

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Budget Estimates

29 May 2012

Question: **BR19**

Topic: **Small Business Initiatives for Tourism**

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Senator Bushby asked:

Senator BUSHBY: You mentioned some small business initiatives that were going to assist which were basically general rather than tourism specific including the \$700 million over four years to allow carry-back tax losses for up to \$1 million from 2012-13. What proportion of tourism businesses are actually incorporated or are able to be treated as companies for tax purposes?

Ms Madden: We would have to take it on notice.

Senator BUSHBY: There is a fairly low proportion, well under 50 per cent, of small businesses in Australia in general that are incorporated.

Mr Clarke: About a third.

Senator BUSHBY: About a third, yes. I would suspect that tourism is probably fairly typical in that.

Mr Clarke: I would imagine it broadly reflects the SME profile.

Senator BUSHBY: In which case, there is probably only a third of tourism businesses that are able to take advantage of that particular advantage that has been included in the fact sheet. Would that be a fair assessment, if that is the case?

Mr Clarke: We will see what data we have and come back to you on notice.

Answer:

On 16 July 2012, Tourism Research Australia released a report entitled *Tourism Businesses in Australia June 2009 to June 2011* which noted that, as at 30 June 2011, 66 per cent of tourism businesses are unincorporated and 34 per cent are incorporated companies.