



The Coalition's Policy

Key Commitments

The Coalition has confidence in the future of South Australia.

South Australia is a dynamic and welcoming place with a bright future.

We know South Australians are worried about the loss of the car industry, the slump in the resources industry, and the ability of their economy to deliver well paid, steady jobs.

But we also know that, while the closure of the car industry is difficult and creates uncertainty for many, it also presents new opportunities for the workers, families and communities of South Australia.

The Coalition believes in the future of South Australia as an innovative, smart state with new jobs generated in new industries – jobs that are well paid, secure and which provide robust skills training and professional development.

Many thousands of jobs will be created in the years ahead.

Our economic plan – a plan centred on creating jobs and promoting new, innovative industries – is what will allow South Australians to have greater confidence in their future and realise far more well-paying job opportunities.

The Coalition's economic plan is about creating real jobs for South Australians and delivering those jobs with certainty and stability.

More than 15,000 new jobs have been created in South Australia since the Coalition came to Government and more than 7,000 have been created just this year.

We are delivering over 15,000 additional new, real jobs for South Australia, including 1,100 direct submarine building jobs in Adelaide, 1,300 jobs during the construction of the North-South Road Corridor upgrade, and up to 11,000 jobs through the National Disability Insurance Scheme.

The Coalition will further support South Australian jobs and growth by:

- creating 1,200 new scholarships for undergraduate, postgraduate and vocational educational students to undertake studies in South Australia
- supporting a pilot programme intended to get and keep young unemployed South Australians in a job
- delivering greater science, technology, engineering and maths skills development for South Australian students by creating a Pathways in Technology (P-TECH) pilot in Adelaide

South Australia will be a strong economy with new job opportunities under the Coalition.

Our Plan for Jobs and Growth in South Australia

The Coalition has confidence in the future of South Australia.

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Our economic plan – a plan centred on creating jobs and promoting new, innovative industries – is what will allow South Australians to have greater confidence in their future and realise far more well-paying job opportunities.

Our plan is about creating real jobs for South Australians and delivering those jobs with certainty and stability.

More than 15,000 new jobs have been created in South Australia since the Coalition came to Government and more than 7,000 have been created just this year.

We know that many thousands of jobs will be created in the years ahead.

We are delivering over 15,000 additional new, real jobs for South Australia including:

- our decision to build 12 submarines will create 1,100 direct submarine building jobs in Adelaide and a further 1,700 jobs in various parts of the supply chain around the country, including in South Australia
- our decision to build nine anti-submarine warfare future frigates will create 2,000 direct shipbuilding jobs in Adelaide, which is in addition to the 1,100 direct jobs created through our submarine build commitment
- our investment to upgrade the North-South Corridor will generate over 1,300 jobs each year during construction and our investment in Flinders Link will drive 1,900 new jobs in the suburbs of Adelaide
- our commitment to the National Disability Insurance Scheme will create up to 11,000 jobs in South Australia
- our free trade agreements will support and increase the estimated 65,000 South Australian jobs dependent on exports
- our investment in international education is supporting more than 8,300 South Australian jobs

We are also providing incentives to boost investment and youth employment in South Australia.

The Coalition's economic plan is about creating real jobs for South Australians and delivering those jobs with certainty and stability.

1. Creating 1,200 new scholarships for undergraduate, postgraduate and vocational educational students to undertake studies in South Australia

The Coalition will support young people to study and develop new skills in South Australia.

We will provide 1,200 new South Australian Enterprise scholarships for undergraduate, postgraduate and vocational education students to undertake studies in South Australia.

The Coalition will partner with South Australian employers to link scholarships to real jobs and to cement South Australia's position in Australia's innovation future.

Our South Australian Enterprise scholarships will be offered with the intent that they are matched by employers who offer students internships to bring real world experience to their studies and are linked to real jobs at the completion of students' studies.

The Coalition will seek industry commitments to provide scholarship holders with a matching internship in their field of study.

The scholarships will be valued at up to \$20,000 each.

Our commitment will help ensure students' learning is linked to real world jobs and better link research undertaken through the scholarships with commercial opportunities.

The Coalition will invest \$24 million in our South Australian Enterprise scholarships programme.

2. Supporting a pilot programme intended to get young unemployed South Australians into a job

The Coalition will support a pilot job placement coaching scheme to help unemployed youth South Australians to get, and stay in, a job.

We need to do more to tackle youth unemployment.

Young unemployed people can be unfamiliar with workplace expectations, while small to medium enterprises, the main employers, don't always have human resources departments to help them smooth the way for employers and employees.

Through its *Sticking Together Project*, SYC and partners Queensland University of Technology and the Australian Centre for Social Innovation, are establishing a Post-Placement Support Service from 1 January 2017 in Melbourne.

The pilot will provide coaches to mentor and support young unemployed people, and support for their employers, over the first 14 months in the job.

We will support a similar pilot in Adelaide.

The Coalition will provide up to \$750,000 to SYC to support 50 young unemployed South Australians and their employers, through a pilot of the *Sticking Together Project* in Marion and Mile End.

3. Delivering greater science, technology, engineering and maths skills development for South Australian students by creating a Pathways in Technology (P-TECH) pilot in Adelaide

St Patrick's Technical College in Edinburgh North will partner with the defence industry to improve employment outcomes and deliver stronger results in science, technology, engineering and mathematics (STEM) performance.

This will be one of 12 new Pathways in Technology (P-TECH) pilots the Turnbull Government has announced in a \$4.6 million commitment to open up new avenues for students by linking schools with businesses in local communities that offer job opportunities.

Our investment for this P-TECH pilot at St Patrick's will fund specific supports to encourage and facilitate collaboration between the school, Century Engineering and other local businesses through the Defence Teaming Centre.

Our commitment comes on top of our record \$73.6 billion funding for schools over the next four years that will be directed according to need and tied to reforms that support our national economic plan by helping young people develop the skills they need for the jobs of the future.

4. Supporting South Australian Steel and Manufacturing

The Coalition is supporting South Australian steel and manufacturing.

We have, for example, brought forward a project to upgrade 1,200 kilometres of rail line between Adelaide and Tarcoola, worth approximately \$80 million to Arrium's Whyalla plant. The Australian Rail Track Corporation will partner with Arrium to deliver the upgrade, substantially boosting demand for steel production from Whyalla.

We support the use of Australian steel where it can be demonstrated through open competition that it is fit for purpose and delivers value for money.

The Coalition has taken real action to support South Australia's steel sector, including:

- committing to using Australian steel to build the first fleet of naval vessels commissioned in Australia since 2007

- announcing that the Australian Rail Track Corporation will use local steel from Whyalla to upgrade 1,200 kilometres of rail between Adelaide and Tarcoola
- strengthening Australia's anti-dumping system to provide a level playing field for local industries such as steel

The Coalition is also supporting South Australia's manufacturers by:

- investing \$248 million to develop Industry Growth Centres
- providing \$50 million in the Manufacturing Transition Programme
- delivering a tougher anti-dumping regime that levels the playing field for Australian industry
- scrapping the Carbon Tax
- exempting emissions intensive trade exposed industries, including steel production, from the Renewable Energy Target
- deregulating and removing more than \$4.5 billion in red and green tape for business

These measures are already seeing tangible benefits in the economy, with 10 months of consecutive expansion in the manufacturing sector.

5. Creating thousands of real new jobs in South Australia through long-term defence projects

The Coalition has a plan for jobs and growth in South Australia.

Our decision to build 12 submarines will create 1,100 direct submarine building jobs in Adelaide and a further 1,700 jobs in various parts of the supply chain around the country, including in South Australia.

These are real jobs.

Jobs that are well-paying and provided with a high degree of ongoing certainty.

Jobs that will help the South Australian economy transition.

Jobs that will deliver more investment in the capacity of the South Australian economy and in the know-how of South Australian workers.

As Premier Weatherill makes clear:

“...we expect that companies from around the world will want to invest in South Australia’s high tech shipbuilding industry...

...We want companies based here in Adelaide to get the biggest possible slice of this work, supporting workers who are transitioning from industries like the automotive sector.

This is a prime example of an economy in transition, and we need to do what we can to provide support for those workers to go from building Commodores and Cruises, to building submarines and frigates.”¹

The 1,100 jobs directly created by the Coalition’s commitment to build 12 submarines in Adelaide will constitute the main construction and assembly workforce.

These are jobs with certainty and stability, founded on a long-term, guaranteed construction pipeline for Australia’s future submarine force.

These are also high-value jobs.

Around 80 per cent of these jobs will be engineering and technical in nature.

South Australia will see jobs created to support the design and construction of the submarines, the combat system, land-based test facilities, and the construction facilities, as well as training of the build workforce and aspects of the programme office and science and technology programme.

Some of these jobs will commence immediately with the beginning of the design phase, which commences in 2016 and will continue to grow over time.

Other work that will commence in 2016-17 (in addition to preliminary design work) includes preparation for infrastructure upgrades in Adelaide, development of land-based test facilities, and design of the combat system.

All of this work will create hundreds of jobs in Adelaide beginning in 2016-17, and the workforce will continue to grow.

Our decision to build nine anti-submarine warfare future frigates will create a further 2,000 direct shipbuilding jobs in Adelaide, which is in addition to the 1,100 direct jobs created through our submarine build commitment.

¹ Premier Weatherill (April 26, 2016) *High Tech Shipbuilding to Provide Jobs of the Future for Holden Workers*.

As the Chamber of Commerce and Industry South Australia makes clear:

“...the submarine contract was a timely boost to the South Australian economy that would retain and enhance valuable skills in the State and support several thousand jobs for decades to come...”

...The value of this contract cannot be under-stated. The ‘through life’ value of the contract, through servicing and additional economic spin-offs, is substantially more than the initial investment...”²

In addition, the Coalition will build the first of the offshore patrol vessels in Adelaide from 2018 to help bridge the workforce and skills gap that will be created between the end of the Air Warfare Destroyer project and the beginning of the Future Frigate programme.

Our commitment to build submarines, future frigates and offshore patrol vessels in Adelaide means guaranteed jobs for South Australians.

As Premier Weatherill makes clear:

“This is a fantastic day for South Australian high tech manufacturing jobs...”

...This is a landmark day when South Australians can say; ‘we are the nation’s pre-eminent shipbuilders.’

Young people who are thinking about their futures will know that they can pursue careers in defence industries, knowing there are decades worth of high tech jobs waiting for them in South Australia.”³

The direct shipbuilding jobs will include skilled trades to support structural, paint, pipe, outfit, mechanical, and electrical work in production, as well as skilled project and supply chain managers, and engineering expertise.

In addition, potentially as many indirect jobs will be created through the supply chain to support the shipbuilding program. Some of these will also be in Adelaide.

Some examples of supply chain jobs include:

- alarm and safety warning systems
- complex communications and data processing equipment

² Business South Australia (April 26, 2016) *Submarine Contract a Shot in the Arm for SA Economy*.

³ Premier Weatherill (April 18, 2016) *SA Now the Home of High-Tech Manufacturing After Securing Offshore Patrol Vessels*.

- propulsion, navigation and weapons systems
- fit out of the living and work areas
- equipment to ensure fresh water and refrigeration

The jobs, investment and confidence created by our commitment are overwhelmingly good news for South Australia.

6. Creating more than a thousand real new jobs in South Australia through infrastructure investment

The Coalition is creating more than a thousand real new jobs in South Australia through our infrastructure investments.

We are investing in the Northern Connector project, the Flinders Link project and upgrades to Adelaide's North South Road corridor.

Our investment to upgrade the North-South Corridor will generate over 1,300 jobs each year during construction.

Flinders Link is not just a transport project – it is an investment in innovation and jobs.

The project will link the Tonsley innovation precinct to the Flinders Medical Centre and Flinders University.

Our investment will generate 1,900 new jobs in the suburbs of Adelaide, leveraging \$800 million in additional investment including thousands of affordable student units, new space for retail businesses, start-up companies and medical specialist suites, and expansion of the Flinders University business school.

We will also upgrade and expand the airport on Kangaroo Island, which will provide improved facilities and encourage an expected 30,000 additional visitors to the island.

Our commitment to build the Northern Connector will deliver about 480 jobs a year during construction. The project is expected to be completed in 2019 with major construction works starting later this year.

Approximately 6,500 tonnes of reinforcing steel for this project is expected to be sourced from Arrium in Whyalla and approximately 1000 tonnes of structural steel also required for the project is also expected to be sourced from Arrium.

Addressing congestion will save billions of dollars each year from lost productivity and will mean South Australians spend less time in traffic and more time productively at work or at home with their families.

Our commitment to South Australia's defence industry will see substantial upgrades to infrastructure.

The Adelaide shipyard will become the centre of naval shipbuilding in Australia. The shipyard will need to be expanded and upgraded (in addition to the infrastructure required for the future submarine build). This work is beginning immediately in 2016 and will need to be largely completed in the next two to four years. It will include building additional crane and ship lift capacity, additional hard stands, extensions to the wharf, and other expansions to the overall shipyard.

This will create local jobs immediately.

Over the next decade, around \$2.1 billion will be invested in upgrading Defence facilities in South Australia, including:

- improvements and upgrades to facilities, infrastructure and airfields at RAAF Base Edinburgh over the next ten years to allow for the introduction of new P-8A Poseidon maritime surveillance aircraft and seven high altitude MQ-4C Triton unmanned aircraft
- upgrades to the Proof and Experimental Establishment at Port Wakefield (north of Adelaide)
- upgrades to the Woomera Range Complex facilities to support its role in testing and evaluating some of our new weapons systems
- upgrades to the Cultana Training Area

The Future Submarine Technical Office, already based in Adelaide, will be expanded to support the design phase, beginning in 2016.

In addition, the Turnbull Government will establish a new Centre for Defence Industry Capability, to be headquartered in Adelaide, at a cost of \$230 million over the next decade. This centre will help small and medium sized enterprises to get into the Defence supply chain and improve their competitiveness for export opportunities. This will further support the creation of jobs and growth.

7. Creating thousands of real new jobs in South Australia through the NDIS

The Coalition's commitment to the National Disability Insurance Scheme (NDIS) will see more than 32,000 South Australians living with disability and their families benefitting when the NDIS is fully rolled out in 2019.

The NDIS will also create up to 11,000 jobs in South Australia.

As the South Australian Government explains:

"...the National Disability Insurance Scheme will provide an employment boom for South Australia... about 6,000 jobs will be created in South Australia once the NDIS is fully operational...The data shows how the NDIS will create jobs in other sectors, as well as the distribution of direct jobs geographically..."

It shows the NDIS in South Australia will:

- *Support between 2,200 and 3,400 people with a disability to find work*
- *Support about 2,270 carers to return to the workforce*
- *Create an employment boom in SA with up to 5,700 direct jobs*
- *With flow on effects, create up 11,000 jobs in South Australia in total"⁴*

The NDIS is one of the largest social policy reforms in Australia's history. South Australians living with disability, their families, their carers and their service providers will all benefit.

Just as importantly, the NDIS will deliver more jobs and more opportunities for South Australians.

The NDIS will rely on an innovative and competitive disability services market that will result in more local jobs as participants look for local services who can meet their needs.

In addition to services, NDIS participants will have choice in individualised assistive technology solutions that enable them to enhance their economic and community participation. There is an opportunity for South Australia to contribute to the development of the \$ 1 billion market for assistive technologies.

⁴ The Hon Leesa Vlahos (March 3, 2016) *National Disability Insurance Scheme a Jobs 'Boom' for South Australia*.

8. Supporting and increasing the 65,000 South Australian jobs dependent on exports

The South Australian Government estimates that exports support more than 65,000 local jobs and deliver over \$14 billion to the state's economy.

The South Australian Government notes the importance of exports and the potential of exports to deliver high-value jobs to the state:

"We want more businesses to export to more destinations in larger quantities..."

*...The State's future economic growth depends on our relationship with international partners. As our economy transforms from a traditional manufacturing base to a high-value technology base, we are strengthening our international connections for the benefit of business."*⁵

The Coalition's export trade deals are delivering thousands of jobs and growth opportunities for South Australian businesses.

The South Australian Government found, in relation to just the China-Australia free trade agreement, that:

"There are real and substantial opportunities to grow and develop South Australia's economy under ChAFTA. Concerning goods exports, there are real opportunities for growth in South Australia's three biggest categories for export to China, meat, beverages (including wine) and mining..."

*... ChAFTA creates a comprehensive framework for bilateral trade that, properly utilised by Government and private stakeholders, has the potential to substantially benefit the South Australian economy."*⁶

These agreements will grow our economy, create jobs and benefit consumers.

Up to 10,000 new jobs are expected to be created in Australia's financial services sector alone by 2030. In the first year of operation, our agreements with Korea and Japan delivered real benefits for the agricultural sector: the value of Australian exports of fresh beef to Japan increased by 22 per cent to just over \$1 billion; exports of bottled wine to Korea increased 53 per cent; and China's imports of fresh Australian lobster between January and March were triple those of 12 months ago.

⁵ Premier Weatherill (February 12, 2016) *Success for New Investment Strategy*.

⁶ South Australian Government (2015) *Trade Impact Study for South Australia in Relation to the China-Australia Free Trade Agreement (ChAFTA)*, pp.69-70.

Australia's economy will be \$24 billion larger by 2035 because of the Coalition's free trade agreements with China, Japan and South Korea. The free trade agreements with China, Japan and South Korea are forecast to create some 7,900 jobs this year and over 14,500 jobs in 2020.

For Australian consumers and businesses, the new trade agreements will also place downward pressure on the prices of some goods, such as vehicles, electronics, clothes and household appliances.

The Coalition has also committed \$50 million to the Australian Grape and Wine Authority headquartered in Adelaide to promote Australian wine overseas and wine tourism within Australia.

Our commitment will open the way to make the most of new opportunities made available through free trade agreements and build current wine exports, which constitute around 60 per cent of wine produced in Australia.

The Coalition's commitment to trade and investment will deliver more local jobs in South Australia.

9. Our plan to increase investment in South Australia

The Coalition will deliver a tax cut for South Australia's approximately 140,000 small businesses.

Our commitment will mean greater cash flow for small businesses, giving them more capacity to invest, grow their business, employ more, and promote their products or services into new markets.

From 1 July 2016, small businesses will have their corporate tax rate progressively reduced.

On 1 July 2016, the tax rate will fall to 27.5 per cent for companies with annual turnover less than \$10 million.

This 27.5 per cent rate will be gradually extended to all companies, before falling to 27 per cent on 1 July 2024, 26 per cent on 1 July 2025 and 25 per cent on 1 July 2026.

Because not all small businesses are incorporated, from 1 July 2016, unincorporated businesses with annual turnover less than \$5 million will be able to access an increased unincorporated tax discount of 8 per cent, capped at \$1,000. The discount will increase to 16 per cent in increments between 2024-25 and 2026-27, to coincide with the staggered cuts in the corporate tax rate to 25 per cent.

Our commitment will support South Australia's small businesses and encourage more South Australian businesses to invest and employ.

The Turnbull Government's National Innovation and Science Agenda will help create a strong new economy with more jobs, by investing in the talents and ideas of the Australian people.

The Coalition is investing \$1.1 billion to incentivise innovation and entrepreneurship and help bring more great Australian ideas to market, by:

- providing tax incentives to encourage investment in innovative start-ups so they can survive and thrive
- attracting more venture capital investment into high potential start-ups
- making it easier for aspiring entrepreneurs to access crowd-sourced equity funding
- helping small businesses attract world-class staff by improving employee share schemes
- providing long-term funding certainty for cutting-edge, national research infrastructure

The Agenda will also help prepare our children for the jobs of the future by boosting participation in science, technology, engineering and maths (STEM) in schools.

10. Supporting Youth Employment in South Australia

The Coalition will implement an \$840 million Youth Employment Package to increase the employability of young people aged under 25 years, provide them with real work experience and increase financial incentives for employers to take them on.

Around 220,000 people in South Australia are between 15 and 24 years of age.

Our Youth Employment Package includes:

- training of up to six weeks, co-designed with employers to enhance young job seekers' basic employability skills (such as team work, presentation, and communication) and job preparation skills (such as advanced job search skills, career development, and interview skills)
- up to 120,000 internship placements of four to twelve weeks (30,000 placements per year) to enable businesses and job seekers to trial their suitability for employment
- a wage subsidy of up to \$10,000 for every eligible young person under 25 years of age that an employer hires
- simplification of, and greater flexibility for, existing wage subsidy arrangements
- expansion of the New Enterprise Incentive Scheme to 8,600 places each year (an increase of 2,300 places each year)

- new 'Exploring Being My Own Boss' workshops to engage young job seekers to explore self-employment as an alternative pathway to employment, with the option of an internship to gain first-hand experience in running a small business

Our commitment will boost employment participation in South Australia and encourage more young people to enter and remain in the workforce.

11. Investing in international education in South Australia

International education generated more than \$1.1 billion for the South Australian economy in 2014-15, supporting more than 8,300 full time positions.

As the largest services export for South Australia, the state will be a real beneficiary of the Coalition's commitment to boosting international education in the state. We have committed \$12 million in funding to support the implementation of the National Strategy for International Education.

Funded initiatives will help ensure South Australia remains at the forefront of international education, strengthening quality, and realising the opportunities for growth.

The Choice

The Coalition is focused on delivering a stronger economy with more jobs, higher real wages, more opportunities, and a greater standard of living for our children.

Our economy is growing at 3 per cent – faster than every economy in the G7 and growing well above the OECD average. Our economy is growing faster than the United States and the United Kingdom, more than twice the pace of Canada – a comparable resource-rich advanced economy – and we're matching growth rates in economies like South Korea.

Under the Coalition's pro-growth policies, the global competitiveness ranking of Australia's tourism sector has improved from 13th in the world under Labor in 2011 to 7th in the world in 2015, according to the World Economic Forum.

We are investing in a \$1.1 billion National Innovation and Science Agenda that will create and grow businesses and give our kids the skills they need for the jobs of the future.

Our defence industry plan will secure an advanced defence manufacturing industry and thousands of new hi-tech jobs in South Australia.

We are delivering tax cuts for South Australia's small businesses.

We are providing tax offsets for investments up to \$1 million in innovative, high-growth businesses.

We have confidence in the future of South Australia.

More than 15,000 new jobs have been created in South Australia since the Coalition came to Government and more than 7,000 have been created just this year.

We are also delivering over 15,000 additional new, real jobs for South Australia.

Funding for South Australia's schools increases by 17 per cent over the next four years.

Funding for South Australia's hospitals increases by 14 per cent over the next four years.

South Australia will receive an additional \$517 million in GST revenue over the next year.

We are delivering for South Australia.

The Coalition inherited an economic mess from Labor.

We inherited a deficit of \$48 billion and cumulative budget deficits of \$123 billion.

Labor announced 43 new or increased taxes when they were in government.

The Coalition believes in the future of South Australia as an innovative, smart state with new jobs generated in new industries – jobs that are well paid, certain and which provide robust skills training and professional development.

Costs

The Coalition will invest \$25 million to further support jobs and growth in South Australia.



THE NATIONALS
for Regional Australia

For further details of the Coalition's plan go to
www.liberal.org.au/our-plan
nationals.org.au/our-plan/