

29 March 2022

ROAD FUNDING FOR THE ILLAWARRA A BUDGET HIGHLIGHT

The region's peak business organisation, Business Illawarra, says that tonight's Federal Budget contains welcome measures to ease the tax burden on businesses, additional funding for skills and much-needed investment in transformative road infrastructure in the wider region.

With the region's economic recovery and its supply chains hampered by ongoing COVID outbreaks, and fixed costs to businesses like fuel rising alarmingly, the government has presented this budget as providing immediate solutions to these pressures, as well as a long-term plan for jobs and a resilient economy.

Business Illawarra welcomed the following measures aimed at supporting businesses in the current, challenging environment:

- Tax relief for businesses - a change to the rate used to calculate quarterly 'pay as you go' instalments and GST instalments to 2 percent for the 2022-23 financial year, which would mean instalments would be much lower than under the current 10 percent rate that applies in the current formula. The budget also contained a six-month halving of the fuel excise which provide much-needed relief to small business particularly, as well as the freight and logistics operators located regionally.
- Further funding for apprentices and trainees - \$6.5 billion nationally to support an extra 35,000 apprentices and trainees into a job by extending the starting date of new jobs commencing to 30 June 21 from the end of March for increased wage subsidies.
- Tax deductions for businesses that invest in technology and skills – Businesses turning over less than \$50 million will be able to access a 20 percent deduction for investing in technologies like cloud computing, e-Invoicing, cyber security and web design, as well as the cost of external training for their employees.

Executive Director of Business Illawarra, Adam Zarth, also welcomed the investments in key road projects for the Illawarra and the Shoalhaven, being the Picton Road Motorway project and the Milton-Ulladulla Bypass respectively.

"It is fantastic to see the campaign run by our bi-partisan, industry-led Picton Road Motorway Coalition continue to yield funding for this crucial project that will keep our Port and our industrial base open, employing and growing," said Mr Zarth.

"We also welcome the investment of \$352 million for the Milton Ulladulla Bypass as an important stage in the upgrade of the Princes Highway through the Shoalhaven which will keep freight and passengers moving efficiently throughout our wider region."

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About Business Illawarra

Formerly the Illawarra Business Chamber, *Business Illawarra* is the region's peak business organisation; a not-for-profit advocacy group dedicated to the economic development of the Illawarra.