

MEDIA RELEASE

Thursday, 12 March 2020

HOTELS AND THEIR WORKERS SUPPORTED BY STIMULUS

Tourism Accommodation Australia (TAA) CEO Michael Johnson has commended the Federal Government for its \$17.6 billion economic stimulus it announced today, saying it will provide timely support to Australia's accommodation sector and the many workers it employs.

"Measures included in today's announcement will see immediate financial support and incentives made available to small and medium businesses at a time that the accommodation industry is facing the unprecedented challenge caused by coronavirus," Mr Johnson said.

"The substantial increase in the instant asset write-off threshold will encourage many businesses to invest in new equipment over the remainder of the financial year."

"The \$3.2 billion accelerated depreciation measure available to those businesses with a turnover of less than \$500 million will enable greater deductions and will deliver meaningful assistance to many accommodation providers."

"Both of these accounting measures will entice businesses to invest while supporting the important investments in assets that they had already made."

"Small and medium sized accommodation providers will also benefit from immediate cash flow support payments of up to \$25,000, which is vitally important to many businesses who have been impacted by both COVID-19 and the summer bushfires."

"The \$1.3 billion being made available to provide wage subsidies to businesses employing apprentices and trainees is particularly welcome by the accommodation sector, which invests heavily in recruiting and training the workforce of tomorrow."

"There are a number of other measures that will directly and substantially target assistance towards Australia's accommodation sector, including \$1 billion to assist severely affected regions through the waiver of specific fees and charges, along with the development of measures to further promote domestic tourism. The Government has also announced administrative relief for certain tax obligations, which will provide respite for businesses under pressure to meet their commitments."

"This is a comprehensive assistance package which encourages investment, delivers immediate support and will help ensure as many jobs as possible are secured during this challenging time."

"It is a package that will deliver practical assistance to Australia's accommodation providers and we commend the Federal Government for their considered and targeted approach."

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