

MEDIA STATEMENT

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Small business bushfire package to offer some relief: Ombudsman

The Australian Small Business and Family Enterprise Ombudsman Kate Carnell says the government's support package for bushfire-affected small businesses will help viable small businesses get back on their feet.

"The Federal Government is responding to the needs expressed by small business representatives at the roundtable last week, with a suite of measures designed to assist small and family businesses deal with the extraordinary challenges they are facing as a result of the devastating bushfires," Ms Carnell says.

"Immediate tax-free cash grants of up to \$50,000 are available to eligible small businesses that have sustained damage as a result of the fires.

"That's not just businesses that have burned down, but also those that have lost stock as a result of power outages for instance.

"Insured small businesses with less than 20 full time employees, can claim expenses not covered by their insurance.

"Concessional loans of up to \$500,000 are available to small businesses that have suffered either significant asset or revenue loss.

"These loans will have no repayments due for the first two years, with no interest accruing in this period. Beyond that, an interest rate of about 0.6% will apply and small businesses have up to 10 years to repay.

"A further \$3.5 million will be spent on establishing a Small Business Bushfire Financial Support Line, which will be helpful in providing basic information to small businesses.

"However small businesses really need a tailored financial recovery plan. Without it, the chances are they won't survive.

"We will continue to push for a Government grant that enables small businesses to go to their trusted advisor for a customised strategy.

"In the meantime, fast-tracked infrastructure and a commitment to 'build back better' is absolutely vital.

"As part of the re-build, all levels of government should be procuring from local businesses wherever possible.

"We broadly welcome the government's efforts to help small business and will continue to advocate for measures to enable small businesses to get on with getting back on track."

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