth reducing a future payment to Western Australia under this Schedule by the relevant amount, or by the Commonwealth invoicing Western Australia for the relevant amount.</p> <p>Sole traders who receive business support through the programs listed in the appendices will not be eligible to receive the COVID-19 Disaster Payment for the same relevant period.</p>

The Parties have confirmed their commitment to this Schedule as follows:

*Signed for and on behalf of the Commonwealth of Australia by*



**The Honourable Josh Frydenberg MP**  
Treasurer of the Commonwealth of Australia

29 October 2021

*Signed for and on behalf of the State of Western Australia by*



**The Honourable Mark McGowan MLA**  
Premier of the State of Western Australia

October 2021

26 NOV 2021

## Business support payments – Western Australia

### Appendix A. Western Australia business support announced 22 August 2021

1. This appendix to the *Business support payments – Western Australia* Schedule (the Schedule) supports the delivery of the Western Australia (WA) Business Support Package announced on 22 August 2021 (this package). This package will support tourism businesses in Western Australia that have been impacted by COVID-19.
2. The Commonwealth will reimburse Western Australia 50 per cent of all payments made to eligible businesses under this package.
3. Payment to Western Australia will be made following the provision of a report in relation to this package that satisfies the requirements outlined in the Schedule.
4. In agreeing to this appendix, Western Australia agrees to implement this package, for the listed programs, in accordance with the parameters and eligibility criteria detailed below.

#### Grants

5. There are three types of grants available for eligible businesses, based on business annual turnover:
  - 5.1. \$2,000 grant for all sole traders and for employing businesses with an annual turnover between \$50,000 and \$100,000
  - 5.2. \$5,000 grant for employing businesses with an annual turnover between \$100,000 and \$1 million
  - 5.3. \$10,000 grant for employing businesses with an annual turnover between \$1 million and \$10 million

#### Eligibility criteria

6. Applicants must be:
  - 6.1. registered with Tourism WA as a previous grant recipient or as part of the agency's marketing campaigns in 2021; or
  - 6.2. a member of, or accredited through, a relevant tourism organisation (as at 22 August 2021, the date of announcement of the new scheme); or
  - 6.3. a travel agent that has been offering a WA product to domestic travellers.
7. Applicants must demonstrate at least a 30 per cent reduction in turnover by comparing the following two periods:
  - 7.1. Saturday 15 May to Friday 25 June 2021; and
  - 7.2. Saturday 10 July to Friday 20 August 2021.
8. Applicants must:
  - 8.1. have an active and valid ABN, and
  - 8.2. be located within Western Australia.

*This Appendix was agreed by the Commonwealth and Western Australia when the overarching Schedule was signed.*



## Premier of Western Australia

Our Ref: 59-339411

The Hon Jim Chalmers MP  
Treasurer  
Parliament House  
CANBERRA ACT 2600

Dear Treasurer,

I am writing to you regarding Commonwealth Government support for Western Australian businesses receiving recent State-funded COVID-19 Business Support Payments.

The former Treasurer wrote to me on 10 April 2022 offering to fund a 25% increase in the value of relevant COVID-19 Business Support payments to be made to eligible businesses by the Western Australian Government, up to a maximum Commonwealth contribution of \$53.9 million. This was in lieu of not providing non-assessable non-exempt (NANE) tax status for these payments as was provided for some grant programs in other States.

The \$53.9 million was budgeted for in the 2022-23 Federal Budget.

Since 10 April 2022, my Government has updated several existing COVID-19 Business Support Programs (see Attachment A). The purpose of these programs remains the same, but we adjusted some payment amounts and criteria to make it easier for businesses to claim assistance and receive the support they need. This reflected industry consultations and feedback. Importantly, there is no change to the maximum cost to the Commonwealth of \$53.9 million.

I now seek your agreement to conclude arrangements for the Commonwealth to fund top-up payments of 25% to the specified grant programs, up to \$53.9 million, by providing a refreshed Appendix B to the *Business support payments – Western Australia* agreement (see Attachment B).

I look forward to your reply.

Yours sincerely

Mark McGowan MLA  
**PREMIER; TREASURER**

**16 JUN 2022**

**CHANGES TO COVID-19 BUSINESS SUPPORT PROGRAMS**

Changes have been made to the Event Suppliers Program and the Small Business Hardship Grants program as follows:

- Events Suppliers Program – payment sizes increased for sole traders and small employing businesses to payments of \$12,500 (up \$2,500) and \$25,000 (up \$5,000) respectively; and
- Small Business Hardship Grants Program – new threshold requirements and increased grant payments by business size (see table below) involving:
  - replacing the previous eligibility requirement of a 50% turnover decrease by introducing two tiers set at 40% and 30% turnover decreases respectively; and
  - introducing new payment amounts for both the 40% and 30% turnover decrease, dependent on business size and employees.

	New grant payment tier – 30% decrease in turnover	Revised grant payment tier – 40% (revised down from 50%) decrease in turnover	Original grant payment at 50% decrease in turnover
Sole traders	\$3,750	\$5,000	\$3,000
Micro businesses (1-5 employees)	\$7,500	\$10,000	\$7,500
Small businesses (6-19 employees)	\$15,000	\$20,000	\$20,000
Medium businesses (20+ employees)	\$37,500	\$50,000	\$50,000

It is noted that these revisions have not changed the overall budget for the eligible COVID-19 business support programs outlined in the proposed Appendix B to the *Business Support Payments – Western Australia* agreement, as additional funding for the two programs above is entirely funded through budget reallocations from underspent programs. In particular, budgets have been revised down for the following programs:

- Christmas Nightclub Closure COVID-19 Assistance Program;
- Small Business Assistance Grant – December 2021;
- Tenant Rent Relief Scheme; and
- the Landlord Rent Relief Incentive.

The maximum cost to the Commonwealth remains unchanged at up to \$53.9 million.

## Business support payments – Western Australia – Appendix B

### Appendix B: Western Australia business support grants announced in early 2022 in response to the COVID-19 Omicron variant

1. This appendix to the *Business support payments – Western Australia* Schedule (the Schedule) supports the delivery of a range of COVID-19 business support grants announced by Western Australia in response to the COVID-19 Omicron variant.
2. The eligible specific grant programs are listed below and are collectively referred to in this document as ‘this package’.
3. The Commonwealth will provide additional funding to Western Australia of 25 per cent of the value paid to eligible businesses under this package, with costs to be determined on a demand-driven basis, up to a maximum Commonwealth contribution of \$53.9 million. Western Australia will use these funds to increase payments to eligible businesses by 25 per cent, in proportion to what those businesses receive under this package.
4. Payment to Western Australia will be made following the provision of a report in relation to this package that satisfies the requirements outlined in the Schedule.

#### Grants and Eligibility Criteria

5. The following grants available for eligible businesses are covered by this Appendix:
  - 5.1. Small Business Hardship Grants Program
  - 5.2. Tenant Rent Relief Scheme
  - 5.3. Landlord Rent Relief Incentive
  - 5.4. Nightclub Assistance Program
  - 5.5. Independent Performing Arts, Theatres and Cinemas Assistance Program
  - 5.6. Small Business Assistance Grant - December 2021
  - 5.7. Tourism Support Program
  - 5.8. Tourism Deposit Refund Program
  - 5.9. Travel Agent Support Fund
  - 5.10. International Education Industry Support Program
  - 5.11. Getting the Show Back on the Road+ (December 2021 revamp and February 2022 Expansion)
  - 5.12. Event Suppliers Support Program
  - 5.13. School Camps COVID-19 Assistance Package
  - 5.14. Christmas Nightclub Closure COVID-19 Assistance Program.
6. Eligibility criteria and further details of these grants have been published by Western Australia. At the time of signature, they can be found here<sup>1</sup>:
  - 6.1. Grants 5.1 to 5.6: <https://www.smallbusiness.wa.gov.au/coronavirus/grants>
  - 6.2. Grants 5.7 to 5.12: <https://www.wa.gov.au/government/covid-19-coronavirus/safe-transition-support-package>
  - 6.3. Grant 5.13: <https://www.education.wa.edu.au/covid-19/school-camps-covid-19-assistance-program>.

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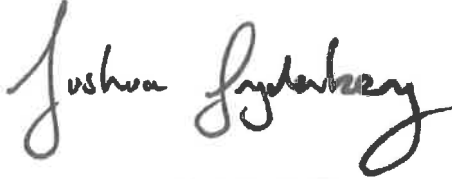
<sup>1</sup> At the time of signature, the Christmas Nightclub Closure COVID-19 Assistance Program (grant 5.14 above) had already completed, and therefore no longer had an online presence listing eligibility criteria.

Details of the grant’s announcement can be found here:  
<https://www.mediastatements.wa.gov.au/Pages/McGowan/2021/12/Financial-support-for-small-businesses-impacted-by-restrictions.aspx>.

Business support payments – Western Australia – Appendix B

The Parties have confirmed their commitment to this Appendix as follows:

*Signed for and on behalf of the Commonwealth  
of Australia by*



**The Honourable Josh Frydenberg MP**  
Treasurer of the Commonwealth of Australia

10 April 2022

*Signed for and on behalf of  
the State of Western Australia by*



**The Honourable Mark McGowan MLA**  
Premier of the State of Western Australia

April 2022

**16 JUN 2022**



**Julie Collins MP**

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**Minister for Housing  
Minister for Homelessness  
Minister for Small Business**

Ref: MC22-005935

The Hon Mark McGowan BA LLB MLA  
Premier  
Treasurer  
13th Floor Dumas House  
2 Havelock Street  
WEST PERTH WA 6005

~~Dear Premier~~  
Mark

Thank you for your correspondence to the Treasurer, concerning COVID-19 business support payments. Your correspondence has been referred to me as the matter falls within my portfolio responsibilities.

The Australian Government is committed to supporting Western Australian small businesses affected by COVID-19. I agree to your request that the Commonwealth continue to provide support for the programs covered by Appendix B of the *Business Support Payments – Western Australia* agreement, after the changes made to their parameters. As per Appendix B, the Commonwealth will provide a 25 per cent top-up to the relevant programs, up to a maximum Commonwealth contribution of \$53.9 million.

I confirm that no other amendments to the agreement are required to give effect to the changes.

I have copied this letter to the Treasurer, the Hon Dr Jim Chalmers MP.

Yours sincerely

  
Julie Collins MP

CC: Treasurer, the Hon Dr Jim Chalmers MP