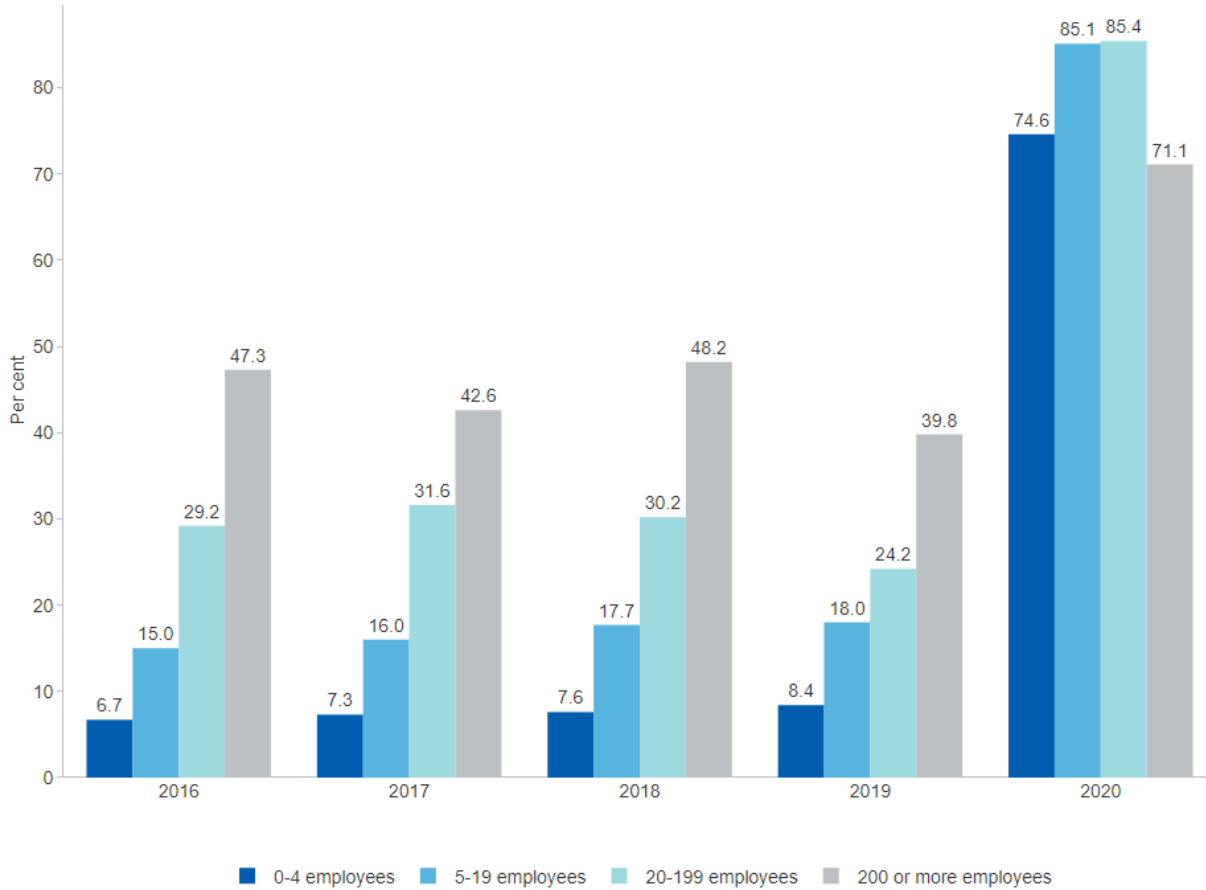


4.3.1 Businesses receiving government financial assistance

In 2019–20, nearly 8 in 10 Australian business (78.3 per cent) received financial assistance from either Commonwealth, state/territory or local governments. This represents a dramatic increase from the previous year when only 12.8 per cent of businesses received assistance, reflecting the scale of fiscal stimulus deployed during the initial stages of the COVID-19 pandemic. Extensive use of government financial assistance was reported across all business sizes, most notably for small and medium businesses with 5 to 199 employees. All industries have seen sharp increases in the use of government assistance, with large relative increases in *Financial and insurance services* and *Rental, hiring and real estate*. Businesses that relied most heavily on government financial assistance were those operating in *Arts and recreation services* (86.3 per cent) and *Accommodation and food services* (85.0 per cent). Across all businesses, assistance was most commonly dispensed in the form of *Subsidies* followed by *Tax concessions*.¹

Figure: Businesses receiving government financial assistance, by business size, per cent, latest 2019–20



¹ ABS, *Characteristics of Australian Business*, Cat. No. 8129.0, Cat. No. 8158.0, Cat. No. 8166.0, Cat. No. 8167.0 and ABS.Stat (<https://www.abs.gov.au/>)