



BUSINESS SUPPORT WELCOME IN CHALLENGING BUDGET

Canberra Business Chamber is pleased the Government has funded measures to support business diversification and growth even as it deals with a number of economic challenges in this year's Budget.

Business innovation is the big winner from the \$11.75 million new business development strategy.

"Canberra has produced some highly successful innovative businesses and this strategy will build on that," Canberra Business Chamber Chief Executive Officer, Robyn Hendry said. "While we welcome this funding, we think it would be beneficial to broaden the strategy and support.

"Innovative businesses are only one part of the business sector and other types of business are equally important to our future economic growth and stability. If we support the whole business sector this will diversify our economy and better insulate us from the downturns that have confronted us in recent years."

"The Chamber would like the ACT Government to partner with it to build capacity in trade, skills and business advice for all businesses."

Budget initiatives that will assist the sector more generally are those focused on making it easier to do business with government, including simplified business licensing and embedding a local industry advocate in ACT Government procurement processes. The strategy also contains a commitment to raise the threshold for payroll tax to \$2 million by 2016-17.

Funding from the business strategy will assist the region's internationally renowned higher education and research institutions to develop key new capability areas and to promote Canberra as a higher education destination of choice.

"Our education and research institutions are integral to the ACT's reputation as a knowledge and innovation hub, addressing local skills shortages and attracting people to our great city," Ms Hendry said.

The Budget included further funding for Brand Canberra. The Chamber looks forward to working with the Government to build on the first phase of the Brand Canberra project and promote the region as a great place to visit, live and do business.

"The Chamber is concerned about the forecast size of the budget deficit," Ms Hendry said. "To return to surplus we will need to increase our capacity to earn revenue and reduce our dependence on traditional sources, such as the Federal Government. That is why we would like to see the whole business sector growing and support the expansionary approach being taken by the ACT Government despite its budgetary challenges."