

McGowan Government announces WA Recovery Plan

Premier Mark McGowan has released a \$5.5 billion Recovery Plan to drive economic and social recovery and create a pipeline of jobs for Western Australians. The WA Recovery Plan includes a \$66.3 million renewable energy technology package to create jobs, reduce costs and improve WA's renewable energy footprint.

The plan has been developed in consultation with the State Recovery Advisory Group, which includes representatives from business, industry, not-for-profit organisations, UnionsWA, the public sector, local government and the community.

The \$5.5 billion investment will create thousands of local jobs in important sectors such as construction, manufacturing, tourism and hospitality, renewable energy, education and training, agriculture, mining and conservation.

As part of the plan, the McGowan Government will invest more than \$60 million for 'shovel-ready' maintenance upgrades to vital State Government facilities.

The maintenance work is expected to get underway within weeks and will create an immediate boost to workers such as electricians, painters, plumbers, builders and carpenters.

Investment opportunities

\$2.3 million will be invested in 20 local governments to reform approvals processes and create new laws to simplify approvals for mining, tourism and other developments.

A new portal, Environmental Online, is also being developed through \$20 million in WA and Commonwealth Government funding. The portal will reduce approval processes by 6 to 12 months.



Mining opportunities

Mining initiatives will include building on the industry's understanding of the state's geoscience, encouraging exploration activities and kick-starting new projects across WA.

Amendments to mining regulations will aim to reduce assessment timeframes for exploration applications and fast-track new opportunities.

A \$7 million allocation will expand the Joe Lord Core Library's capacity.

Helping small businesses and NGOs

A \$942.8 million package will provide support to small businesses and non-government organisations.



An additional \$6.8 million will go towards expanding financial counselling services to help individuals and small businesses recover.

Small to medium-sized businesses will receive a one-off grant of \$17,500 from the WA Government to help them recover from the impacts of COVID-19, from July 20.

Payroll tax paying businesses with a payroll between \$1 million and \$4 million will be eligible for the grant, which will be sent automatically to all qualifying businesses.

Eligibility for employers not registered for payroll tax in 2018-19 will be determined on their reconciled 2019-20 Australian taxable wages, with grants paid later in 2020.

Electricity bill assistance

Eligible small businesses will receive a one-off \$2,500 offset on their electricity bill from May 2020 to reduce current and future electricity bills.

The offset provides some \$204 million in relief to businesses such as cafes, delis, restaurants, beauticians and small retail stores.

Waiver of licence fees

A wide range of business and licence fees for small and medium-sized businesses in industries such as hospitality, tourism, retail and building trades will be waived for the next 12 months. This initiative will provide around \$100 million in immediate relief for these businesses, helping them maintain the currency of business-critical licences. This initiative includes licences for:

- building services, plumbers and electricians;
- tourism businesses operating in national and marine parks;
- boat registration and mooring fees for tourism operators and commercial fishers;
- commercial fisheries licences;
- taxi booking service authorisation fees;
- settlement agent licence fees; and
- other statutory planning fees.

Additionally, liquor licence renewal fees for 2020 will be waived and refunds provided to businesses that have already paid, benefiting around 5,500 businesses with a liquor licence.

Payroll tax relief

The State Government has announced a number of payroll tax relief measures including:

The payroll tax exemption threshold will be increased to \$1 million from 1 July 2020. This brings the increase forward from the planned date of 1 January 2021. The increase in the payroll tax exemption threshold will result in approximately 300 Western Australian businesses no longer being liable for payroll tax, and a reduction in the payroll tax payable by a further 11,000 businesses with Australia-wide payrolls below \$7.5 million.

For Western Australian businesses with an Australia-wide payroll of less than \$7.5 million, payroll tax liabilities will be waived for the four months from 1 March to 30 June 2020

Additionally, wage subsidies under the Australian Government's JobKeeper Payment scheme will be made specifically exempt from payroll tax.

Rent relief on Government-owned buildings

The Government has allocated \$25 million to fund, a ix month waiver on rent for small businesses in State Government-owned buildings. It will apply until 30 September 2020. Rent outstanding prior to 30 March 2020 will not be waived.

Other taxes and duties

The State Government has also announced that no small business facing financial difficulty due to COVID-19 will have their electricity or water services disconnected due to late payments. No interest will be charged on deferred electricity bill payments.

Businesses impacted by COVID-19 can also apply for an interest-free payment arrangement and for late payment penalties to be waived for payroll tax, transfer duty, landholder duty, vehicle licence duty or land tax.

Tourism

A \$14.4 million package will help small tourism operators across WA refocus their businesses in response to the pandemic. This involves 2 separate funding programs.



Roads, buildings and camps in State parks will be upgraded, where possible by local contractors and suppliers.

The government will partner with airlines to create more affordable flights to regional tourism destinations.

Road and rail projects

[METRONET](#) will connect suburbs, reduce congestion, support local jobs and bolster economic recovery.

Major road projects and road safety will be fast-tracked through projects such as:

- \$215 million Mitchell Freeway extension to Romeo Road
- \$400 million Tonkin Gap extension
- \$100 million for improving 1400 kilometres of roads across WA.

These projects will stimulate local economies and create local jobs under the [Buy Local Policy](#) and the [Western Australian Jobs Act](#).

Furthermore, \$146 million over 4 years is being invested to build 150 kilometres of cycling infrastructure.

Community infrastructure

A [\\$159 million Lotterywest COVID-19 Relief Fund](#) will support not-for-profit arts, sports, community and recreational organisations.

A [\\$12 million Community Sporting and Recreation Facilities Fund](#) has been fast-tracked so not-for-profit groups can improve local sporting facilities. Annual and forward planning applications for grants of up to \$2 million close in September 2020.

\$4.65 million in funding has also been brought forward for state sporting associations to maintain and upgrade grounds and club buildings.

Supporting the most affected

The McGowan Government has committed \$115.8 million to boost the Energy Assistance Payment by \$305.25 for eligible customers at 30 September 2020

\$28.1 million has been committed to victims of family and domestic violence, by expanding refuges, strengthening response teams and increasing outreach workers across WA

An allocated \$25 million will create a 16-bed mental health, alcohol and other drugs homelessness service.

\$6.8 million has been committed to increasing counsellors and support staff across WA, and to fund traineeships and scholarships to help people cope with financial pressures.

\$10 million will be provided for essential equipment and home modifications to support Western Australians with disability or medical conditions, enhancing their independence and safety, and helping carers in their roles.

More than \$7 million has been committed for people experiencing homelessness by giving funding certainty to not-for-profit service providers to provide wraparound services and immediate support to rough sleepers. This complements WA's first supported housing facility 'Common Ground', which will also be built near the Perth CBD.

Supporting women

\$62 million has been committed for a TAFE and training sector recovery package. This will expand the Lower Fees, Local Skills initiative to incorporate female-dominated industry courses, such as mental health, disability services, early childhood education, and care and community services.

The McGowan Government will introduce a job retraining scheme for women in refuges and more financial support for family and domestic violence services and launch Stronger Together: WA's Plan for Gender Equality.

Increasing employment opportunities

Priorities to help rebuild Western Australia's workforce include:

- Up to \$6000 for employers to rehire apprentices and trainees who lost their job due to the pandemic

- The Food Alliance WA's 'Here for WA' program, which connects casual, skilled and unskilled jobseekers under the age of 30 with employment in the agriculture, fisheries and food sectors, and
- Protecting WA's natural environment and promoting growth in conservation jobs across the state through the Green Jobs Plan.

[Green Jobs Plan to protect our environment and create local jobs](#)

COVID-19 Safe Initiatives

More than \$487 million has been committed for health and frontline service delivery initiatives that support the community's physical and mental health.

\$56 million has been committed for mental health, and alcohol and other drugs support for at-risk and vulnerable groups. This includes \$25 million for 20 more mental health beds at Fremantle Hospital, transforming it into a mental health hub.

\$5 million has been committed for 34 university-led COVID-19 pandemic projects, which could see WA researchers play a significant role in the treatment and management of the COVID-19 pandemic.

There will be expanded access to mental health care in regional communities and improved digital connection, so more people in regions can use telehealth services.

Households experiencing financial hardship due to the pandemic will not have their power or water disconnected, and Synergy and Horizon Power will not charge customers interest on deferred bill payments.

Interest-free payment arrangements are available and late payment penalties will be waived for transfer duty, landholder duty, and vehicle licence duty and land tax.

\$60 million maintenance blitz

To create immediate jobs for skilled workers and boost local construction, we're undertaking a \$60 million maintenance blitz to maintain public assets, such as police and fire stations. These works will help local communities improve sporting venues, and build and upgrade facilities to help vulnerable people. This expands on the \$281.5 million maintenance package to fix schools and hospitals already announced.

Building homes

Home building incentives

A housing package will provide incentives to build new homes and deliver more social and affordable housing options for Western Australians.



Furthering social housing

A \$319 million Social Housing Economic Recovery package will also support vulnerable communities. It will create work opportunities, 1700 jobs, as well as supporting people on low incomes or at risk of homelessness to get into high quality homes.



Growing local

Boosting local manufacturing and keeping funds in WA is a priority in aiding the recovery effort.

Local businesses can benefit from manufacturing work and continue to employ Western Australians. This will broaden the state’s economic base and activate new industries, laying a foundation for future jobs growth.

This will help fast-track private sector investment and deliver new job opportunities around key industry hubs throughout WA.

Investing in renewable energy

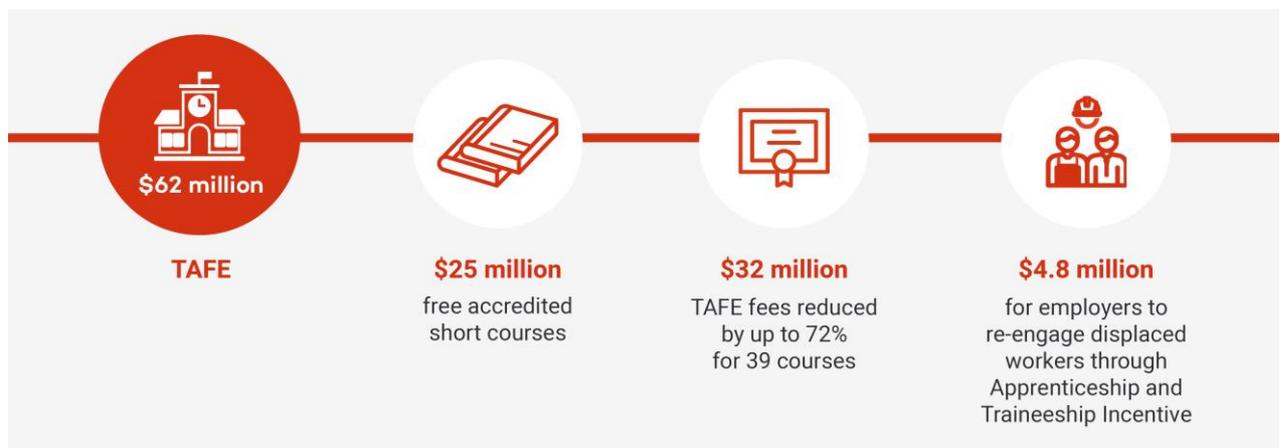
The McGowan Government is investing significantly in new energy technologies to expand the state’s renewable hydrogen industry and generate opportunities in renewable technologies.

More renewable energy and batteries are being installed on WA Government networks and State-owned assets, particularly in regional and remote communities.

The WA Government will also work with the private sector to bring forward clean energy research, investment and deployment.

TAFE

Rebuilding TAFE and reskilling our workforce is another important recovery initiative. To accelerate this, \$62 million is committed to help thousands of Western Australians access TAFE training courses, with cuts to fees and free short courses.



The WA Recovery Plan includes \$2.77 billion in relief and stimulus measures already approved during the COVID-19 pandemic.

Further information

[Department of Finance website](#) – information relating to payroll tax deferral

Full details on each element of the comprehensive WA Recovery Plan is available [here](#)

For more support for small businesses in response to COVID-19, click [here](#)

For more information on commercial and residential leases, click [here](#)

For more information on WA’s economic relief plan, click [here](#)

For more information, please contact your Hawker Britton consultant Simon Banks on +61 419 638 587.

For further coverage of Labor Government Response Packages to the COVID-19 Pandemic see Hawker Britton Occasional Papers [here](#).

For further coverage of Liberal Government Response Packages to the COVID-19 Pandemic see Barton Deakin Briefs [here](#).