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Minister for Families and Social Services
Manager of Government Business in the Senate

SENATOR THE HON MICHAELIA CASH

Minister for Employment, Skills, Small and Family Business

MEDIA RELEASE

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Supporting sole traders through the effects of Coronavirus

The Morrison Government is expanding the eligibility criteria for JobSeeker Payment to support sole traders and Australians who are self-employed if their income is negatively affected by the economic impact of the Coronavirus.

Under temporary changes to social security rules sole traders will be encouraged to keep their business operating but may be able to access income support should their earnings take a significant hit.

Minister for Families and Social Services Anne Ruston said the changes mean that sole traders who were now eligible for JobSeeker or Youth Allowance (other) would also receive the \$550 fortnightly Coronavirus supplement.

“The Government is absolutely committed to supporting all Australians get through the coming months so we can all bounce back stronger than ever,” Minister Ruston said.

“These rules are designed to make sure sole traders can access income support if they find their income significantly reduced through no fault of their own.

“It means an artist who has lost upcoming work will be able to accept a show while receiving social security payments or that an IT contractor could restructure to offer phone support to keep some money coming in but have it topped up with income support payments.”

Previously to determine if a self-employed person was unemployed for the purpose of accessing social security payments they had to be genuinely willing to seek and be available to take up alternative work effectively requiring their business to close.

If someone remained committed to continuing with their business then they were not considered unemployed and could not access payments.

This test has been temporarily removed to allow sole traders to continue operating. Income testing will apply consistent with current arrangements which allows individuals to earn more than \$1000 per fortnight before losing access to payment.

Under the temporary arrangements a range of JobSeeker Payment eligibility criteria has been relaxed including waiving the assets test, liquid assets waiting period, seasonal work preclusion period and newly arrived residents' waiting period.

Minister for Employment, Skills and Small and Family Business Michaelia Cash said in line with the changes sole traders would be able to use work in their own business to meet their mutual obligations.

"We are making sure that sole traders have maximum flexibility to keep their doors open in these extraordinary circumstances," Minister Cash said.

"It means the local cafe owner can keep serving coffees while also having access to our social security safety net in recognition that less money may be flowing through tills."

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