

For immediate release

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JOBKEEPER EXTENSION GIVES BUSINESS EXTRA TIME TO RECOVER FROM THE ECONOMIC IMPACTS OF COVID-19

CPA Australia welcomes today's announcement by the Morrison Government to extend and taper the JobKeeper scheme until March 2021. Many Australian businesses will respond positively to today's announcement that JobKeeper will be retained beyond September, albeit with less generous payments.

Elinor Kasapidis, CPA Australia's tax policy adviser says, "The Government's approach to tapering JobKeeper payments will be well received by many and is what we had suggested to enable affected businesses to adjust in an orderly way."

CPA Australia has highlighted concerns that the ending of JobKeeper in September will have disastrous impacts on many businesses still struggling with the economic fallout from COVID-19. The extension of JobKeeper gives business the space and time to seek professional advice to assist with their recovery and to reimagine their operations for the post-pandemic environment.

"It is great to see that the Government has responded to our feedback and ensured that the profession has sufficient notice to understand the changes and advise their business clients appropriately.

"The advance notice is welcomed as many businesses will require professional advice to determine the best course of action and what they might need to do to requalify.

"The orderly withdrawal of JobKeeper also gives many businesses extra time to reboot and permanently change the way they operate, just as consumers have changed how and when they buy goods and services," Kasapidis said.

The accounting profession performed a critical role in the successful implementation of JobKeeper. With over 920,000 organisations and 3.5 million individuals accessing payments, our members and fellow professionals worked tirelessly to facilitate the delivery of the first package. The advance notice and continuation of the payments within the existing framework reflect our recommendation that the profession requires time to understand the rules and advise their clients appropriately.

"Businesses have been given an additional window to revitalise their operations with professional advisers playing a key role in determining the best course of action to create jobs, identify efficiencies and restore growth.

"Even with this announcement, cash flow will remain tight, meaning many businesses may not seek out advice, jeopardising their future.



“Government support for business to engage professional advisers will enable innovation and new practices, allowing businesses to regain their momentum and look to the future.

“To encourage small businesses to ask for much-needed help, the Government should provide them with a voucher that they can redeem for professional advice.”

For JobKeeper Mark Two, the government must work with the profession to ensure the changes can be applied quickly and efficiently.

“As with the original JobKeeper, it will be tax agents who are key to the success of the extension to JobKeeper,” Kasapidis said.

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About CPA Australia

CPA Australia is one of the world's largest accounting bodies, with more than 165,000 members working in 100 countries and regions and supported by 19 offices globally. Our core services to members include education, training, technical support and advocacy. Employees and members work together with local and international bodies to represent the views and concerns of the profession to governments, regulators, industries, academia and the community. Visit cpaaustralia.com.au

Media contact: Vanessa Richards on +61 400 395 559 or media@cpaaustralia.com.au