

## TREASURER TOM KOUTSANTONIS

Thursday, 7 July 2016

### **New initiatives to support regional economic growth**

The 2016-17 State Budget contains a range of new funding initiatives in the regions totalling about \$384 million over the next five years.

These new initiatives emphasise the vital role regional South Australia continues to play in the economic strength and social fabric of our State.

The Budget includes ongoing funding of \$15 million per annum for the Regional Development Fund.

In addition, people living in our regions will benefit from the extension of the small business payroll tax rebate for an additional four years saving businesses up to \$9,800 per year.

As well, the stamp duty concessions for off-the-plan apartments has been extended for one year and expanded to cover all of South Australia, so people living in the regions will now be eligible.

Previously the concessions only applied to properties in the CBD and inner-city suburbs.

Assistance for the Upper Spencer Gulf and Outback region includes a \$9.6 million interest-free loan scheme to support small businesses experiencing cash-flow challenges as a result of Arrium entering administration.

A \$7 million support package has been made available through the Regional Development Fund and the Upper Spencer Gulf and Outback Futures Program and \$1 million has also been made available for job creation grants, including support for Leigh Creek.

### **Background**

New regional funding initiatives in the 2016-17 Budget include:

- \$106.5 million over three years towards delivering advanced science and technology facilities to public schools in regional areas;
- \$34.3 million over three years for Murray Futures Riverine Recovery;
- \$56 million over four years for additional prisoner accommodation in Port Augusta, Mount Gambier and Mobilong;
- \$44.4 million over four years for 'Closing the Gap in Aboriginal Health' outcomes;
- \$9.3 million over four years for Country Fire Service fire truck safety systems and \$4.2 million for volunteer training and support;

- \$16.2 million over four years for enhanced capacity to respond to bushfire threats;
- \$9 million over three years for the Kangaroo Island Airport and \$2.95 million for Mt Gambier airport upgrade;
- \$8.5 million over the next three years to assist communities affected by the Pinery bushfires;
- \$8.7 million over four years for community mental health rehabilitation centres in Whyalla;
- \$5 million in 2015-16 towards the Port Pirie Memorial Oval redevelopment;
- \$1.6 million over four years for the Aboriginal Regional Authorities;
- \$2.05 million in 2016-17 for the Riddoch Art Gallery Collection in Mount Gambier;
- \$2 million over four years for volunteer training and support for the State Emergency Services;
- \$1.9 million in 2015-16 to upgrade tourism infrastructure in State parks;
- \$1.9 million over four years to enhance our clean green image to grow horticultural production and exports;
- \$1.49 million over two years to extend the North West Indigenous Pastoral Program;
- \$1 million in 2016-17 towards Round 2 of the Mobile Black Spot Program;
- \$1 million over two years towards transitional planning for Leigh Creek;
- \$1 million in 2016-17 for The Cedars Art Gallery at Hahndorf;
- \$811,000 in 2015-16 for Remote Airstrip upgrades;
- \$500,000 in 2016-17 for the Cleland Koala Experience;
- \$350,000 in 2015-16 for the Solomontown boat ramp dredging program in Port Pirie; and
- \$300,000 in 2015-16 for Foodbank Whyalla.

### **Quotes attributable to Treasurer Tom Koutsantonis**

The Budget continues new and ongoing measures which recognise and support the important role played by the regions in the economic development of our State.

Our regions contribute around \$25.4 billion to the State's economy and more than quarter of Gross State Product with about 29 per cent of the population.

The funding initiatives in the Budget deliver new and ongoing investment to further drive economic growth and job creation in our regions.

South Australia is the lowest cost place in Australia to run a business and our competitive payroll tax regime and stamp duty concessions will help deliver that growth in our regions.



## Quotes attributable to Regional Development Minister Geoff Brock

A wide range of initiatives have been developed to ensure regional policy is at the forefront of government decision making.

These include a Charter for Stronger Regional South Australia Policy, the creation of a Regional Cabinet Committee comprising five Ministers and the establishment of Regions SA.

The enhanced \$15 million a year Regional Development Fund is delivering significant jobs growth across the State.

A recent independent analysis of the Fund showed that in 2015-16 alone, RDF supported projects made an economic contribution to the State of \$933 million and created 2,265 regional jobs.

About \$33 million in contestable grants were awarded in RDF Rounds 1 and 2, supporting 61 projects worth a combined \$5.6 billion to the State's economy through to 2020-21.

The independent analysis predicts that a total of 14,389 jobs could be generated across regional South Australia over the life of these projects.

## Regional Infrastructure

The 2016-17 State Budget continues investment in regional infrastructure and capital works in the regions to help drive local jobs and regional economic growth.

Funding for **Planning, Transport and Infrastructure** capital works in 2016-17 includes:

- \$1.4 million towards the \$100 million Adelaide to Melbourne Road Corridor;
- \$10 million towards the \$70 million program to improve the safety of road infrastructure;
- \$7.7 million towards \$8.9 million Managed Motorways program on the South Eastern Freeway;
- \$9.6 million towards the \$28.2 million refurbishment of the Port Bonython jetty;
- \$340,000 towards the \$97.9 million Sturt Highway upgrade;
- \$6 million towards the \$27 million Mount Barker Intersection upgrade on the South Eastern freeway;
- \$10.5 million towards the \$28 million program to review strategic routes, including the Victor Harbor Road, Main South Road and the Port Augusta to Port Wakefield Road; and
- \$46 million towards the annual Asset Improvement program.

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Funding for **Health and Ageing** capital works in 2016-17 includes:

- \$2.2 million for Country Health SA hubs in Mount Gambier and Whyalla;
- \$771,000 towards \$16.4 million for regional cancer services; and
- \$500,000 towards \$2.9 million for regional dialysis services at Gawler.

Funding for **Environment, Water and Natural Resources** capital Works in 2016-17 includes:

- \$8.2 million towards \$51.4 million for Riverine recovery;
- \$27.8 million towards the \$117.3 million Riverland Floodplains Integrated infrastructure Program;
- \$42.9 million for the South East Flows Restoration Project; and
- \$1.1 million for enhanced capabilities for fire management on public land.

Funding for **Correctional Services** capital works in 2016-17 includes:

- \$38.3 million towards the \$55.8 million upgrade of the Port Augusta Prison;
- \$20.7 million towards the \$58.2 million upgrade of the Mount Gambier Prison; and
- \$6.7 million towards the \$10.7 million upgrade of the Mobilong Prison.

Funding for **Emergency Services** capital works in 2016-17 includes:

- \$3.61 million for SES capital works and rescue equipment;
- \$14.3 million for CFS capital works, vehicles and equipment;
- \$269,000 for SES light fleet vehicles;
- \$397,000 for replacement of SES communications equipment; and
- \$1.7 million for replacement of CFS communications equipment.

Funding for **Education and Child Development** capital works in 2016-17 includes:

- \$14.9 million towards the \$106.5 million Contemporary Learning Facilities program to deliver advanced science and technology labs to public schools;
- \$3.1 million towards the \$6 million development of the Evanston Gardens Primary School; and
- \$821,000 towards the \$2 million development of the Yalata Anangu School.

Funding for **Primary Industries and Regions** 2016-17 capital works includes:

- \$1.2 million towards the \$3.8 million Clare regional office upgrade;



- \$2.6 million for the \$6.1 million Loxton Research Centre redevelopment;
- \$872,000 for the \$3.8 million Sterile Insect Technology Facility; and
- \$4.9 million for annual minor capital works and equipment.

Funding for **SA Water** 2016-17 capital works includes:

- \$450,000 towards the \$6.3 million Baroota Dam project;
- \$1 million towards the \$5 million upgrade to the Barossa Wastewater Treatment Plant;
- \$2 million towards the \$4.6 million Hahndorf Wastewater Treatment Plant upgrade;
- \$42.7 million towards the \$94.7 million upgrade to the Kangaroo Creek Dam to increase its spillway flood capacity and resistance to earthquakes;
- \$2.8 million towards Stage One of the \$15.6 million Mt Barker Development Water Supply Scheme;
- \$8 million towards the \$11.5 million upgrade of the Myponga trunk line main access track;
- \$1.7 million towards the \$16.1 million upgrade to the Port Lincoln Wastewater treatment plant;
- \$4.4 million towards the \$6.3 million upgrade of the Tod River Dam to increase its flood capacity, resistance to earthquakes and to address the risk of dam wall leakage;
- \$1.1 million towards the \$4.6 million project for additional storage for the Taillem Bend Keith pipeline tank at Coomandook;
- \$8.2 million towards Stage 3 of the Victor Harbor Wastewater network upgrade; and
- \$4.9 million towards the \$15 million Warooka and Point Turton water supply upgrade.

Funding for **State Development** capital works in 2016-17 includes:

- \$7.1 million towards the \$12.9 Brukunga Mine rehabilitation project;
- \$2.5 million for upgrades to regional Arts Theatres; and
- \$346,000 for energy supply to remote areas.

Funding for regional **SA Housing Trust** capital works in 2016-17 includes:

- \$19.3 million towards the \$221 million remote indigenous housing program.

Funding for regional **Forestry SA** capital works in 2016-17 includes:

- \$362,000 on plant, equipment and roadworks.

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