



City of **HOBART**

**Memorandum:** Lord Mayor  
Deputy Lord Mayor  
Elected Members

## **Response to Question Without Notice**

### **FINANCIAL HARDSHIP - COVID-19**

**Meeting:** Finance and Governance Committee    **Meeting date:** 17 November 2020

**Raised by:** Deputy Lord Mayor Burnet

#### **Question:**

Given the recent extension of the Federal Governments insolvency protection, could the General Manager please advise of the number of bankruptcies (if any) have been received during the COVID-19 pandemic?

#### **Response:**

Officers were unable to obtain specific data pertaining to the Hobart LGA, however were able to secure state-wide statistics on recent bankruptcies.

According to the Australian Financial Security Authority in the September quarter 2020, bankruptcies were at their lowest level since current records began in the September quarter 1986.

Nationally there were 1,676 bankruptcies in the September quarter 2020, a 54.6 per cent fall compared to the September quarter 2019.

Comparatively, Tasmania fell 61.9 per cent in the September quarter 2020, with a total of six bankruptcies state-wide.

This matter will be kept under active review particularly when the Temporary Debt Protection (TDP) arrangements cease and Jobkeeper support payments end on 28 March 2021.

*As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.*



Tim Short  
**DEPUTY GENERAL MANAGER**

Date: 3 December 2020  
File Reference: F20/128000; 13-1-10