

## Media release

### Cairns Business Survival Initiatives Identified

**Tuesday 19 May, 2020**

As the current COVID-19 restrictions continue to loosen, meetings held between business leaders and peak industry bodies since March have ensured a collaborative voice for Cairns is being heard by Government.

Led by the Cairns Regional Council, there are two subcommittees actively working on recovery plans for Cairns, one focused on [economic response and recovery](#) and the other on [social-wellbeing](#).

The [Economic Response and Recovery Subcommittee \(ERRSC\)](#) is made up of the Cairns Chamber of Commerce, Advance Cairns, Tourism Tropical North Queensland, Regional Development Australia, Cairns Airport, Ports North and others, and is tasked with ensuring the unique business needs of our region are presented as a collective voice to Local, State and Federal Government decision makers.

Their [reports](#) include recommendations to the Cairns Local Leadership Committee (LLC) which comprises of elected representatives: Federal Member for Leichhardt, the Hon. Warren Entsch; State Member for Cairns, Michael Healy; and Cairns Mayor Cr Bob Manning, who review and progress the recommendations for action.

Cairns is [one of the worst impacted regional areas](#) for job losses in Australia having been hit early on by national and global responses to COVID-19.

Foreign arrivals from China, Cairns' largest international market, were banned in February 2020, along with travel from other countries. Domestic travel has of course also drastically declined over the past few months with combined visitor numbers dropping from 55,000 to less than 1,500 per day.

As a member of the ERRSC, Tourism Tropical North Queensland CEO Mark Olsen stated that, "given the substantial losses that we face from COVID-19, the collective voice of the ERRSC can speak louder, and more clearly articulate the needs of our community than any one industry body can, capturing initiatives that will stimulate our economy in the most effective manner.

"While tourism is at the coalface of this crisis, we know our industry is intrinsically linked with every other business in Cairns, so it's important to communicate our unique regional challenges collectively to government".

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The initial focus of the ERRSC was to identify the top ten initiatives required to support business survival to ensure those adversely impacted by travel bans, social distancing and other measures will be able to survive the crisis, and be in a position to recommence operations as lockdown measures ease.

The [ten survival initiatives](#) advocated for by the ERRSC include:

1. Waiver of public sector taxes, fees and charges for significantly impacted businesses for six months (e.g. April to September 2020).
2. Direct funding support for significantly impacted businesses to enable those businesses to meet key fixed costs (rent, rates, insurance, electricity etc).
3. For businesses directly impacted by travel bans and social distancing measures significantly restricting operations (tourism, restaurants, cafes, gyms etc.), increase the Boosting Cash Flow for Employers subsidy percentage to 200% of PAYG withheld.
4. Waiver of payroll tax for impacted businesses for the entirety of the 2019/2020 financial year.
5. Direct wage subsidy for significantly impacted businesses to support retention of critical staff during the crisis.
6. Insurance premium cost deferral or support for significantly impacted businesses.
7. Commercial rent support for significantly impacted businesses with 'flow through' support for commercial landlords.
8. Funded business advisory support services for impacted businesses.
9. Develop a reference point of information for local businesses on the support packages available.
10. Relaxation of visa working conditions for 'stranded' working holiday migrants and students.

Many business survival initiatives have now been acted on by Government with [status updates](#) available on the [Cairns Regional Council website](#).

With COVID-19 restrictions starting to lift, attention has now turned to stimulus packages and the longer-term economic recovery needs of Cairns.

A [preliminary stimulus report](#) presented to the LLC highlights the recommended projects, policies and programs needed to support economic recovery and job creation in the region over the short to medium term.

According to Advance Cairns Executive Chair Nick Trompf, "recommended stimulus initiatives have been split into three categories: Individual projects that would contribute to economic recovery and job creation, Government funding programs that would contribute to economic recovery and job creation, and relevant policy changes that would support economic recovery and job creation.

“The list was compiled following consultation with industry over the past two months, and is based on initiatives brought forward by more than 50 business leaders across 17 industry sectors”.

[‘Shovel ready’ projects](#) proposed for immediate stimulus packages include:

- CQUniversity New City Centre Campus
- Cairns University Hospital
- Cairns Gallery Precinct
- Stage 2 CQUniversity Asia Pacific Aviation Hub
- Wangetti Trail
- HMAS Cairns Upgrade
- Cairns Marine Maintenance Precinct
- Cairns Esplanade Dining Precinct
- Northern Beaches Leisure Trail

“By working together in a structured manner, we are far better positioned to give Cairns every opportunity to secure funding and have our voice heard at Local, State and Federal Government levels” said Cairns Chamber of Commerce President Sally Mlikota.

“I commend the Cairns Regional Council for supporting the work of the ERRSC and while the subcommittee members are all from different walks of life as well as industry sectors, we are all working towards a common goal and utilising our collective knowledge and influence to accelerate positive outcomes for the region”.

The ERRSC will continue to meet as the COVID-19 economic recovery gathers pace, ensuring Cairns maintains its collective voice to government.

Next on the agenda is demonstrating Cairns as an area of high impact and therefore of high need, with [economic modelling of the impact](#) recently commissioned.

In the near term, the two things we are highlighting as critically important for our region in that summary are:

1. Extension of, and stepped phasing out of JobKeeper; and
2. The re-establishment of domestic aviation capacity/connectivity (as restrictions ease) and investment in destination marketing to fill that capacity.

**For further media comment:**

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**Background Documents:**

[Cairns Economy Impacts from COVID-19](#)

[Economic Recovery Stimulus Initiatives](#)

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