

3 April 2019

CANBERRA NOT ON BUDGET FAST TRACK

Canberra Business Chamber is pleased to see the Budget will return to surplus and welcomes initiatives that will improve cash flow for small and medium businesses, but is disappointed the Canberra region will not benefit from the significant rail infrastructure spending announced last night.

“In terms of infrastructure investment, the Snowy Hydro project will positively contribute to the Canberra region,” Canberra Business Chamber CEO, Dr Michael Schaper said. “We are pleased \$20 million has been allocated for William Slim Drive duplication and \$30 million for the Kings Highway.

“However, this is a small proportion of the additional \$25 billion in infrastructure spending announced tonight and we have been overlooked when it comes to fast rail projects and City Deals.”

The Chamber commends the increase and expansion of the instant asset write-off, which will help small and medium businesses buy the equipment they need for future growth.

It also supports increased incentives for employing apprentices, establishment of a National Skills Commission and the creation of a new National Career Institute.

“Tonight’s Budget was a missed opportunity to expand or better target existing business focused measures,” Dr Schaper said. “For example, the Future Female Entrepreneurs program ignores the fact more businesses are now started by older Australians than young Australians.

“Locking in cuts to permanent migration for four years will hinder Australia’s ability to address skills shortages.

“Support for small businesses with tax disputes is welcome, but we are concerned this will be offset by plans to have the Australian Taxation Office (ATO) further crackdown on tax avoidance. Small businesses have historically been the first targets and they only have a few, if any, meaningful avenues of appeal to ATO decisions,” Dr Schaper said.

“Some Canberrans will receive tax relief under this Budget and locally that should help stimulate our economy to some extent.

“Investment in our national institutions is beneficial for our city, particularly for tourism.

“We will be closely monitoring the impact of reduced Federal Government spending and the ongoing policy of public sector workforce decentralisation on the ACT economy and employment.”

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