



Government of  
South Australia

# **South Australian Business Creditor Assistance Scheme**

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Guidelines

May 2025

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# Overview

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The South Australian Business Creditor Assistance Scheme (“**the Scheme**”) is part of the broader SA Government package to support the continued operation of South Australian businesses which have been directly impacted by OneSteel Manufacturing Pty Limited (Administrators Appointed) (“**OneSteel**”) being placed into administration on 19 February 2025. OneSteel’s business activities include the Whyalla Steelworks, South Australian iron ore mining assets and some related operations.

Grants, up to \$5 million are available to **South Australian Businesses** that are owed one or more eligible debts by **Designated Entities** (refer Part 1: South Australian Creditor Assistance).

**Whyalla Based Businesses** that are owed one or more eligible debts by **Designated Entities**, totalling \$5,000 or more, can apply for an interim payment of up to a total of 50% of the eligible debt, capped at \$1 million (refer Part 2: Whyalla Creditor Assistance – debts over \$5,000). The total cap of \$5 million per Grant per **Employer Group** applies regardless of whether an interim payment is paid under the Scheme.

The Department of State Development (“**DSD**”), working in collaboration with the Department of Treasury and Finance (“**DTF**”), will administer the Scheme. The Scheme is designed not to interfere with the administration process that is underway. Key parameters of the Scheme include:

- All grants will be conditional upon the applicant:
  - registering as a creditor and participating in the administration process, including submitting proof of debt to the Administrator
  - not being double-compensated in respect of the eligible debt
  - formally assigning to the SA Government the benefit to any dividend or other proceeds payable to the applicant out of the assets of the company, in the applicant’s capacity as creditor.
  - confirming their intention to continue to operate during the administration process.
- Grants will only be provided for **eligible debts**.

Only one application for a grant under the Scheme can be submitted per Australian Business Number (ABN) i.e. if an eligible business is owed multiple debts by OneSteel, a single application must be submitted for the total amount owed to that eligible business.

Whilst applications are to be submitted per ABN, for the purposes of determining grant amounts and the application of the \$5 million cap, applicants will be considered as, and the cap will be applied to, an Employer Group (where relevant) within the meaning of Part 5 of the *Payroll Tax Act 2009 (SA)*. The Treasurer or their delegate reserves the right to determine, in their reasonable opinion, whether an applicant forms part of a given employer group.

Any grant payments made under the Scheme will be made at an entity rather than group level and the individual recipient entity will be required to enter into grant terms and conditions.

Applicants with a trade credit insurance policy are eligible to apply under this Scheme for **eligible debt** to the extent that amounts are not recoverable or claimable under the policy.

In addition to assistance available under this Scheme, eligible applicants may be able to access further support under the [Whyalla Small Local Business Support Grant program](#). Employees who are concerned about their entitlements should contact the [Fair Entitlements Guarantee scheme](#) for assistance.

The Treasurer or their delegate holds ultimate discretion over eligibility for this Scheme and there is no entitlement to payment under this Scheme.

# Part 1:

## South Australian Creditor Assistance

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### Grant funding available

**South Australian Businesses** that meet the Scheme eligibility criteria and are owed eligible debts by **Designated Entities** can apply for a grant of up to **\$5 million per employer group**, or the total value of the eligible debt owed, whichever is the lesser.

Payments of the grant funds will be made once SA Government has verified the applicant's eligibility for payment under the Scheme to the SA Government's satisfaction.

### Eligibility

To be eligible for a payment under the Scheme, the applicant must:

- be a legal entity established in Australia (a sole trader, company, partnership, not-for-profit, incorporated associations or corporate trustee of a trust).  
Incorporated entities must be incorporated in Australia as at 19 February 2025;
- hold an active ABN as at 19 February 2025;
- be registered for GST;
- be a **South Australian Business**;
- not be an **excluded entity**;
- be owed an eligible debt by a **Designated Entity** as at 19 February 2025;
- have submitted a valid and signed proof of debt form to the Administrators of **the Designated Entities** (with supporting evidence) ("**Proof of Debt**");
- confirm their intention to continue to trade during the administration process; and
- enter into a grant agreement on terms and conditions determined by the Treasurer or their delegate.

Where the applicant has a trade credit insurance policy, the applicant will only be eligible to apply for such part of the **Eligible Debt** that has not been recovered, or is not recoverable, under the applicable policy of insurance.

### Evidence

An applicant (or a person duly authorised on behalf of the applicant) will be required to provide the following evidence:

- a copy of the business' bank statement, which must show the bank name and logo, business' bank account name(s), BSB and account number.

- a Certificate of Currency for any business insurance policy *[if the business does not have an insurance policy, the form will give the applicant the option to provide their most recent Business Activity Statement issued by the ATO]*.
- the Proof of Debt form, including supporting evidence as requested by the Administrator
- a Statutory Declaration in a form determined by the Treasurer or their delegate confirming:
  - that the applicant meets the eligibility criteria as set out in these Guidelines;
  - that the total amount of debt owed by **Designated Entities** in the Proof of Debt form is an eligible debt;
  - whether the applicant has a trade credit insurance policy, and the level of cover /entitlement under that policy;
  - whether the applicant has made, or is entitled to make, a claim under a trade credit insurance policy to recover amounts for **eligible debts** claimed under this Scheme and if so the amount that is claimed or claimable;
  - that the applicant will make payment of debts that it owes to its subcontractors as and when they fall due and payable.
- any other information requested from time to time by DSD or DTF.

## Part 2: Whyalla Creditor Assistance – Debts over \$5,000

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### Grant funding available

**Whyalla Based Businesses** that have eligible debts of **\$5,000 or more** owed to them by **Designated Entities** can apply for an interim payment of up to **50% of the total value of eligible debts owed** at the time **the Designated Entities** were placed into administration, **up to a maximum payment of \$1 million per employer group** (Tranche 1 of the Grant).

To access this interim payment, applicants must satisfy all eligibility and evidence requirements outlined under Part 1: South Australian Creditor Assistance. An interim payment may be made to eligible applicants on an initial assessment by the SA Government that the applicant meets all criteria having regard to the materials provided by the applicant.

Following further verification of the applicant's application and supporting documentation to determine the applicant's eligibility for payment under this Scheme, to the satisfaction of SA Government, Whyalla Based Businesses may receive an **additional grant payment** for the balance of the **eligible debt**, capped at **\$5 million** per business (including any interim payment) (Tranche 2 of the Grant).

If following further verification activity, SA Government is not satisfied of the applicant's eligibility for payment under the Scheme, or the value of the eligible debt is less than the Tranche 1 payment, the Whyalla Based Business will not be entitled to Tranche 2 of the Grant and may need to repay all or part of Tranche 1 of the Grant (at the SA Government's discretion).

Whyalla Based Businesses that have eligible debts of less than \$5,000 are to apply in accordance with Part 1: South Australian Creditor Assistance.

### Eligibility

In addition to eligibility criteria outlined under Part 1: South Australian Creditor Assistance, to be eligible for Part 2: Whyalla Creditor Assistance – debts over \$5,000, applicants must also:

- be a **Whyalla Based Business**.
- be owed an **eligible debt** by **Designated Entities** totalling \$5,000 or more.

### Evidence

Applicants will be required to meet all evidence requirements outlined under Part 1: South Australian Creditor Assistance. No further evidence requirements apply.

## Scheme exclusions

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The following organisations are **excluded entities**, and are not eligible to receive assistance:

- **GFG entities** (see Attachment 1: Definitions);
- Public companies and subsidiaries of public companies within the meaning of the *Corporations Act 2001* (Cth) (except for not-for-profit organisations that are established as a public corporation limited by guarantee);
- Insurers exercising subrogated rights;
- Tax-exempt entities (except for registered charities that are income-tax exempt);
- Local Government and Councils;
- Local Government Associations;
- Industry Associations; and
- State or Federal Government agencies.

## How funding may be used

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Grants are provided to assist creditors to continue to trade, and should be applied in a manner that best supports the continued operation of the businesses, including payments to creditors, wages for employees or to meet general business costs.

Applicants who apply for a payment under this Scheme will be required to make a statutory declaration in their application that they intend to continue to operate during the **Designated Entities'** administration process, and further commit to making payment of the debts that they owe to their subcontractors.



## Key Dates

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	Whyalla Based Businesses with debts over \$5,000	All other South Australian Businesses
Applications open	26 February 2025	26 February 2025
Applications processed	<b>Applications for interim payments will be prioritised</b> and will be processed from 26 February 2025 upon initial assessment of eligibility for payment for eligible debts.	Once verification of eligible debts is undertaken to the satisfaction of the SA Government.
Applications close	30 June 2025	30 June 2025
Payments processed	Interim payments (Tranche 1) - within 15 days of application being processed and execution of grant agreement.  Remaining payments (Tranche 2) – within 15 days of SA Government being satisfied of the applicant’s eligibility following further verification of eligible debts.	Payment within 15 days of application being processed and execution of grant agreement.

## How to apply

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All applications to the Scheme will need to be submitted via the online application portal at: <https://mybusiness.smartygrants.com.au/SA-creditor-assistance>.

If you require further information regarding the Scheme, please contact [whyalla.support@sa.gov.au](mailto:whyalla.support@sa.gov.au) or call (08) 8429 3350. Local in-person support can be accessed by attending the Office of Hydrogen Power (OHPSA) Whyalla Site, Westland Shopping Centre.

## Terms and conditions

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- All grants will be conditional upon the applicant:
  - registering as a creditor and participating in the administration process, including submitting Proof of Debt to the Administrator
  - not being double-compensated in respect of the eligible debt

- formally assigning to the SA Government the benefit to any dividend or other proceeds payable to the applicant out of the assets of the company, in the applicant's capacity as creditor.
- declaring in their application that it intends to continue to operate during the administration process
- Applicants must retain all records required for assessment purposes under the Scheme until five years after the closing day for applications.
- Applicants must consent to the SA Government conducting an audit of documentation used to support an application to verify information provided.
- If information in the application is found to be untrue or misleading, the matter may be referred to law enforcement authorities of the relevant Australian, state or territory government and penalties may apply and the applicant may be required to repay to the SA Government any grant monies paid to date.
- Applicants must enter into a grant agreement on terms and conditions determined by the SA Government.

## Freedom of information

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Applicants should be aware that all documents in the possession of the SA Government, including those about this assistance program, are subject to the *Freedom of Information Act 1991 (SA)* ("**FOI Act**"). Information submitted in applications and all related correspondence, attachments and other documents may be made publicly available under the FOI Act.

The FOI Act gives members of the public a legally enforceable right to apply to access documents – subject to certain exemptions – held by SA Government agencies, local government authorities, statutory and regulatory bodies and South Australian universities.

## Privacy and information policy

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DSD and DTF comply with the Government of South Australia's Information Privacy Principles Instruction. DSD and DTF collect information (including personal information) as reasonably necessary for the purposes and functions of:

- administering financial assistance programs
- keeping you informed about the program, relevant upcoming events, financial assistance initiatives and outcomes, our services, special events or client feedback surveys, as well as our activities in general
- improving our websites and other services.

The collection and use of information extends to use of such information by the Treasurer or their delegate for the purposes as outlined above.

If an applicant believes that any information provided in their application is confidential or commercial-in-confidence, the applicant must clearly identify such information and the reason for its confidentiality.

Any information contained in or relating to an application, including information identified by an applicant as confidential information for the purposes of applying for payments under the Scheme, may be disclosed by DSD or DTF to, or used by DSD or DTF:

- to its employees, advisers or third parties (including Administrators of **Designated Entities**) in order to manage the Scheme, including but not limited to, for the purposes of verifying information in, evaluating and assessing the application
- for the purpose of verifying information – DSD or DTF may provide information to other agencies nominated in your application
- for due diligence, monitoring, reporting and audit purposes
- within the SA Government where this serves the legitimate interests of DSD or DTF
- in response to a request by a House, Committee or subcommittee of the Parliament of the Commonwealth of Australia or South Australia
- for training, systems testing and process improvement, including compiling statistics and reports
- if an application is successful, for promotion of outcomes
- where information is authorised or required by law to be disclosed
- where the information is already in the public domain.

It is the intent of the government to be transparent with regards to financial assistance provided to industry.

## Reservation of Rights

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The Treasurer of South Australia or their Delegate reserves the right to:

- administer the Scheme and conduct the process for the assessment and approval of applications to the Scheme in such manner as they think fit;
- change the structure, procedures, nature, scope or timing of, or alter the terms of participation in the process or overall Scheme (including but not limited to eligibility, timeframes, terms and conditions, submission and compliance of applications), where in such circumstances notice will be provided to applicants on the DSD website; and
- consider or accept, or refuse to consider or accept, any application:
  - which is lodged other than in accordance with these Guidelines; or
  - which is lodged after the relevant closing date;

- which is otherwise non-conforming in any respect; or
- at the discretion of the Treasurer.
- where approval of an application has been communicated to an applicant, withdraw such approval in the event facts or information come to the attention of DSD or DTF (whether known at the time of the application or not) which in their reasonable opinion: (a) are material to their assessment of the application or (b) mean the application is made other than in accordance with these Guidelines or non-confirming in any respect; and
- abandon or close the Scheme as they think fit.

## Disclaimer

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No responsibility for any loss or damage caused by reliance on any of the information or advice provided by or on behalf of the State of South Australia, or for any loss or damage arising from acts or omissions made, is accepted by the State of South Australia, its officers, servants or agents.

## Copyright

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By applying for financial assistance an applicant will be taken to:

- license the Government of South Australia to reproduce for the purpose of this process, the whole or any portion of application despite any copyright or other intellectual property right that may subsist.
- transfer ownership in the documents and any other materials constituting the application to the Treasurer.

# Attachment 1: Definitions

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**Administration process/Administrator** includes any liquidation process/liquidator.

**City of Whyalla** means: the following suburbs that comprise the City of Whyalla:

<u>Suburb</u>	<u>Postcode</u>
Backy Point	5601
Cowleds Landing	5609
Douglas Point	5601
Douglas Point South	5601
False Bay	5601
Fitzgerald Bay	5601
Middleback Range	5609
Mullaquana	5608
Murninnie Beach	5609
Point Lowly	5601
Point Lowly North	5601
Whyalla	5600
Whyalla Jenkins	5609
Whyalla Norrie	5608
Whyalla Playford	5600
Whyalla Stuart	5608

**Designated Entities** means one of the following entities:

- OneSteel Manufacturing Pty Ltd (Whyalla Steelworks) - ABN 42 004 651 325

**Eligible debt** means an ordinary trading debt for goods delivered or services provided on or before 19 February 2025 that have not been paid for (in whole or in part), which is not an ineligible debt.

**Employer group** means a group exists where:

- corporations are related bodies corporate within the meaning of section 50 of the *Corporations Act*;
- common employees are used between businesses;
- the same person has (or the same persons together have), a controlling interest in at least two businesses; or
- an entity has a direct, indirect or aggregate controlling interest in a corporation.

**GFG Entities** include:

- the 'Gupta Family Group Alliance' companies owned or controlled (within the meaning of s 50AA of the *Corporations Act 2001* (Cth)) in whole or part by Sanjeev Gupta or his interests;
- related bodies corporate (within the meaning of s50 of the *Corporations Act 2001* (Cth)) to those companies (other than the Designated Entities);
- associated entities (within the meaning of s50AAA of the *Corporations Act 2001* (Cth)) to those companies (other than the Designated Entities);
- directors, shareholders, investors or employees of those companies described in the preceding points above;
- any company, trust, association or partnership in which the entities or persons set out above have any ownership or any other legal or beneficial interest; and
- any other entity or person designated by the Treasurer or delegate in their sole discretion.

**Ineligible debt** means:

- a debt subject to a dispute process or other legal action (including, but not limited to, any legal proceedings in a court, tribunal, arbitral proceedings or alternative dispute resolution processes however arising);
- claims, including a claim for damages, guarantees, unliquidated demands or contractual obligations falling due after 19 February 2025;
- a finance lease;
- accelerated debt or debt accrued or triggered only due to the appointment of Administrators of **Designated Entities**;
- a debt to the extent it is secured; or
- a claim advanced in the name of a creditor for the benefit of an insurer entitled to exercise a right of subrogation.
- a debt determined by the Treasurer or its delegate in their sole discretion to be an ineligible debt.

**SA Government** means: the Government of South Australia.

**South Australian Businesses** means businesses that as at 19 February 2025:

- have a majority of shareholder/owners that reside in South Australia; and
- is not publicly listed; and
- are currently conducting business operations in South Australia; and
- when aggregated as a whole with its related bodies corporate and associated entities, conducts business predominantly in South Australia; and
- have its principal place of business and head office registered at a premises within South Australia; and
- have greater than fifty percent (50%) of its workforce, excluding temporary staff, be residents of South Australia.

**Not-for-Profit Organisation means:**

- a charity registered with the Australian Charities and Not-for-profits Commission;
- a not-for-profit organisation which provides services to the community and doesn't operate for the profit or personal gain of its individual members, such that profits made must go back into the services the organisation provides and mustn't be distributed to owners, members or other private people- e.g., most sporting and recreational clubs, community service organisations, professional and business associations and social organisations.

**Whyalla Based Businesses** means businesses that as at 19 February 2025:

- have a majority of shareholder/owners that reside in South Australia and are not publicly listed; and
- are currently conducting business operations in the City of Whyalla; and
- when aggregated as a whole with its related bodies corporate and associated entities, conducts business predominantly in South Australia; and
- have its principal place of business and head office registered at a premises within the City of Whyalla; and
- have greater than fifty percent (50%) of its workforce, excluding temporary staff, are residents of South Australia.