

Businesses applaud Nats' recovery plan

Temporary tax cuts and job incentive ideas get thumbs up

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The business community has expressed support for the National Party's Covid recovery plan released yesterday.

Steve Gillett, owner of sports bar and restaurant The Kingslander near Eden Park, said he was "totally" supportive of any plan that gets people back into hospitality venues.

The National Party called for an immediate boost in support for smaller businesses, for every vaccinated person to be given a \$100 voucher to spend on tourism venues or eateries, as well as temporary tax cuts for workers and for small businesses in its Covid-19 economic plan.

They would target those on lower incomes in particular, by moving the threshold for paying the 10.5 per cent income tax rate up from \$14,000 to \$17,000 – a step it says would give every worker a bit more cash in their pocket and put more money back into the economy.

National said a 24-month tax cut to 17.5 per cent for small businesses will help the 163,000 small businesses in New Zealand recover.

The uncertainty of opening has been psychologically draining, and certainty was needed, Gillett said.

He said National had a good idea to target hospitality to help out by giving people an incentive like vouchers and it would definitely get them eating out again.

"I think that's a brilliant idea,

[I am] very for that," he said.

BusinessNZ chief executive Kirk Hope said National's economic plan covered the immediate Covid-19 situation as well as the next step of reopening the economy and they welcomed the plan.

He said the National Party's immediate focus is on providing more targeted and general support for business, including improved regulation and immigration settings.

"Businesses are likely to welcome this approach, given

the burden of Covid lockdowns has impacted so severely on business.

"Targeted support and compensation for losses would be a significant help to many, along with a freeze on new regulations that add to the cost of business.

"The second part of National's plan – covering vaccinations, border controls, and the reopening of the economy – will be well received by the business [community]," Hope said.

"National's plan includes more freedoms for people

who are fully vaccinated and no more lockdowns or regional boundaries once New Zealand reaches 85 per cent vaccinations or on December

1, whichever comes first.

"A key feature of the plan is the commitment to trust and support businesses to manage their own Covid-19 risks, including practical help such as providing businesses with saliva tests to conduct regular tests of staff," Hope said.

Restaurant Association chief executive Marisa Bidois said National's policy had some sound ideas, many of which the association had put before ministers in the last 12-18 months.

"We agree that the absolute focus for business right now is

immediate financial support for those businesses disproportionately affected by the operating restrictions as well as a clear plan and targets for opening up again.

"It's good to see National supporting our Dine and Discover initiative as well as the plan for extended outdoor dining, two initiatives that we've spent some time developing.

"These are practical solutions to get our businesses moving again," Bidois said.

Chief executive of Auckland's Chamber of Commerce, Michael Barnett, said the National Party's response is a better balance of health and economics and it recognised some of the failings and weaknesses that the Government had retained from last year.

He said the certainty around vaccination and rental support would be welcome along with the clarity on eligibility for wage subsidies.

Retail NZ chief executive Greg Harford said retailers are crying out for additional support and solid movement on a number of issues.

There are a number of parts of National's proposed policy that would be positive for the sector.

"It is really important that a date is set for when we start to open up, and that businesses are armed with legal certainty around vaccinations," Harford said.

Viv Beck, chief executive of business group Heart of the City, said the National Party's plan covers all the key bases.

"It incentivises vaccination, which is absolutely the right thing to do, and creates the framework businesses need to be able to require staff and customers to be vaccinated."

She said the financial impact on small to medium businesses, coupled with the men-

tal distress of watching their businesses collapsing were immense.

"We hope the Government takes heed [of the National Party's policy] and delivers for business on Friday.

"We haven't seen a costing for the financial support [proposed by National] but it will be well received by many."

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Kirk Hope,
BusinessNZ chief executive