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## **PEAK BUSINESS GROUP RESPONDS TO FEDERAL BUDGET**

The Federal Government has delivered a Budget that supports a business led economic recovery from the depths of the COVID pandemic, according to the state's peak business organisation, **Business NSW**

The Treasurer has announced the deficit will reach \$161 billion for the current year, falling to \$57 billion in 2024-25. The unemployment rate is expected to fall to 5 per cent in mid-2022 before falling further to 4.75 per cent in mid-2023.

"This is a Budget for the extraordinary times we are living in – recognising the recent difficulties, but full of optimism that the next few years will be more prosperous through job creation and infrastructure spending, said **Business NSW** CEO Daniel Hunter.

"Overall, the Budget supports job maintenance and job creation, allowing business owners of all sizes to continue to drive the economic prosperity of the nation," Mr Hunter said.

"The Australian economy is already responding faster than expected to the COVID pandemic, with the deficit of \$52.7 billion lower than was predicted just over 6 months ago, when the Treasurer last delivered a Budget.

"It is pleasing to see meaningful measures that business owners have embraced have been extended, including the instant asset write off scheme, allowing business owners to purchase much needed equipment to allow their business to grow, while the small business loan scheme has been extended, as has the temporary loss carry back initiative.

"These are important measures that have a big impact and make it easier for small business owners to keep their doors open each day and employ their fellow Australians.

"Tax cuts for low and middle income workers will also put more money in the pockets of workers, allowing them to support their local businesses.

"Small business owners have also been provided some relief from Tax Office debt recovery actions, with new powers for the independent umpire to pause the process while disputes are underway, and no payments will now be required until a matter has been resolved.

"There's no doubt the closing of the international borders has had an incredible impact on the tourism and hospitality sectors, especially in NSW which is the nation's gateway.

"Almost \$275 million has been set aside in this Budget towards the expansion and extension of successful programs to support Australian businesses such as travel agents, zoos and aquariums and events providers that rely on international tourists.

“That will give many operators in that sector the confidence they need to continue operations while uncertainty over international tourism remains.

“If the past 12 months has taught us anything it’s the importance of businesses, particularly small business to be able to work flexibly and in response to the ever-changing conditions.

“Small businesses are being supported to adopt digital technologies through a \$12.7 million expansion of the Digital Solutions – Australian Small Business Advisory Service. A further \$15.3 million will be used to drive business uptake of e-invoicing, which can ensure businesses get paid quickly and more efficiently.

“There is a clear commitment from the Government in this Budget to continue to drive the deregulation agenda by cutting red tape and making it easier to employ people, however the proof will be in the user experience of business owners across the country in the years ahead.

“This is a big spending infrastructure Budget that supports a number of key initiatives that **Business NSW** and our network of Local Chambers of Commerce have long championed, including Newcastle Airport, as well as road upgrades on the Pacific and Princes Highways, the Great Western Highway and the Mount Ousley interchange.

“The great battle when it comes to a huge infrastructure program is the capacity of the workforce to carry out the work and in the timeframes set down.

“With skilled migration limited by border closures, skilling the workforce of the future should remain at the forefront of Government action and is something we will continue to advocate for.

“To ensure there are opportunities for Australian students to build skills for their future workforce, the Government is providing an additional 5,000 Commonwealth supported short course places at non-university higher education providers in 2021.

“The Government is doubling its commitment to the *JobTrainer* Fund, which will support a total of more than 450,000 new training places to upskill job seekers and young people, at the same time creating more than 170,000 new apprenticeships and traineeships.

“Part of this program will see training support for 5000 places to assist women break into non-traditional trades, an initiative that is long overdue.

“Overall this budget supports jobs and will help business owners lead the Australian economic recovery from the COVID pandemic,” Mr Hunter said

**About Business NSW**

Formerly the NSW Business Chamber, *Business NSW* is the peak policy and advocacy body which has been representing businesses in NSW since 1826.