

The Scorecard

Feedback gathered from surveying middle-market businesses, along with our experience working with business owners and leaders every day, highlight the key measures the Federal Government can implement to stimulate business growth and job creation now and into the future.

The rapid recovery of Australia's economy shouldn't be a missed opportunity. It's critical that the Government acts now to foster an environment in which the businesses that employ most of Australia's workforce are encouraged to spend and invest in technology, innovation and new industries to achieve sustainable long-term economy-wide growth.

Here, we look at the potential short, medium and long-term measures that will encourage business investment and sustainable long-term growth and the differences between measures included in the previous and current Federal Budget.

We note that last year's Federal Budget required unprecedented measures to support the economy, but this doesn't negate the need for policy development to address the country's long-term economic and financial challenges.

Proposed measures	2020–21	2021–22
Short-term		
Measures to address domestic unemployment and underemployment rates		
Bring forward personal income tax cuts	✓	X
Temporarily suspend or significantly reduce HELP loan repayments	X	X
Further corporate tax rate cuts for base rate entities	X	X
Reducing employment on-costs	X	X
Short-to-medium term		
Measures to stimulate growth of gross domestic product		
Extend general capital allowance incentives on a longer-term or permanent basis	✓✓	✓✓
Introduce targeted capital allowance measures for specific industries (e.g. agriculture, import replacement, education and construction)	X	X
Long-term		
Measures to improve the sustainability of our tax system		
Reform of the GST	X	X
Land tax and stamp duty reform in conjunction with changing the rate of GST	X	X
Review the CGT framework e.g. rate of concessions and availability of exemptions	X	X
Introduce a universal investment allowance that provides depreciation claims over a 5-year period to simplify the capital allowance regime	X	X