



## A message from the CEO

### **COVID-19 Update 12/06**

I'm pleased to hear in our discussions with members and during weekly online meetings with Divisional and Zone Chairs that the automotive industry is beginning to see an upturn in overall customer numbers.

We have been told that many of you have seen improvements in monthly turnover of up to 20% compared to April and since the last easing of restrictions, although we note that in general, business is still down by more than 20% compared to the same time last year. It has certainly been a time of rapid change with many businesses streamlining and changing business processes in order to survive.

Today should see the announcement of a further easing of restrictions, which will hopefully help to further boost customer numbers, and a return to normal activity levels sooner rather than later.

### **JobKeeper Update**

Much has been made in the media recently regarding the Treasurer making changes to the JobKeeper scheme.

The Government announced this week that payments to workers in the childcare sector would end this month, and the Treasurer has not ruled out that other businesses could face the same fate. While the Government has explicitly ruled out any wholesale changes prior to the planned review in July, the MTA continues to monitor this issue and stands ready to lobby the Government to recognise the challenges faced by the automotive industry.

With COVID-19 restrictions easing and businesses reopening, employers may be wondering if an increase in their turnover will affect their JobKeeper payment eligibility.

Without preempting the outcomes of the July review, at this stage employers remain eligible to receive payments if they:

- met the criteria when they first applied,
  - continue to pay their eligible staff a minimum of \$1,500 per fortnight (before tax); and
  - lodge monthly business declarations.
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If an employer has enrolled and identified their eligible employees, they will need to make a monthly business declaration between the 1st-14th day of each month. This will ensure they receive payments made to their employees for the previous month.

### **Instant Asset write off extension**

After a strong push from the MTA and our national body the MTAA and thanks to the input and insights from our members, we were pleased to see the Federal Government extend the instant asset write off scheme expansion in recognition of the significant supply chain disruptions caused globally as a result of the COVID-19 pandemic, as well as flagging vehicle sales locally.

We know that the scheme has been an important part of driving sales in the automotive industry and the measure is playing a critical part in getting the Australian economy moving again.

### **Advocacy for auto during COVID-19: looking back and moving forward**

The MTAA and its State and Territory Member Associations have been at the forefront of automotive industry advocacy and representation during COVID-19.

At a national level, we are fortunate to work shoulder to shoulder with the MTAA who has continued to be heavily involved in matters relating to COVID-19, particularly assistance and stimulus initiatives of the Commonwealth Government.

The MTAA has participated as the only automotive peak association on critical consultation mechanisms with the Coronavirus Business Liaison Unit, Coronavirus Commission, Treasury Department, Australian Tax Office (ATO) and Australian Competition and Consumer Commission (ACCC) among others. Feedback and input is being provided on a range of issues which are informed by you, our members.

As a result of our strong network across all levels of government and our respected and persuasive voice, we have secured:

- The inclusion of MTA GTO apprentices in stimulus measures including JobKeeper.
- Extensions to reporting deadlines to the ATO for JobKeeper.
- Clarification of instant access write-off requirements and clarification of access and reporting requirements for Members and some individual member circumstances.
- Significant meetings with high-ranking political and departmental officials to achieve recognition of the needs and plans of the automotive industry.

The MTAA State and Territory Association Members are also on critical State and Territory Government consultative mechanisms ensuring automotive industry concerns and issues are provided to State Premiers and Chief Ministers as part of a collaborative, coordinated, and Federated input to National Cabinet.

### **A return to Divisional Issues**

While most Government resources in recent months have been redirected to COVID-19 activities, work has now started to divert back to important divisional issues including:

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- The review of the Second Hand Vehicle Dealers Act 1995
- The Economic and Finance Committee Inquiry into the Smash Repair Industry
- The Heavy Vehicle Inspection Scheme
- Real Time Fuel Pricing Trial and the development of a Service Station Fuel App

The MTA continues to advocate to Government on these important issues and will keep you updated on any outcomes.

Enjoy the weekend and the much anticipated return of the footy!

Regards

Paul Unerkov

MTA SA / NT CEO

