

**The Hon Scott Morrison MP  
Prime Minister**

**The Hon Michael McCormack MP  
Deputy Prime Minister  
Minister for Infrastructure, Transport and Regional  
Development**

**The Hon Josh Frydenberg MP  
Treasurer**

**The Hon Dan Tehan MP  
Minister for Trade, Tourism and Investment**

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**TOURISM AND AVIATION'S FLIGHT PATH TO RECOVERY**

Australia's airlines, hotels and caravan parks, restaurants and bars, travel agents and tourism operators are set for a rush of nearly 800,000 tourists as part of a new \$1.2 billion support package from the Morrison-McCormack Government.

Prime Minister Scott Morrison said while Australia's economy had recovered 85 per cent of its fall from COVID-19, the next step in the Government's National Economic Recovery Plan would target the businesses, workers and regions still doing it tough.

The Prime Minister said the package's mix of half-price airline tickets, cheap loans for businesses and direct support to keep planes in the air, and airline workers in their jobs, would be a bridge to a more normal way of life for Australians.

"This is our ticket to recovery - 800,000 half-price airfares to get Australians travelling and supporting tourism operators, businesses, travel agents and airlines who continue to do it tough through COVID-19, while our international borders remain closed" the Prime Minister said.

"This package will take more tourists to our hotels and cafes, taking tours and exploring our backyard. That means more jobs and investment for the tourism and aviation sectors as Australia heads towards winning our fight against COVID-19 and the restrictions that have hurt so many businesses."

"Our tourism businesses don't want to rely on government support forever. They want their tourists back. This package, combined with our vaccine roll-out which is gathering pace, is part of our National Economic Recovery Plan and the bridge that will help get them back to normal trading."

Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development Michael McCormack said the measures would work hand-in-hand to boost interstate tourism and aviation in key regions significantly impacted by the loss of tourists.

“The new Tourism Aviation Network Support (TANS) Program will give Australians clear incentives to travel to key domestic tourism areas,” the Deputy Prime Minister said.

“Discounts will be offered on tens of thousands of fares per week across an initial 13 key tourism regions.

“We’re working with airlines to increase the number of flights to these tourism areas – giving travellers the flexibility needed when organising dream holidays to destinations such as Tropical North Queensland and Kangaroo Island.

“In a big win for local communities, especially in regional Australia, we will continue to financially support flights which are so key to health services, employment opportunities and social activities.

“We’re also backing the workforces of our international airlines and the teams and infrastructure they need so that when tourism takes off again and our borders reopen, our airlines are ready to go.”

The half-price ticket program will initially operate to 13 key regions including; the Gold Coast, Cairns, the Whitsundays and Mackay region (Proserpine and Hamilton Island), the Sunshine Coast, Lasseter and Alice Springs, Launceston, Devonport and Burnie, Broome, Avalon, Merimbula, and Kangaroo Island. Flights, routes and the total number of tickets will be driven by demand and are subject to final discussions with the airlines.

The half-price tickets will be available on airline websites from 1 April.

Other new measures in the support package include:

- New International Aviation Support to help Australia’s two international passenger airlines maintain more than 8,000 core international aviation jobs
- Support for regular passenger airports to meet their domestic security screening costs
- A new Aviation Services Assistance Support Program to help ground-handling companies meet the costs of mandatory training, certification and accreditation to ensure they maintain their workforces so they can stand them back up when the market expands again.
- The re-instalment of domestic aviation security screening cost rebates for more than 50 regular passenger airports

The Morrison-McCormack Government will expand and extend its ‘SME Loan Guarantee Scheme’ as part of its commitment to support up to \$40 billion in lending to small and medium enterprises.

Under the existing Scheme, more than 35,000 loans worth more than \$3 billion have already been provided, helping thousands of small businesses get to the other side of this pandemic.

As we move into the recovery phase, the Scheme will be targeted and tailored to support those businesses that have been relying on JobKeeper during the March quarter.

The SME Recovery Loan Scheme will benefit from an increased Government guarantee, increasing from the current 50/50 split between the Government and the banks to an 80/20 split. This will encourage more banks to support small businesses and demonstrates the Government's commitment to back those businesses that are prepared to back themselves.

The expanded Scheme will also increase the size of eligible loans, increasing from \$1 million under the current Scheme to \$5 million. Businesses with a higher turnover will also benefit under the expanded Scheme, with the maximum eligible turnover increased from \$50 million to \$250 million.

Maximum loan terms under the expanded Scheme will also be increased from 5 to 10 years – providing businesses and lenders with greater flexibility.

The expanded Scheme will also allow lenders to offer borrowers a repayment holiday of up to 24 months.

Importantly, the Scheme will also be able to be used by eligible businesses to refinance their existing loans. This will allow SMEs to access the more concessional interest rates available under the program and to better manage their cash-flows through an extended loan term and lower combined repayments.

More than 350,000 current JobKeeper recipients are expected to be eligible under the expanded Scheme. Loans will be available from 1 April 2021 and must be approved prior to 31 December 2021.

Treasurer Josh Frydenberg said this latest package of measures was all part of the Federal Government's National Economic Recovery Plan.

"We know there are sectors and regions across the country that are continuing to do it tough, which is why we will continue to support the economy with proportionate, timely, scaleable and targeted assistance," the Treasurer said.

"Our support for the aviation sector will not just keep planes in the air but will also provide a boost to domestic tourism while our international borders remain closed.

"This SME Recovery Scheme is part of the next step in our plan to help small businesses stand on their own two feet as the economy recovers from COVID-19.

"The expansion and extension of the loans will back businesses that back themselves and will help businesses who continue to do it tough build a bridge to the other side of the crisis and keep their staff employed."

Minister for Trade, Tourism and Investment Dan Tehan said the Government was also extending temporary, targeted measures for parts of the tourism sector impacted most from border closures.

"The thing our tourism operators want more than anything is tourists so we need Australians to do their patriotic duty and book a holiday this year because every dollar spent on an Australian holiday is a dollar that supports a local job and a local business," Minister Tehan said.

"Our Government's support package will help get more Australians into those tourist areas most impacted by border lockdowns, and we need states and territories to do their part by

agreeing to a nationally consistent approach to using border closures and lockdowns as a last resort on medical advice.”

The Government has also extended the following programs to 30 September 2021:

- the successful Domestic Aviation Network Support (DANS) and Regional Aviation Network Support (RANS) programs
- the 50 per cent waiver of domestic air services charges for Regular Public Transport (RPT) and aeromedical flights
- the International Freight Assistance Mechanism.

The \$50 million Business Events Grants Program will also be extended by three months to support Australian businesses to hold multi-day business events, covering up to 50 per cent of costs incurred in participating business events during the 2021 calendar year. This will help restart Australia’s business events sector.

The \$94.6 million Zoos and Aquarium program will be extended by six months to support zoos, aquariums and wildlife parks to maintain their animal populations where their tourism revenue has been affected by travel and social distancing restrictions.

The COVID-19 Consumer Travel Support Program will also be extended for three months beyond 13 March.

For more information on the Government’s COVID-19 support for aviation visit

<https://www.infrastructure.gov.au/aviation/index.aspx#aviation>.

For further information on the COVID-19 tourism support plan visit

[www.austrade.gov.au/Australian/Tourism/Tourism-and-business](http://www.austrade.gov.au/Australian/Tourism/Tourism-and-business).

For further information on the Small and Medium Enterprise Recovery Loan Scheme visit

<https://treasury.gov.au/coronavirus/sme-guarantee-scheme>

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