ORDINARY MEETING OF COUNCIL Item 8.1 Parliamentarian and Departmental Letters received by the Mayor Letter from Tim Pallas, Minister for Economic Development & Minister for Industrial Appendix 1 Relations - dated 30 June 2020



Minister for Economic Development Minister for Industrial Relations

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D20/97039

Mr Kelvin Tori Chief Executive Officer Melton City Council PO BOX 21 MELTON VIC 3337 csu@melton.vic.gov.au

Dear Mr Tori

GOVERNMENT RESPONSE TO CORONAVIRUS

Thank you for your correspondence of 22 May 2020 regarding State Government levies and charges relief associated with the coronavirus pandemic.

The Government appreciates the significant impact this pandemic has had on local communities such as the City of Melton. Like much of the world, Victoria is currently facing an unprecedented situation due to the coronavirus pandemic. The Government has taken strong measures to slow the spread of coronavirus and save lives.

I want to acknowledge the measures that the City of Melton has put in place to support those who are experiencing financial difficulty during this time. This includes a waiver of \$200 for fourth quarter 2019/20 rates for eligible ratepayers. I commend the City of Melton for offering this much-needed support.

The Government acknowledges that the coronavirus pandemic will continue to have significant impacts on our economy. We are determined to help Victorian businesses, households and workers to get through to the other side of this crisis. I would like to draw to your attention a number of economic support measures we have introduced which could benefit ratepayers.

On 21 March 2020, the Premier and I announced a \$1.7 billion economic survival and jobs package. This package includes payroll tax refunds and waivers for the 2019-20 financial year for businesses with payrolls less than \$3 million, and deferral for the first three months of 2020-21; and a \$500 million Business Support Fund to provide financial support for Victorian small businesses affected by the coronavirus pandemic that do not pay payroll tax.

I am pleased to advise that since the beginning of the pandemic, over 50 businesses in the City of Melton have received payroll tax relief under this package, totalling almost \$1.4 million in immediate Government support. Furthermore, at least 550 businesses have received \$10,000 grants through the Business Support Fund.

On 15 April 2020, the Government also announced a \$500 million package to provide certainty to residential and commercial tenants and landlords affected by the coronavirus



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pandemic. This includes a land tax reduction and deferral option for landlords who provide rent relief for eligible tenants impacted by the coronavirus pandemic. It further package provides for a six-month moratorium on commercial tenancy evictions from 29 March 2020 for eligible tenants and a freeze to rent increases.

The Victorian Government has further announced \$491 million in tax relief and other measures to reduce the financial burden on Victorian businesses, workers and families. This included freezing a host of fees, charges and levies at their current levels including car registration, traffic infringements, court-imposed penalties and permit fees. This also included freezing the Fire Services Property Levy at the amount collected in 2019-20, and deferring the planned increased to the Landfill Levy.

The Commonwealth has also announced a range of measures that may be of assistance to all Victorian businesses, including the JobKeeper program. For more information, please visit https://treasury.gov.au/coronavirus/businesses.

The Victorian Government is supporting businesses that are doing the right thing by their eligible employees and passing on the JobKeeper payment. The Government has announced that the \$1,500 fortnightly JobKeeper payments to employees who have been stood down – and any payments above an employee's usual salary (due to JobKeeper being a minimum \$1,500 fortnightly payment) – will be exempt from payroll tax and WorkCover premiums.

The City of Melton will also benefit significantly from the Government's \$2.7 billion Building Works package. I am pleased that this package of works will go to funding several important shovel ready projects in the City of Melton, including funding for the construction of Bridge Road Primary School and Grasslands Primary School, and vital upgrades to Exford Primary School and Staughton College.

We will continue to work closely with the other levels of Government, business and the community throughout this crisis.

I encourage you to visit our dedicated website <u>https://www.dhhs.vic.gov.au/coronavirus</u> for further information and advice.

I trust that this information is of assistance and thank you for raising this issue with me.

Yours sincerely

TIM PALLAS MP Treasurer 30/06/2020

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