

HOSPITALITY SUPPORT PACKAGE

Peter Malinauskas MP | SA Labor Leader



An industry in crisis

South Australian businesses continue to be hit hard by ongoing COVID-19 lockdowns, border closures and restrictions.

You only need to look at the plight of the hospitality and tourism industries: crippled by lockdowns, restrictions and new operating requirements over the past 17 months.

In normal times, these businesses drive the vibrancy of our city and establish our state as a tourism destination. And they employ tens of thousands of South Australians.

The Marshall Liberal Government has imposed lockdowns and restrictions quickly based on health advice, but it has been slow to respond with meaningful assistance for business.

While one-off, small grants announced after lockdowns are appreciated by recipients, it's also acknowledged they don't do nearly enough to provide the relief the business community needs.

When restrictions cap capacity at 50%, the vast majority of hospitality businesses are unviable. For many it's impossible to open without incurring further losses.

Labor wants the Marshall Liberal Government to commit much greater financial support for businesses while restrictions continue – not just in response to lockdowns.

We're calling for an immediate \$200 million support fund for businesses suffering revenue losses caused by ongoing restrictions, especially in hospitality, catering and tourism.

We're also calling on the Federal Government to extend the JobSaver wage-subsidy program to South Australian employees losing hours as a result of these restrictions.

If the Government continues to impose restrictions which hamper the ability of businesses to trade and employ South Australians, then the Government should also better support those businesses.

Throughout the pandemic, Labor has been bi-partisan in supporting the health response and we have offered our constructive ideas to stimulate the economy.

We now offer this suite of proposals to support this important industry in their critical moment of need.



Peter Malinauskas MP

SA Labor Leader



Stephen Mullighan MP

Shadow Treasurer



Labor's Hospitality Support Package

The State Government should establish new financial support measures which will be payable to businesses affected by restrictions, where revenue has fallen by at least 30%.

The support package would be triggered where venue capacity is reduced to 50% (one person per two square metres) or lower, and to be eligible for support, business would need to demonstrate a minimum 30% drop in revenue.

The support package would also apply when other restrictions are applied on specific businesses; for example, the recent requirements to close cinemas, and to require gyms to have a one person per eight square metre limit.

The State Government's support package for the businesses themselves must also be matched by the Commonwealth Government establishing the JobSaver payments to employees losing hours under these restrictions. Either \$375 per week (up to 20 hours per week lost) or \$600 per week (more than 20 hours per week lost).

Acknowledgment of country.
We acknowledge and respect the Traditional Custodians whose ancestral lands we live and work upon and we pay our respects to their Elders past and present. We acknowledge and respect their deep spiritual connection and the relationship that Aboriginal and Torres Strait Islander people have to Country. We also pay our respects to the cultural authority of Aboriginal and Torres Strait Islander people and their nations in South Australia, as well as those across Australia

The State Government should establish a new \$200m support fund for businesses impacted by the above restrictions, including the following measures:

- ▶ A new daily payment of \$100 per day for eligible micro-businesses with ordinary revenues of up to \$75,000 per annum;
- ▶ A daily payment of \$200 to \$500 per day per venue for eligible sole traders and businesses that employ staff with turnovers of more than \$75,000, with criteria for level of support to be established with industry representatives;
- ▶ Waiver of 2021-22 liquor licencing fees;
- ▶ Land tax relief to retail and commercial landlords that pass on this relief in rental reductions to their tenants;
- ▶ Land tax deferrals for landlords for remaining liabilities for the quarter in which restrictions applied, with no-interest 12-month repayment plans;
- ▶ Moratorium on evictions of retail and commercial tenants without mediation by the Small Business Commissioner (will require legislation);
- ▶ Payroll tax deferrals for impacted businesses, with no-interest 12-month repayment plans;
- ▶ A new tourism voucher scheme to run monthly, with 10,000 \$100 vouchers to be provided each month (to expire after one month to encourage higher redemptions than the current schemes);
- ▶ Support for accommodation providers, where bed nights have been cancelled. Modelled on the NSW scheme of \$2,000 for up to 10 bed nights cancelled, and \$5,000 for more than 11 bed nights cancelled due to restrictions; and
- ▶ An events and live music cancellation fund providing payments of up to \$250,000 to assist event organisers cover financial losses when forced to cancel or reschedule due to restrictions. This would assist events like those impacted by the recent restrictions such as the Beer and BBQ Festival, Winter Reds, Van Gogh Alive or Illuminate.

