

Business SA webinar series Q&A

Navigating your business through the COVID-19 pandemic



In partnership with



Small Business
Commissioner
SOUTH AUSTRALIA

Thank you to all of the attendees of our Navigating your business through the COVID-19 Pandemic for your questions. The panel, along with Business SA's experienced staff have provided responses to each question asked, please see below.

Please note: Answers to these questions is provided as general information only and does not take into account the individual circumstances of the employer, business or industry the business operates within. Any information provided should be validated independently by the reader.

For further information and support, please contact any of our panel experts. Business SA members can also discuss workplace related matters with our Business Advice Hotline Contact 08 8300 0000.

Disclaimer: Please note the below responses were provided prior to the Government's JobKeeper stimulus announcement on 30 March 2020 and therefore some of the responses do not consider application of the Government's proposed JobKeeper stimulus measure.

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Question	Response
If staff use their annual leave now and in 6 months operations return to normal. What will be the consequences at Christmas time when our business is closed for 2 weeks and ordinarily staff would take 7 days annual leave? How will this be managed?	Business SA Section s88(1) of the Fair Work Act provides that a period of paid annual leave needs to taken at a time that is agreed to between employee and their employer. If an employee has exhausted their paid annual leave during the year such that they have no paid leave available to them during a Christmas shut down period, then the employee will be on approved unpaid leave for the period of the Christmas closure.
Is there similar ATO assistance for sole traders who don't have employees but rather have consultants that work for them who provide Tax Invoice etc?	John Beverley, Associate Director, Inventure Partners Under the boosting cash flow measure, Eligible payments include: <ul style="list-style-type: none">• Salary and wages• Director fees• Eligible retirement or termination payments• Compensation payments• Voluntary withholding from payments to contractors.
Does apprentice incentive apply to new apprentices/trainees from now?	John Beverley, Associate Director, Inventure Partners Eligibility <ul style="list-style-type: none">• The subsidy will be available to small businesses employing fewer than 20 full-time employees who retain an apprentice or trainee. The apprentice or trainee must have been in training with a small business as at 1 March 2020.• Employers of any size and Group Training Organisations that re-engage an eligible out-of-trade apprentice or trainee will be eligible for the subsidy.• Employers will be able to access the subsidy after an eligibility assessment is undertaken by an Australian Apprenticeship Support Network (AASN) provider.

Question	Response
Can hotels stand down their staff given the Government mandated shut down?	<p>Business SA</p> <p>An employer can lawfully stand down their employees if they meet the criteria of a genuine Stand Down under section 524 of the Fair Work Act. You need to consider the following:</p> <ol style="list-style-type: none"> 1. Is there are stoppage of work? 2. Is the cause outside the control of the Employer? 3. Can the affected employees be usefully employed? <p>If there is an enforceable government direction requiring your hotel business to close, (which means there is no work at all for the employees to do, even from another location), then this would likely meet the criteria under s524 of the Act.</p>
What if an employee chooses not to attend work because they are being cautious?	<p>Business SA</p> <p>If the employee elects not to be at work, but they are otherwise well and fit for duty, then they would need to apply to their Employer to take a period of paid or unpaid approved leave. The employee should follow the normal leave application process. In this situation if it is the employees own decision to stay home, then whilst the Employer is not obligated to cover the wages of the employee, the employer does need to genuinely assess any application from the employee to take a period of paid or unpaid leave.</p> <p>Note* An Employer must not unreasonably refuse an employees request for paid annual leave s88(2)</p>
A large point of confusion among sole traders is if the C=19 Supplement income test is based only on the income of the sole trader, or if their spouse/partner income affects eligibility. There seems to be conflicting information around this. Do you have any details on this?	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Please refer to the Income support for individuals - https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Income_Support_for_Individuals.pdf</p>
If a business is eligible to receive the boosting cashflow and additional payments, will these need to be repaid in the future at all?	<p>John Beverley, Associate Director, Inventure Partners</p> <p>No - these are tax free payments https://www.ato.gov.au/Business/Business-activity-statements-(BAS)/In-detail/Boosting-cash-flow-for-employers/#Eligibility</p>
What financial support is available for sole traders who lose their income stream but their partners are still working?	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Please refer to the Income support for individuals - https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Income_Support_for_Individuals.pdf</p>
What are sole traders eligible for? I can't find any assistance for sole traders	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Please refer to the Income support for individuals - https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Income_Support_for_Individuals.pdf</p>
What do I need to pay staff if the government puts a lockdown in effect. I have staff with leave accrued that can be paid but I also have new staff (less than 1 month) so no leave has yet been accrued.	<p>Business SA</p> <p>During a the period of a Stand Down as defined by s524 of the Fair Work Act:</p> <ul style="list-style-type: none"> • Employers are not required to pay employees wages • Employees will accrue leave as normal • If an employee is taking a period of paid or unpaid leave the employee is not taken to be stood down for the duration of that leave period. <p>An employee who has no leave accrued or has exhausted their leave entitlements, would be Stood Down without any pay, but will remain employees of your business. It would be worthwhile considering whether your business is eligible for the JobKeeper payment: for more information on the JobKeeper payment access https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet_supporting_businesses_1.pdf</p>

Question	Response
<p>Do Not-For-Profits get the same benefits under the stimulus package?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Yes, you will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>Could the Boosting cash amount up to \$50k to June 2020 be explained again for the amount of \$40k, is it related to your monthly PAYG amount?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>The initial cash flow boost is based on the amount of your PAYG withholding, (not PAYG). If you are eligible - The March month is at 3x the withholding amount. If your withholding for March-June was \$40k (will assume this is therefore \$10k per month), it would work as follows: eg 3x \$10k = \$30k. Then following months are at 1x \$10k.</p> <ul style="list-style-type: none"> • March \$30k (credited upon lodgement - earliest is 28 April 20) • April \$10k (credited upon lodgement) • May \$10k (credited upon lodgement) • June \$10k (credited upon lodgement) <p>Total = \$60k would be the total, which is above the boosting cash flow amount cap of \$50k. Therefore the total boosting cash flow amount would be \$50k. The additional payment will be a 1/4 of \$50k - \$12.5k in the July to Oct months for another total of \$50k.</p> <p>https://www.ato.gov.au/Individuals/Dealing-with-disasters/In-detail/Specific-disasters/COVID-19/?page=2#BoostingCashFlowforEmployerspaysments</p>
<p>I have a retail store, ladies boutique, although we are yet to be made to shut our doors, my staff are worried about being in the frontline with customers, and are wanting to stay home already. I want to try to get what sales I can and therefore need to stay open as long as I can. What ideas do you have other than online sales?</p>	<p>John Chapman, Small Business Commissioner</p> <p>Is there a way you can run your shop as a sole operator by restricting access and rearranging your stock presentation to minimise the risk of theft? Ensure you practice social distancing and have appropriate signage In relation to staff wanting to stay at home, please refer to Business SA in relation to the industrial issues which may arise.</p>

Question	Response
<p>How do we go about discussing with our team potentially cutting their wages back as a mitigation strategy (for example - from \$27/hr, back to \$25/hr)?</p>	<p>Business SA Any changes to employment terms and conditions, including any reduction in hours of work or reduction in rate of pay must be discussed and agreed to by the affected employee, Employers must ensure that they comply with the consultation provisions under the applicable Modern Award, Enterprise Agreement or Industrial Instrument. Employers must at all times ensure that the employee is receiving an hourly rate that at least matches the current Modern Award rates of pay if they are an Award Covered employee, or the current National Minimum Wage if they are an Award-Free employee. Any agreed variations should be documented and signed by both the Employer and employee, noting that it is a temporary arrangement, one which is for a set period of time, open ended, or contingent on the cessation of COVID-19.</p>
<p>Other states have suspended Payroll Tax. Do you know if this has been discussed?</p>	<p>John Beverley, Associate Director, Inventure Partners Yes - As part of the \$650m SA Government announcement 26.3.20 Premier Steven Marshall has announced support for business, including Payroll Tax relief, with details of measures to be released later today. A 6-month waiver for all businesses with an annual payroll up to \$4 million. Employers with grouped annual wages above \$4m able to defer for 6 months.</p>
<p>I am a sole trader employing a trainee. Am I entitled to 1. A wage subsidy and 2. A Boosting Credit</p>	<p>John Beverley, Associate Director, Inventure Partners 1 - The Wage subsidy will be available to small businesses employing fewer than 20 full-time employees who retain an apprentice or trainee. The apprentice or trainee must have been in training with a small business as at 1 March 2020. Employers of any size and Group Training Organisations that re-engage an eligible out-of-trade apprentice or trainee will be eligible for the subsidy. Employers will be able to access the subsidy after an eligibility assessment is undertaken by an Australian Apprenticeship Support Network (AASN) provider. 2 - Yes, You will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>How does our cafe insurance work in this situation? We have business interruption?</p>	<p>John Chapman, Small Business Commissioner You should check your policy wording and contact your broker or insurance company in the first instance.</p>

Question	Response
<p>I am a sole trader and employ staff. I get a part aged pension so will I be eligible to receive any other support available to other sole traders?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Yes, You will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>How does the second wave of support work for quarterly BAS Lodgers (i.e. the explanation was based on monthly 25%)?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>If you lodge quarterly business activity statements you will receive 50% of your total initial cash flow boosts for each activity statement - https://www.ato.gov.au/Business/Business-activity-statements-(BAS)/In-detail/Boosting-cash-flow-for-employers/#Eligibility</p>
<p>Does it mean if restaurants have liquor license, they can sell alcohol through takeaways?</p>	<p>John Chapman, Small Business Commissioner</p> <p>For further information see https://www.cbs.sa.gov.au/news/update-short-term-liquor-licensing#</p>
<p>Unsure if this has already been covered, but do you have any clarification on where Remedial Massage Therapists sit in the new rules?</p>	<p>Business SA</p> <p>We have called SA Health on this issue. It may depend on whether remedial massage therapist are considered allied health professionals. They are not registered under AHPRA or recognised as Allied Health professionals by the Allied Health Professions Australia, but they consider themselves allied health professionals. In Queensland they are no longer able to operate under a directive from the Queensland Government. So, in short, we still don't know until SA Health respond to us! Jordon is hoping for a response by COB today and will be calling them this afternoon.</p>
<p>Do graduates employed in an architecture practice qualify as trainees under the stimulus package?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Further information is available at:</p> <ul style="list-style-type: none"> • The Department of Education, Skills and Employment website at: www.dese.gov.au • Australian Apprenticeships website at: www.australianapprenticeships.gov.au <p>For further information on how to apply for the subsidy, including information on eligibility, contact an Australian Apprenticeship Support Network (AASN) provider.</p>

Question	Response
<p>If my PayG withholding is \$9k/month what will be entitled to?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>If you are eligible - March month is at 3x the withholding amount. eg 3x \$9k = \$27k. Then following months are at 1x \$9k.</p> <ul style="list-style-type: none"> • March \$27k (credited upon lodgement - earliest is April 28 2020) • April \$9k (credited upon lodgement) • May \$9k (credited upon lodgement) • June \$9k (credited upon lodgement) <p>Total = \$54k would be the total, which is above the boosting cash flow amount cap of \$50k. Therefore the total boosting cash flow amount would be \$50k. The additional payment will be a 1/4 of \$50k - \$12.5k in the July to Oct months for another total of \$50k.</p> <p>https://www.ato.gov.au/Individuals/Dealing-with-disasters/In-detail/Specific-disasters/COVID-19/?page=2#BoostingCashFlowforEmployerspayments</p>
<p>The government is using the term sole trader in all of their announcements but I've seen no mention of partnerships. Are we covered under this term or are we simply forgotten?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Yes, You will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>Will the ATO automatically apply this or review your business turnover? ie what happens for busiensses with increasing turnover to prior years and quarters, will they still get the boosting cash flow?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>ATO have advised - They will generally determine whether you are a small or medium business entity based on your most recent income tax assessment for a prior year. However, where you do not have any income tax assessments for prior years, you may still be eligible if they are satisfied, based on other information they hold, that you are in business and would have an aggregated annual turnover under \$50 million. Turnover will be generally based on prior year turnover</p>
<p>As an employer of a majority casualised workforce, is there any government funds available for employees if they have to be quarantined for 14days?</p>	<p>Business SA</p> <p>A casual employee can apply for the Centrelink grant if their income has been reduced to less than \$1075 per fortnight. The assets test and waiting period have been waived, therefore the employee can apply immediately. They will need to notify the government when their income increases above the threshold.</p>

Question	Response
<p>What about finance on machinery that is not from a bank but a company like DLL finance?</p>	<p>John Chapman, Small Business Commissioner Same recommendation as per a bank. Discuss with your financier on what assistance they may be able to provide.</p>
<p>As a Professional Services business, if our clients instruct us to stop all work, does that qualify as cause for Standdown?</p>	<p>Business SA An employer can lawfully stand down their employees if they meet the criteria of a genuine Stand Down under section 524 of the Fair Work Act. You need to consider the following:</p> <ol style="list-style-type: none"> 1. Is there are stoppage of work? 2. Is the cause outside the control of the Employer? 3. Can the affected employees be usefully employed? <p>If there is an enforceable government direction requiring your business to close, (which means there is no work at all for the employees to do, even from another location), then this would likely meet the criteria under s524 of the Act. If your workload is reduced by the impact of COVID-19 such that you have less clients requiring your services, then this is not a Stand Down under s524 of the Fair Work Act, and we recommend that you assess the level of impact and consider your alternative options and obligations with your affected employees. It would be worthwhile considering whether your business is eligible for the JobKeeper payment: for more information on the JobKeeper payment access https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet_supporting_businesses_1.pdf</p>
<p>Query on Cash Boost - on the ATO site it says that you must have lodged your 2019 tax return by 12 March? Is that still correct as it wasn't mentioned?</p>	<p>John Beverley, Associate Director, Inventure Partners Yes, you will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.

Question	Response
Is the customer service number available for non members or just members?	<p>Business SA</p> <p>Business SA's Customer Service number of (08) 8300 0000 can be accessed by any employer regardless of whether or not you are a member. Of course Business SA Members have access to additional member-only services, such as our Business Advice Hotline. To find out more about Business SA Membership contact us today on (08) 8300 0000.</p>
In case of stand down, can employee access their personal leave and Long service leave too?	<p>Business SA</p> <p>Absolutely, even though stand down periods are unpaid, an employer may wish to consider some of the following options prior to ceasing employee pay out-right:</p> <ul style="list-style-type: none"> • Options for redeployment to other parts of the business where available. • Allowing employees to take paid leave (such as annual leave or long service leave) if requested. • Allowing employees alternative leave arrangements such as extended annual leave at half pay or early long service leave (if permitted under any applicable award, enterprise agreement or contract). • Special provisions for employees with insufficient accrued leave to cover the period of shut down (for example, allowing staff to purchase leave which is then dedicated on a pro rata basis from their annual wage).
Are we able to call for advice if we aren't members?	<p>Business SA</p> <p>Business SA's Customer Service number of (08) 8300 0000 can be accessed by any employer regardless of whether or not you are a Member. Business SA Members have access to additional Member only services, such as our Business Advice Hotline. To find out more about Business SA Membership contact us today on (08) 8300 0000.</p>
Does the IAWO increase to \$150,000 also apply to write off of pools under \$150,000?	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Yes. Small businesses can:</p> <ul style="list-style-type: none"> • Pool the business portion of most higher cost assets (those with a cost equal to or more than the relevant instant asset write-off threshold) and claim a 15% deduction in the year you start to use them or have them installed ready for use • A 30% deduction each year after the first year • Deduct the balance of the small business pool at the end of the income year if the balance at that time (before applying the depreciation deductions) is less than the instant asset write-off threshold. <p>https://www.ato.gov.au/Business/Depreciation-and-capital-expenses-and-allowances/Simpler-depreciation-for-small-business/Instant-asset-write-off/ https://www.ato.gov.au/business/depreciation-and-capital-expenses-and-allowances/simpler-depreciation-for-small-business/</p>
Is there, or will there be, help to assist those in very small businesses, and who don't have an online presence, to get their business online and negate to some degree, the need to have a physical shopfront?	<p>John Chapman, Small Business Commissioner</p> <p>We are planning to run a Webinar on Wednesday 8th April 2020 on Digital Transformation for Small Business please see our events page at www.sasbc.sa.gov.au</p>
If we end up needing to stand down staff, are we still classed as an active employee as it is my understanding we need to remain as active employee to access the \$10k to support next month.	<p>Business SA</p> <p>The payments will be available to active eligible employers established prior to 12 March 2020.</p>

Question	Response
<p>I signed a new lease agreement to start a cake shop on Grenfell Street. The lease contract is binding and starts on 1st April, with 3 months free rent until the end of June and 21 months of paid rent starting from July. I have not started the shop fitout and may not be able to do the fitout at all due to COVID-19 crisis. Foot traffic in the city was the only reason why I signed this contract. 2 weeks ago, I tried to contact the landlord and he refused the negotiate any extra free rent. Unless I have 3 more months of free rent, I will not be able to do the shop fitout and start the business. Please I need help negotiating with the landlord.</p>	<p>John Chapman, Small Business Commissioner Please lodge a dispute through www.sasbc.sa.gov.au website. A case team member will then contact you for further information and commence discussions with your landlord.</p>
<p>Are we able to receive a copy of the Heard Phillips Lieberenz decision tree?</p>	<p>Andrew Heard, Director, Heard Phillips Lieberenz Presentation notes can be sourced from www.business-sa.com/businessresilience</p>
<p>I spoke to my bank today and they have only offered 3 months. Is this a Govt mandated thing or a bank by bank thing?</p>	<p>John Beverley, Associate Director, Inventure Partners It is a bank by bank consideration. Loans will be subject to lenders' credit assessment processes with the expectation that lenders will look through the cycle to sensibly take into account the uncertainty of the current economic conditions. https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Supporting_the_flow_of_credit_1.pdf</p>
<p>Will assistance apply to businesses who pay consultants and have no employees?</p>	<p>John Beverley, Associate Director, Inventure Partners You will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>Is there any assistance for sole traders re: personal rent</p>	<p>John Beverley, Associate Director, Inventure Partners Currently rent relief has not been announced - although we understand discussions are ongoing at state and federal levels.</p>

Question	Response
<p>Will my business be eligible for cash injection if I don't have employees but have consultant?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>You will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>What is the eligibility criteria to apply for cash flow boost?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>You will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>I have a hospitality business client who is needing to make a staff member redundant as a direct result of the COVID-19 restrictions. Is this something Business SA can assist with?</p>	<p>Business SA</p> <p>Business SA can certainly help you with this. Please call our Business Advice Hotline on (08) 8300 0000 (select option 1) and our Business Advice Hotline will be able to assist you with this or have one of our Senior Consultants, Workplace Relations provide you with support.</p>

Question	Response
<p>If you have staff that are owed long service leave but you do not have the funds to pay now - can you stand them down and then when things re-open etc take them back?</p> <p>If you have to lay people off full timers as no work - do you have to pay retrenchment \$\$\$?</p>	<p>Business SA Business SA's COVID-19 Employer Guide - Managing the workplace in the face of the outbreak contains very helpful information you may want to consider:</p> <ul style="list-style-type: none"> • Section 4 - changing or scaling down operations) on the considerations that need to be made when dealing with redundancies • Section 5 - considerations that need to be made when standing down an employee(s). <p>Its important to note that the stand down of an employee is a temporary measure to enable you as a business to deal with this issue and therefore during this period of time your employee would continue to be employed by you and accrue leave in the normal way.</p> <p>Lastly, it would be worthwhile considering whether your business is eligible for the JobKeeper payment: for more information on the JobKeeper payment access https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet_supporting_businesses_1.pdf</p>
<p>If you take one of the loans or get any relief will that affect your credit rating in the future?</p>	<p>Andrew Heard, Director, Heard Phillips Lieberenz I would not have thought that taking out an additional loan facility is going to effect your credit rating, a default on the additional loan may well have an impact, and it will obviously impact the overall gearing that your balance sheet will show and therefore be a factor in further borrowings that may be required down the track for your business.</p>
<p>I'm a Sole Trader and I believe I'm eligible for help after 27 th April, what do I do before? My business has decreased by 100%</p>	<p>John Chapman, Small Business Commissioner Contact the Federal Government Business Hotline on 13 28 46. This is a Commonwealth Govt Program</p>
<p>If you don't think that people will purchase your product during this time (I am a home based business), what are your thoughts about stopping insurance cover?</p>	<p>John Chapman, Small Business Commissioner The decision on insurance is one I cannot give advice on. You need to consider the risks you will incur should you cease cover and also whether by ceasing the cover whether that has any impacts on previous cover and/or claims.</p>
<p>What can be done to help small traders when the landlord of a small suburban shopping centre has refused to offer any rent relief?</p>	<p>John Chapman, Small Business Commissioner The Federal and State Governments are considering issues surround tenant/ landlords.</p>
<p>What about super guarantee payments?</p>	<p>John Beverley, Associate Director, Inventure Partners Super guarantee is still a responsibility of employers and legally cannot be extended past the due date to pay super guarantee contributions for your employees. Pay as much as you can by the due date, even if you can't pay in full. This will reduce the super guarantee charge. If you didn't pay the full super guarantee by the due date:</p> <ul style="list-style-type: none"> • Lodge a Super guarantee charge statement • Pay the charge to the ATO. <p>If you do this within the month, there will be no penalties. Interest will still apply.</p>
<p>As just said we have to stay open even though we have no business coming in, therefore no income but many expenses, can we still access our super?</p>	<p>John Beverley, Associate Director, Inventure Partners If there has been a reduction in your turnover of 20% or more, yes you will be able to access super - https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Early_Access_to_Super_1.pdf</p>

Question	Response
Can the boosting cash credit be offset of BAS qtr payable amount.?	<p>Andrew Heard, Director, Heard Phillips Lieberenz Yes. That is the intention of the credit that will be applied</p>
I have a lot of existing invoices from clients who are in the same position as me... what can I do to get these paid now?	<p>Andrew Heard, Director, Heard Phillips Lieberenz With respect to your debtors who are in the same position as you, all that you can do is to negotiate reasonable repayment plans with them. With the announcements impacting insolvent trading and the extended time for a statutory demand to expire, traditional debt collection pressure has eased. It's not clear how the court may respond to debt collection proceedings that could be issued out of the magistrates Court e.g. garnishee proceedings and examination summonses etc. but it is possible the court will have regard to the intent of the government announcements to give businesses time to work out their problems. My advice is to work hard to protect your future sales to ensure that they will be paid and plan very conservatively for the receipt of debtors from your existing customers.</p>
Can we have staff use part of their pro-rata?	<p>Business SA An Employer and Employee can agree to alternative arrangements following genuine consultation provisions. Regarding Pro-rata Long Service Leave, Employers need to consider the applicable State/Territory Long Service Leave Act before commencing discussions with the affected employee. Business SA can certainly help you with this. Please call our Business Advice Hotline on (08) 8300 0000 (select option 1) and our Business Advice Hotline will be able to assist you with this or have one of our Senior Consultants, Workplace Relations provide you with support.</p>
If there are additional costs associated with working from home, is there an obligation to meet these costs (which can be difficult to quantify)?	<p>Business SA Business SA's COVID-19 Employer Guide - Managing the workplace in the face of the outbreak contains very helpful information (at section 3) on the considerations that need to be made when employees work from home. Its important to remember that whenever your employee works you are still responsible for their physical health and safety whilst at work, so its important that you communicate about what arrangements need to be in place and reasonable costs that you are prepared to cover. You can also talk to your employee about what expenses they can claim through their personal income tax. The Australian Taxation Office has helpful information at: https://www.ato.gov.au/uploadedFiles/Content/IND/Downloads/Working-from-home.pdf</p>
What do you regard as a fair arrangement between Landlord & Tenant in regard to rent and on-costs?	<p>John Chapman, Small Business Commissioner Every lease arrangement is different. What is fair will be determined in a negotiation between the landlord and tenant.</p>
Can I access the Tenants Bond as a means of rent relief?	<p>John Chapman, Small Business Commissioner Please refer to information relating to Bonds on the www.sasbc.sa.gov.au website. There are legal processes the Small Business Commissioner is required to follow around the refunds of bonds.</p>
For the wine industry is there any discussions on increasing the WET rebate claimable from \$350k?	<p>John Beverley, Associate Director, Inventure Partners Many in the wine industry are hurting from the 2020 vintage and have been asking for the removal of the requirement to pay the WET, even if just for 12 months, but currently there are no known direct measures to increase the WET rebate from \$350k at this point.</p>

Question	Response
<p>If we have apprentices employed through a group scheme like HIA will the host of the apprentice receive these benefits?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>The subsidy will be available to small businesses employing fewer than 20 full-time employees who retain an apprentice or trainee. The apprentice or trainee must have been in training with a small business as at 1 March 2020. Employers of any size and Group Training Organisations that re-engage an eligible out-of-trade apprentice or trainee will be eligible for the subsidy. Employers will be able to access the subsidy after an eligibility assessment is undertaken by an Australian Apprenticeship Support Network (AASN) provider. Further information is available at:</p> <ul style="list-style-type: none"> • The Department of Education, Skills and Employment website at: www.dese.gov.au • Australian Apprenticeships website at: www.australianapprenticeships.gov.au <p>For further information on how to apply for the subsidy, including information on eligibility, contact an Australian Apprenticeship Support Network (AASN) provider.</p>
<p>Family business under trust, but not registered family members as employees. Can register PAYG now or backdated?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>You will be eligible to receive the cash flow boost if you are a small or medium business entity, including trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020. <p>You will not be eligible for cash flow boosts if you (or a representative) have entered into or carried out a scheme for the purpose of:</p> <ul style="list-style-type: none"> • Becoming entitled to cash flow boosts when you would otherwise not be entitled, or • Increasing the amount of the cash flow boosts. <p>This may include restructuring your business or the way you usually pay your workers to fall within the eligibility criteria, as well as increasing wages paid in a particular month to maximise the cash flow boost amount.</p> <p>Any sudden changes to the characterisation of payments made may cause us to investigate whether the payments are in fact wages. If the payments are wages, we may consider the characterisation of past payments, including whether they should have been subject to PAYGW and whether super guarantee contributions should have been made. You may also have FBT obligations that have not yet been met.</p>

Question	Response
<p>What are the consequences if an employer DOES NOT consult an employee in regards to Redundancy & instead tells the employee that's what is happening? Would it be the same if the employee is in a probation period of employment (just started employment with that employer and within the 3 months probation)?</p>	<p>Business SA Business SA's COVID-19 Employer Guide - Managing the workplace in the face of the outbreak contains very helpful information (at section 4 - changing or scaling down operations) on the considerations that need to be made when dealing with redundancies. Sub-section 4.3 contains information on redundancies and highlights that you first must consider your consultation obligations under any Award or Enterprise Agreement. It appears that you may be in a situation whereby you can no longer provide employment to an employee who is on probation? Its best before you take steps to make an employee redundant you get some advice on your specific circumstances and if you are a Business SA Member please call our Business Advice Hotline on (08) 8300 0000 so we can provide you with tailored advice specific to your circumstances.</p>
<p>Are unsecured government guaranteed business loans available for sole traders?</p>	<p>John Beverley, Associate Director, Inventure Partners Yes - SMEs with a turnover of up to \$50 million will be eligible to receive these loans. The Government will provide eligible lenders with a guarantee for loans with the following terms:</p> <ul style="list-style-type: none"> • Maximum total size of loans of \$250,000 per borrower. • The loans will be up to three years, with an initial six month repayment holiday. • The loans will be in the form of unsecured finance, meaning that borrowers will not have to provide an asset as security for the loan. <p>Loans will be subject to lenders' credit assessment processes with the expectation that lenders will look through the cycle to sensibly take into account the uncertainty of the current economic conditions. https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Supporting_the_flow_of_credit_1.pdf</p>
<p>I have been trying to call ATO to defer our \$30k company tax payment and I can't get through what do I do?</p>	<p>John Beverley, Associate Director, Inventure Partners One option if you have an accountant - you can try asking them to contact the ATO on the dedicated tax agent line, or request your accountant submit a specific request via the tax agent portal. Otherwise keep trying.</p>
<p>As a director of a new business, without any other form of income, am I eligible for the \$1100/fortnight payment - and is this via centrelink?</p>	<p>John Beverley, Associate Director, Inventure Partners The income support for individuals is https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Income_Support_for_Individuals.pdf</p>
<p>Are there any statutory periods when it comes to potentially rehiring staff after being made redundant due to corona virus after things return to normal?</p>	<p>Business SA There is nothing stopping an Employer rehiring of an worker who has previously been made Redundant by the Company, however this is a not a straight forward matter. It can create confusion for an employer, particularly with respect to the continuity of an employee's entitlements. The employer would need to consider the continuity of the entitlements from the date when the employee was re-employed, and the answer will vary depending on the leave entitlement in question, and the Industrial Instrument that is applicable to the Employer and their employee. Business SA can certainly help you with this. Please call our Business Advice Hotline on (08) 8300 0000 (select option 1) and our Business Advice Hotline will be able to assist you with this or have one of our Senior Consultants, Workplace Relations provide you with support.</p>

Question	Response
<p>Is there any funds that can be made available dating back to the 2018/2019 tax year?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Not as such - If you are a pay as you go (PAYG) instalments payer, you can vary your PAYG instalments on your activity statement. You can do this by lodging a revised activity statement before your instalment is due and before you lodge your tax return for the year. Taxpayers who vary their PAYG instalment rate or amount can also claim a refund for any instalments made during the 2019–20 financial year.</p> <p>Where you choose to vary your PAYG instalments, the ATO won't apply penalties or charge interest to varied instalments for the 2019–20 financial year.</p> <p>https://www.ato.gov.au/Individuals/Dealing-with-disasters/In-detail/Specific-disasters/COVID-19/?page=2#Varypayasyougoinstalments</p>
<p>We are a partnership self employed do we get the same as sole traders?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>You will be eligible to receive the cash flow boost if you are a small or medium business entity, including not-for-profit organisations, sole traders, partnership, company or trust that:</p> <ul style="list-style-type: none"> • Held an ABN on 12 March 2020 and continues to be active • Has an aggregated annual turnover under \$50 million (generally based on prior year turnover) • Made eligible payments you are required to withhold from (even if the amount you need to withhold is zero) <p>Eligible payments include:</p> <ul style="list-style-type: none"> • Salary and wages • Director fees • Eligible retirement or termination payments • Compensation payments • Voluntary withholding from payments to contractors. <p>In addition, you must also have either:</p> <ul style="list-style-type: none"> • Derived business income in the 2018–19 income year and lodged your 2019 tax return on or before 12 March 2020 • Made GST taxable, GST-free or input-taxed sales in a previous tax period (since 1 July 2018) and lodged the relevant activity statement on or before 12 March 2020.
<p>What does it mean to have an increase in statutory demand threshold to 20k for 6 months?</p>	<p>John Beverley, Associate Director, Inventure Partners</p> <p>The Government is temporarily increasing the threshold at which creditors can issue a statutory demand on a company and the time companies have to respond to statutory demands they receive. The package also includes temporary relief for directors from any personal liability for trading while insolvent, and providing temporary flexibility in the Corporations Act 2001 to provide temporary and targeted relief from provisions of the Act to deal with unforeseen events that arise as a result of the Coronavirus health crisis.</p> <p>The ATO will tailor solutions for owners or directors of business that are currently struggling due to the Coronavirus, including temporary reduction of payments or deferrals, or withholding enforcement actions including Director Penalty Notices and wind-ups.</p> <p>https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Providing_temporary_relief_for_financially_distressed_businesses.pdf</p>
<p>Who do you consult for apprentice related questions?</p>	<p>Business SA We recommend you contact your Australian Apprentice Support Network provider who will be able to assist you with any apprentice related questions. If you have a question regarding your apprentice's entitlements and if you are a Business SA Member please call our Business Advice Hotline on (08) 8300 0000 so we can provide you with tailored advice specific to your circumstances.</p>

Question	Response
What's the interest rate on secured loans?	<p>John Beverley, Associate Director, Inventure Partners Please refer to the relevant lender.</p>
I'm a sole trader in adult retail, at this time I haven't had to stop trading but customers have dropped dramatically and I still have bills to be paid. How can I access the \$1100 per fortnight assistance someone spoke about earlier?	<p>John Beverley, Associate Director, Inventure Partners The income support for individuals is https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Income_Support_for_Individuals.pdf</p>
What happens to the employer that has so many obligations and loans that he or she don't have the income any longer to support and fulfill all his obligations?	<p>Andrew Heard, Director, Heard Phillips Lieberenz In these circumstances the employer needs to work out whether or not they can reschedule existing obligations to be paid when more normalised cash flow returns at the end of the pandemic.. It is likely however if your loans and debts are so self overwhelming now that making the appointment of a liquidator or administrator will be what is necessary to enable your business to either be equitably wrapped up or restructured formally with a deed of company arrangement.</p>
Any advice for sole traders? Financial assistance mentioned at \$1100/fortnight, can you expand on this please?	<p>John Beverley, Associate Director, Inventure Partners The income support payment categories eligible to receive the Coronavirus supplement are:</p> <ul style="list-style-type: none"> • Jobseeker Payment1 (and all payments progressively transitioning to JobSeeker Payment; those currently receiving Partner Allowance, Widow Allowance, Sickness Allowance and Wife Pension) • Youth Allowance Jobseeker • Parenting Payment (Partnered and Single) • Farm Household Allowance • Special Benefit recipients <p>Anyone who is eligible for the Coronavirus supplement will receive the full rate of the supplement of \$550 per fortnight. https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet-Income_Support_for_Individuals.pdf</p>
We are keeping the same employees in the same car each day. If 1 car gets the virus can the other cars keep operating? SA Greenthumbz, Phil Laurie	<p>Business SA Phil its pleasing to see that SA Greenthumbz are a Business SA Member. Please give our Business Advice Hotline a call on (08) 8300 0000 (select option 1) and they will be able to provide you with advice specific to your organisation's workplace.</p>
How will the cash (\$20k to 100K) be provided to businesses?	<p>John Beverley, Associate Director, Inventure Partners As a credit to the businesses ATO integrated client account - if in net refund for that activity statement - the ATO have advised it will be refunded to the business within 14 days.</p>
Is the ATO going to still take income tax at the end of this fin year? I was thinking of trying to save some \$ to get through July - Sept this year, but if I try to cut costs and save \$ and show a 'profit' as a business, then am I still going to be taxed by the Govt at the same rate?	<p>Andrew Heard, Director, Heard Phillips Lieberenz I am unaware of any changes to the income tax assessment regime in any of the announcements to date. My advice to you will be to preserve your cash and if need be enter into a repayment arrangement with the ATO on account of your income tax obligations when that assessment has been made. The best strategy for you is to keep your employees employed and your business (that appears from your question to be profitable) trading so that it can be best placed to recover when conditions of business normalise.</p>

Question	Response
How do we access the funding for apprentices?	<p>John Beverley, Associate Director, Inventure Partners</p> <p>Employers will be able to access the subsidy after an eligibility assessment is undertaken by an Australian Apprenticeship Support Network (AASN) provider. Further information is available at The Department of Education, Skills and Employment website at: www.dese.gov.au or the Australian Apprenticeships website at: www.australianapprenticeships.gov.au For further information on how to apply for the subsidy, including information on eligibility, contact an Australian Apprenticeship Support Network (AASN) provider.</p>
When can we expect to hear the criteria and timelines for the \$1 billion for tourism, ag. etc?	<p>John Chapman, Small Business Commissioner</p> <p>The various packages will be rolled out progressively so please constantly review the www.business.sa.gov.au website</p>
If Employees are on sick leave due to the virus and a stand down decision does the stand down order overrule the sick leave entitlement?	<p>Business SA</p> <p>An employee can (of course) avail themselves of their accrued sick leave if they take time off work due to being ill with the COVID-19 virus. Under the Fair Work Act, national system employees (other than those engaged on a casual basis), are entitled to 10 days paid sick (personal) leave for each year of service. This entitlement accrues on a progressive basis during each year of service and many employees will have an accrual in excess of 10 days. There is no limit on the number of days of accrued leave that can be taken as personal leave.</p>
Am I obligated to payout all entitlements prior to implementing a stand down?	<p>Business SA</p> <p>Business SA's COVID-19 Employer Guide - Managing the workplace in the face of the outbreak contains very helpful information (at section 5) on the considerations that need to be made when standing down an employee(s). Even though stand down periods are unpaid you may wish to consider options prior to ceasing employee pay outright; such as allowing employee(s) to take annual leave or long service leave.</p> <p>Its important to note that the stand down of an employee is a temporary measure to enable you as a business to deal with this issue. During this time employee(s) will accrue leave in the usual way and will continue to be employed by you.</p> <p>If you are a Business SA Member please call our Business Advice Hotline on (08) 8300 0000 so we can provide you with tailored advice specific to your circumstances.</p> <p>Lastly, it would be worthwhile considering whether your business is eligible for the JobKeeper payment: for more information on the JobKeeper payment access https://treasury.gov.au/sites/default/files/2020-03/Fact_sheet_supporting_businesses_1.pdf</p>
So is it for the withheld amount or gross wages paid - or is the minimum regardless of the withheld amount?	<p>John Beverley, Associate Director, Inventure Partners</p> <p>If eligible, the minimum amount of boosting cash flow is \$10k, and \$10k Additional payment - so a total of \$20k. It is based on the tax withheld on the basis payments were made and reported through the activity statement. https://www.ato.gov.au/Business/Business-activity-statements-(BAS)/In-detail/Boosting-cash-flow-for-employers/</p>
In regards to boosting cash flow when an IAS or BAS is lodged to do they have to pay the debt in full before receiving the boosting cash or does it come off the ICA debt?	<p>Andrew Heard, Director, Heard Phillips Lieberenz</p> <p>The boosting cash payment will be a credit that will be applied to your BAS. For example, if your March BAS had a \$10,000 net payable obligation, and your boosting credit was going to be \$25,000, you would receive a \$15,000 net credit. On our discussions with the ATO, that \$15,000 would not be applied against old ATO debts that may be overdue for payment. We would encourage businesses with old amounts to talk to the ATO about a payment plan to regularise the overdue sum.</p>