

22 February 2021

## Victorian Government COVID-19 Response: Circuit-Breaker Action - Business Support Package

On Sunday, 21 February Victorian Minister for Industry Support and Recovery, Martin Pakula, and Minister for Small Business, Jaala Pulford announced financial support for businesses impacted by Victoria's 'Circuit-Breaker' lockdown action.

The \$143 million Circuit Breaker Support Package is designed to assist more than 50,000 Victorian businesses – with the focus on restaurants, florists, confectioners, hairdressers, accommodation providers, musicians, and performers – who incurred costs such as the loss of perishable goods, cancelled reservations and foregone trading.

The package contains four targeted initiatives:

- **\$92 million** for the **Business Costs Assistance Program**, which offers grants of \$2,000 for eligible businesses in the hospitality, food wholesaling, tourism, events and selected retail industries. The grant is available to businesses with an annual payroll of up to \$3 million.
- **\$24.9 million** to the **Licensed Hospitality Venue Fund**, offering previous recipients an automatic one-off \$3,000 payment per premises payment.
- **\$16.2 million** for **The Victorian Accommodation Support Program**, to subsidise costs incurred due to cancellations on regional and metropolitan accommodation providers.
  - Accommodation providers who had 10 or fewer cancellations can apply for \$2,250 per business.
  - Providers with more than 10 booking cancellations can apply for \$4,500 per business.
- **\$10 million** to expand the **Regional Travel Voucher Program**. The funding will offer 40,000 vouchers for \$200 for travel in greater Melbourne, and an additional 10,000 vouchers to support travel in regional Victoria.

### Business Costs Assistance Program

The new Business Costs Assistance Program will support businesses with costs incurred as a result of the circuit breaker action.

Eligible businesses with an annual payroll of up to \$3 million can receive a one-off grant of \$2000, whether they have employees or not.

### Licensed Hospitality Venue Fund – Circuit Breaker Action Payment

Eligible businesses who received a grant through the Licensed Hospitality Venue Fund will receive a further one-off payment of \$3000 to help with costs incurred as a result of the circuit breaker action.

Businesses that receive this payment will not be eligible to receive a grant from the Business Costs Assistance Program.

Businesses do not need to apply for this payment. Business Victoria are expected to contact businesses directly with further information.



## **Victorian Accommodation Support Program**

The new Victorian Accommodation Support Program is an expansion of the [Regional Tourism Accommodation Support Program](#) and includes tourist accommodation premises in Greater Melbourne. This will support accommodation providers whose bookings were cancelled due to the circuit breaker action to limit the spread of COVID-19.

Accommodation providers are provided with a grant of one of two tiers of support for those with demonstrated booking cancellations between Friday 12 February and Wednesday 17 February 2021:

- Tier 1: Funding of \$2250 (ex GST) per Accommodation Premises experiencing 10 or fewer cancelled nights.
- Tier 2: Funding of \$4500 (ex GST) per Accommodation Premises with 11 or more cancelled nights.

The Victorian Accommodation Support Program will open soon. [Register interest in this program here.](#)

## **Travel Voucher Program**

The program will be expanded to include:

- A new Melbourne Travel Voucher Scheme with 40,000 vouchers to support travel in greater Melbourne.
- An expanded Regional Travel Voucher Scheme with an additional 10,000 vouchers to support travel in regional Victoria.

## **Economic Outlook**

January figures show unemployment continued to fall, reaching 6.3%, alongside underemployment which fell to 8.5%.

The Victorian economy is forecast to grow 5.3% this year, beyond the expectations of Queensland (4.6%) and NSW (4.4%).

## **Further Information**

For more information, please contact your Hawker Britton consultant, Victorian Director, JP Blandthorn on +61 407 366 304, Policy and Business Analyst, Raphael Mengem at [rmengem@hawkerbritton.com](mailto:rmengem@hawkerbritton.com), or Policy and Business Analyst Millie Boag at [mboag@hawkerbritton.com](mailto:mboag@hawkerbritton.com).

Further Hawker Britton Occasional Papers on the activities of the Victorian Government are available [here](#).

For further coverage of Labor Government Responses to the COVID-19 Pandemic see Hawker Britton Briefs [here](#).

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