



# COVID-19 Financial Support Options Information for Indigenous Art Code and Aboriginal and Torres Strait Islander Peak Body Members

as at 31 March 2020

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This information sheet was prepared by the Institute for Public Policy and Governance, University of Technology Sydney for the Indigenous Art Code (IartC), Arnhem Northern and Kimberley Artists Aboriginal Corporation (ANKA), Desart, Indigenous Art Centre Alliance (IACA), Aboriginal Arts Centre Hub WA (AACHWA) and Ananguku Arts and Cultural Aboriginal Corporation (Ku Arts). The information is current as at 31 March 2020 but is likely to change a lot over the coming weeks and months. IartC will do its best to update as more information emerges. Please note this information sheet includes the announcements made on 30 March 2020 about 'JobKeeper' payments.

## Introduction

COVID-19 – a potentially fatal respiratory virus already contracted by over 4,000 Australians – has and will continue to have a huge effect on businesses and the arts in Australia. In response, the federal government has announced a number of financial assistance measures to help keep businesses and households afloat.

This information sheet provides some information about federal financial support already available to Indigenous arts collectives, centres, and individual Indigenous artists across Australia. These supports may be added to over coming weeks and months. In addition, some state and territory governments are announcing other assistance packages that could help the Indigenous art sector and these are not included in what follows.

### About the Paper:

There are various options available for different types of IartC and other peak body members including individual artists, art centres, sole traders and other businesses including galleries. This information can be confusing, so please focus only on the section/s of this paper that relates to you or your organisation.

**Part A:** is for **art collectives, businesses and not-for profit (NFP) organisations**. It also includes a section on modifications to the Community Development Program.

**Part B:** is for **self-employed artists and sole traders**, including sections for those currently on and not on Centrelink benefits. It also includes a section on early access to superannuation.

Once in the relevant part, be sure to read through all options available. Naturally, you do not need to take up all options, only those that you are:

- a. eligible for (details listed under each option)
- b. that will most assist you or your organisation at this time.

Each option and scenario includes information about what you need to do to access the support, plus links to relevant websites for more information.

**Part C:** contains other information related to the arts sector including the latest information on **additional support** that may be announced in the future.

**Part D:** lists some questions that UTS was not able to answer as at 31 March, though are noted for **potential future action**.

**Please note:** **While UTS has taken great care to provide you with accurate information, it is important that you independently check details on the relevant websites before proceeding as information is subject to change and also likely to be regularly updated.**

## **Part A. Options for arts collectives, business and not for profits**

Small and medium-sized arts organisations such as Indigenous art centres may be able to draw on business support measures announced by the federal government, such as:

### **Option 1: Wage subsidies for businesses to retain workers – JobKeeper scheme**

**If you are a business or a NFP organisation who has had to lay off workers or close your business due to coronavirus**, you may be entitled to a government payment of \$1,500 a fortnight per worker for up to six months. You are legally obliged to **pass on that amount to each worker**. This assistance will help businesses to keep people in their jobs and re-start when the crisis is over. For employees, this means they can keep their job and earn an income – even if their hours have been cut. Payments will start flowing into accounts from the first week of May and will be backdated to 1 March 2020.

To be eligible you must:

- Be a business or NFP organisation with an annual turnover of less than \$1 billion; and
- Employ staff members; and
- Have experienced a revenue drop of 30% or more since the coronavirus crisis started.

#### ***What do we have to do to access this option?***

Register your interest in the JobKeeper scheme through this [dedicated ATO webpage](#). More information about the scheme [here](#).

### **Option 2: Apply for Boosting Cash Flow for Employers – Australia-wide**

**If you are a small or medium sized business or a NFP organisation**, you could be eligible for a payment between \$20,000-\$100,000, tax-free, to help you retain staff and keep operating. This includes creative and cultural businesses and NFPs. Employers will receive a payment equal to 100% of their salary and wages withheld (up from 50%).

To be eligible you must be:

- A small to medium sized business established before 12 March 2020 or a not for profit organisation (including a charity) registered with the Australian Charities and Not for profits Commission; and
- Have a turnover of less than \$50 million per year (in the prior year); and
- Employ staff members.

#### ***What do we have to do to access this option?***

There are no forms to fill in or application process, however, you do need to first lodge your Business Activity Statement (BAS) for the current quarter. Payments will come automatically

through the Australian Tax Office (ATO) as credits in the activity statement system. This will be available from 28 April 2020. Quarterly lodgers will be eligible to receive the payment for the quarters ending March 2020 and June 2020.

Lodge your BAS through your normal channels or click [here](#). More information [here](#).

### **Option 3: Indigenous Visual Arts Industry Support (IVAIS) Program**

**If your organisation is supported by funding from the Indigenous Visual Arts Industry Support (IVAIS) program**, and has a current agreement in place, these funding arrangements will stay in place and the funding body (the Office for the Arts) does not intend to renegotiate them at this stage.

If arts workers supported by IVAIS funding cannot come into work, due to social distancing regulations, they will still continue to receive their salaries from the IVAIS funds.

For bodies whose funding has lapsed, the Office is reviewing the allocation of funding from 2021 onwards, which was a process that was underway before the coronavirus outbreak. Recommendations for 2020-21 funding are being progressed and the Office of the Arts expects to advise applicants of the outcomes of their grant applications before May 2020.

#### ***What do we have to do to access this option?***

Other than documenting how your organisation is managing your arrangements (in case needed in the future), at this stage you do not need to take any actions as your current IVAIS funding will continue as is. However, in situations where you need to review your deliverables and budgets, get in contact with your IVAIS contact officer about how to manage your grant agreement (contact details available in your activity in SmartyGrants). Keep an eye out for information about the 2021 IVAIS funding process on the Office for the Arts [website](#). The office of the Arts will be emailing IVAIS directly with updates.

### **Option 4: Small to Medium Enterprise (SME) Loan Guarantee Scheme**

**If you are a small or medium-sized business (including a creative and cultural business) in need of a loan**, you may be able to access a low-interest bank loan which is guaranteed by the federal government. These loans are intended to provide you with working capital to assist you to get through the impact of the coronavirus.

This scheme does not require your organisation to provide an asset as 'security' for the loan. There are no charges for accessing the scheme and borrowers do not have to make repayments for the first six months. In addition, interest will only be charged on any amounts 'drawn down' from the loan (which means amounts transferred from the lender to the borrower after the loan has settled). Otherwise no interest will be charged.

The maximum amount available is \$250,000 for a term of up to three years. The loans will be available from April 2020.

To be eligible you must be:

- A small or medium sized business with a turnover of up to \$50 million per year.

#### ***What do we have to do to access this option?***

If you're interested in taking out a loan, you should approach your bank about the SME loan guarantee scheme, from April onwards.

More information [here](#) and [here](#).

### **Option 5: Deferral of small business loan payments and interest free loans**

**If you are a small business or a sole trader with a bank loan already**, you may not have to pay loan repayments for six months. Loan repayments will not be wiped, they will only be deferred. That is, the amount will still be owed after the six months. Banks may also waive fees or offer to restructure loans to assist you to get through the coronavirus.

To be eligible you must meet all these criteria:

- be a small business or sole trader with a business loan up to \$10 million;
- have less than \$3 million total debt to all credit providers; and
- not be in arrears (which means behind on repayments) as of 1 January 2020.

However, some banks are applying these criteria flexibly, so contact your bank to discuss options.

#### ***What do we have to do to access this option?***

If you run a business or are a sole trader, your bank should contact you with information about the deferral of loan repayments. If they do not, call or visit your bank and ask about their options for loan repayment deferral.

More information [here](#).

### **Option 6: Relaxing of grant conditions (details to be announced)**

**If your organisation receives a grant from the federal government**, it is possible that the conditions of that grant will be relaxed to assist you to keep your organisation going. The Federal Arts Minister Paul Fletcher has indicated that the Australia Council and the Office of the Arts will relax grant conditions on a case-by-case basis, including permission to divert funds from cancelled shows to pay staff or rent.

#### ***What do we have to do to access this option?***

Organisations are encouraged to speak with their regular grant program officer about options that can provide flexible support.

More information [here](#), although expect further information to emerge about the specifics of this policy.

### **Option 7: Relief from insolvency laws**

**If you are a director of a company that is trading while insolvent** you will not be personally liable under new laws that will operate for six months. This will give directors more confidence to trade through this crisis rather than place a business into administration, with the costs and job losses that entails.

More information [here](#).

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## ***- Modifications to Community Development Program -***

***If you are a host organisation for Community Development Program (CDP), it is important to note that from 23 March 2020 changes apply to the CDP – these are:***

- *Work for the Dole and other activities delivered in groups will be suspended to support social distancing.*
- *Requirements for CDP service providers to deliver services face-to-face will be removed. This will limit job seekers and CDP staff needing to travel within or between communities.*
- *CDP service providers will refresh risk assessments for a range of activities. Activities will only be continued on a case-by-case basis and in line with advice from health authorities.*
- *To ensure job seekers can prepare for biosecurity measures, and adjust to changes to the CDP, any existing suspensions and penalties for CDP job seekers will be lifted. CDP service providers will not be required to apply job seeker compliance action (such as financial penalties) while biosecurity arrangements are in place.*
- *Job seekers will be able to access services on a voluntary basis where it is considered safe to do so.*

### [Will CDP host organisations still receive money?](#)

CDP service providers play an important role in the day-to-day life of communities. If you are a service provider, the federal government will support you in continuing to employ staff and operate.

The government will pay host organisations ongoing monthly payments while these CDP arrangements are in place. This will ensure you are able to quickly resume full servicing when required.

More information [here](#).

## **- Modifications to ORIC requirements -**

Corporations incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) have various obligations, some of which have been modified by the Office of the Registrar of Indigenous Corporations (ORIC) in light of the coronavirus crisis. This includes:

- **Reporting:** Corporations with financial year ending on 31 December 2019 will have an extension of time to lodge their reports until 31 August 2020. Corporations affected by bushfires that had previously been granted an extension of time for lodging reports receive a further extension of time to 31 August 2020
- **AGMs:** All new corporations, registered from 1 January 2020, will be granted an extension of six months to hold the corporation's first meeting. If you think you'll need more time to hold your AGM please contact ORIC before 31 May.
- **Virtual meetings:** Where corporations' rulebooks allow for it, ORIC encourages meetings to be held using technology (phones and video conferencing). Where there are no such rules, a corporation can request the registrar exercise his power under the CATSI Act to change their rule book to allow for this. Special rules for COVID-19 do not apply to meetings with common law holders for the purpose of consultations under the Native Title (Prescribed Body Corporate) Regulations 1999 (NT Regulations).

More information [here](#).

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## **Part B. Options for independent artists / sole traders**

There is a range of new financial assistance available to individuals to cope with the economic impacts of the coronavirus.

### **Scenario 1: A sole trader, self-employed or casual and lost income**

**If you're a sole trader, self-employed or casual worker whose income has reduced due to coronavirus**, you may be eligible for Centrelink JobSeeker payments (if you're over 21) or Youth Allowance for job seekers (if you're under 21). From 25 March 2020, new conditions apply:

- Access to payments will become easier with a temporary removal of the requirement for an Employment Separation Certificate, proof of rental arrangements and verification of relationship status.
- Normal asset testing for Centrelink payments will be waived for 6 months from start of payment date. This means, if you own any assets like a house or a car, this will not affect your eligibility for the payment.
- Waiting periods are intended to be shorter than normal. If your full claim is granted, your payment will start from the date you registered your intention to claim. It may be paid later, but backdated to the day you made the claim.
- You may also be eligible for the Coronavirus Supplement (see below) on top of Youth Allowance or Jobseekers.

Income testing will still apply, which will include the income of your partner. If your partner earns less than \$79,000 (gross) per year you will be eligible for JobSeeker (this threshold has been increased from about \$48,000).

#### **What do you have to do to access these payments?**

You need to apply online to Centrelink through [MyGov](#) and register your intention to claim a payment. Centrelink will then get in touch with you to let you know next steps. More information about how to register an intention to claim and setting up a MyGov account is [here](#). Services Australia has a hotline (1300 653 227) and [web advice](#) on support for workers who lose income because of COVID-19 health measures.

Separately, you may also be eligible for:

- **JobKeeper payments** of \$1,500 a fortnight, which will be paid by the government through your employer for up to six months. This will allow you to remain employed even if your hours have been reduced. Payments will start flowing into accounts from the first week of May and will be backdated to 1 March 2020. More information [here](#) and [here](#). Your employer will need to register their interest in the JobSeeker scheme through the [dedicated ATO webpage](#). **NOTE:** a person **cannot receive both** JobSeeker and JobKeeper payments.
- A deferral of loan payments or an interest free loan if you're a sole trader (see Option 5 on page 3 above); and/or
- Early access to up to \$10,000 of your superannuation in the 2019-20 financial year, tax-free and then a further amount of \$10,000 in 2020-2021 financial year (see page 7 below).

#### **Scenario 2: A permanent employee who has lost your job**

If you're a **permanent employee who has been laid off or otherwise lost your job**, the options outlined in Scenario 1 above apply.

#### **Scenario 3: Caring for someone infected or in isolation due to the coronavirus**

If you are **caring for someone who is infected or you are in self-isolation due to the coronavirus**, the options outlined in Scenario 1 above apply.

NOTE: you may **not** be eligible for JobKeeper payments.

#### **Scenario 4: Already on Centrelink Payments**

If you are currently on Centrelink payments, you might be eligible for:

- **A lump sum payment of \$750** which is available to most Centrelink recipients.<sup>1</sup> This payment will be made on top of any current Centrelink payments from 31 March 2020. If you're not eligible for the Coronavirus supplement (see below) you may get access to a second \$750 payment, which will be paid from 13 July 2020. More information [here](#); and / or
- A time-limited **Coronavirus Supplement of \$550 per fortnight** to some Centrelink recipients.<sup>2</sup> This effectively doubles the current JobSeeker allowance. If you are on disability or age pensions, you are currently **not eligible** for the Coronavirus Supplement. This payment will be made on top of any current Centrelink payments from 27 April 2020

<sup>1</sup> People on any veteran benefits, any pension including Disability Support Pension, Carer Payment or Allowance, Parenting Payment, ABSTUDY or Austudy, Newstart, Youth Allowance, Partner Allowance, Bereavement Allowance, Sickness Allowance, or Farm Household Allowance, or if you have a Pensioner Concession Card, Commonwealth Seniors Health Card or Veteran Gold Card.

<sup>2</sup> People on JobSeeker Payment, Youth Allowance (jobseeker or student), ABSTUDY or Austudy, Parenting Payment, Farm Household Allowance or Special Benefit from Centrelink. If you are on disability or age pensions, you are currently **not eligible** for the Corona virus Supplement.

and will go for six months. The Supplement will not be affected by any income you earn. More information [here](#) and [here](#); and / or

- A **Crisis Payment**, which is one off payment equal to a week's pay of your existing income support payment rate. This will be available to you if you are self-isolating or are caring for someone self-isolating, and don't have paid leave at work. More information [here](#).

#### **What do you have to do if you are on Centrelink payments already?**

In the vast majority of cases if you are currently on a Centrelink payment, you don't need to do anything. If you're already registered with Centrelink (and have entered your correct details through [MyGov](#)) you will be paid the amount automatically into your bank account.

Use [this Centrelink webpage](#), to click on your situation to find targeted information.

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## **- Early access to superannuation -**

*The federal government will allow individuals in financial stress as a result of the coronavirus to access up to \$10,000 of their superannuation in the 2019-20 financial year and a further \$10,000 in 2020-21 (that is, after 1 July 2020).*

*Eligible individuals will be able to apply online through [MyGov](#). They will not need to pay tax on amounts released and the money they withdraw will not affect Centrelink or Veterans' Affairs payments.*

To be eligible you must be:

- *Unemployed*
- *Be eligible for Job Seeker, Youth Allowance for job seekers, Parenting Payment, Special Benefits or Farm Household Allowance.*
- *On or after 1 January 2020:*
  - *you were made redundant; or*
  - *your working hours were reduced by 20% or more; or*
  - *if you are a sole trader, your business was suspended or there was a reduction in your turnover of 20% or more.*

#### **What do you need to do to access your super?**

- *Speak to a financial adviser before you apply to withdraw superannuation. It can have long term financial impacts.*
- *Go to [MyGov](#) (you need to have registered an account) and access the ATO service portal*
- *Apply for the COVID-19 early release super payment, ensuring that you can “certify that you meet the above eligibility criteria”, which typically includes providing payslips or other documents as evidence (further detail is expected to be released about this)*
- *The ATO will issue you with a “determination” – a decision on your eligibility*
- *If you are eligible, the ATO will send that determination statement to your super fund, advising the fund to release your payment*
- *The fund will then make the payment to you “without you needing to apply to them directly”.*

## Part C. Other Support for the Arts Sector

The Australia Council for the Arts is making available \$5 million to new programs designed to provide immediate relief to Australian artists, arts workers and arts organisations to support their livelihoods, practice and operations during the COVID-19 pandemic. They will provide further detail on the new programs, including eligibility and opening dates for applications **in April**.

In the meantime, the Australia Council has commenced a weekly series of First Nations' roundtables for artists, creatives and organisations for updates and discussion of the implications of COVID-19. Future roundtables will be held each Friday from 2pm-3pm. You can watch past roundtables and register for upcoming ones [here](#).

On Monday 23 March, Australia Council launched their new Facebook Group [Arts and creative industries: Digital support](#). It will be a professional development resource for all individual artists and small to medium organisations who may not have the technology, skill sets or bandwidth to successfully present and represent their work online through live streaming or other methods.

IartC members are encouraged to regularly visit the Australia Council website for updates and information.

More information [here](#).

## Part D. Further questions and issues not covered in this information sheet

This information sheet does not answer all questions that members have at this time. Listed below are issues not covered in this paper which could be further investigated in the weeks to come.

- What are different states and territory governments offering in addition to the federal support?  
For example:
  - What do the WA and ACT stimulus packages offer the Indigenous arts sector?
  - What is the scope of the freeze on household fees and charges in WA?
  - Is there assistance available for organisations under state/ territory Associations Incorporation Acts?
- What financial assistance is the Australia Council providing (see above at Part C)?
- What are local Councils offering artist and arts organisations?
- What advice is there for arts centre managers and their roles in this environment?

## Further Information and Questions

If you have any other issues or questions and/or you think IartC members or peak body members need to know about, please contact:

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**Please Note:** These organisations cannot provide financial, Centrelink, or CDP advice. All the same, we will do our best to decipher information that is relevant as it comes to hand.