

TREASURER TOM KOUTSANTONIS

Thursday, 22 June 2017

\$200 million Future Jobs Fund to create jobs in growth industries

The 2017-18 State Budget includes a new \$200 million Future Jobs Fund to drive employment in key growth industries.

The fund will build on measures in recent budgets that have underpinned continual jobs growth, despite pressures from the closure of automotive manufacturing and constrained international markets for mining commodities.

As part of the State Government's \$200 million Future Jobs Fund, \$50 million in grants and \$70 million in low-interest loans will be available to support job creation in the growth industries of:

- Shipbuilding and defence.
- Renewable energy and mining.
- Tourism, food and wine.
- Health and biomedical research.
- IT and advanced manufacturing.

The remaining \$50 million in funding and \$30 million in low-interest loans have been allocated to measures in this budget to support job creation. They include:

- **Investment Attraction South Australia** - \$60 million over four years to further support and secure new investment in the state, bringing more companies like Boeing to South Australia. It includes \$30 million in grants and \$30 million in low-interest loans.
- **Events and conventions bid funds** - \$14.5 million over four years to continue both bid funds to secure major events and conventions to further drive growth in the visitor economy.
- **Automotive diversification** - \$5 million over two years to continue support for the automotive supply chain ahead of the closure of Holden and the end of automotive manufacturing in this state.
- **I Choose SA** - \$2 million in 2017-18 to extend the successful campaign, which encourages consumers to look for and buy South Australian products and services.

The State Government is calling on the Federal Liberal Government to match its \$200 million commitment to the Future Jobs Fund.

The Federal Government can draw these funds from the hundreds of millions of dollars in subsidies it is pocketing after withdrawing its support for the auto-manufacturing sector.

Background

Early applications will now be accepted for the Future Jobs Fund grants and loans via www.treasury.sa.gov.au

Grants to help businesses develop their business cases for Future Jobs Fund applications will also be available.

Future Jobs Fund Grants

- Applicants must contribute matching funds of at least the amount of the grant sought. Requests for ongoing assistance (including ongoing tax relief), or proposals with significant risk of ongoing assistance, will not be approved.
- The maximum grant per proposal is \$5 million.
- The minimum grant per proposal is \$100,000.
- Grants will be contingent on the achievement of agreed job-creation milestones.
- Failure to achieve such milestones will require repayment of the grant.

Future Jobs Fund Loans

- Applications for loans may be made for assistance towards the costs of expanding an entity's operations with the outcome of creating additional ongoing jobs. Examples include investment in new equipment, construction of infrastructure or facilities, purchase of land, and investments to enable diversification.

Business Case Support Grants

- Grants of up to \$50,000 are available to help applicants develop a business case in support of applications to the Future Jobs Fund for grants and/or loans.
- Applicants must contribute matching funds of at least the amount of the business case support grant sought.

The State Government has also established a SA Jobs Today website, which will act as a portal for information for jobseekers, businesses and interested South Australians.

Visit the website at: www.sajobstoday.sa.gov.au

Quotes attributable to Treasurer Tom Koutsantonis

As South Australia's traditional industries erode, the State Government is stepping forward to support industries that are growing jobs today and creating the jobs of tomorrow.

Our \$200 million Future Jobs Fund will focus on driving employment in key growth industries:

- Shipbuilding and defence.
- Renewable energy and mining.
- Tourism, food and wine.

- Health and biomedical research.
- IT and advanced manufacturing.

These industries are here today, and they will be providing the jobs of tomorrow.

The State Government is determined to back the growth sectors already competing successfully, build new industries, and create incentives to encourage businesses to invest.

We are providing increased funding for Investment Attraction South Australia to bring more companies like Boeing to South Australia.

Our bid funds initiative is putting South Australia on the map as a world-renowned host of major events and conventions, and it is forecast to inject almost \$500 million into the local economy and create about 4500 jobs.

We are protecting existing jobs by backing our steelmakers in Whyalla and supporting component manufacturers in the car industry to develop new products and markets.

We are calling on the Federal Government to help our state create even more jobs.

Today, I have written to Treasurer Scott Morrison asking him to partner with us and match our \$200 million commitment to the Future Jobs Fund dollar for dollar.

The Federal Government can draw its share from the hundreds of millions of dollars in subsidies it is pocketing from kicking the car industry out of South Australia.

We had to stand up and fight to make sure the submarines and frigates were built in South Australia - as originally promised.

We fought to make sure our state got its fair share of water in the Murray-Darling Basin Plan.

And we have fought to oppose cuts to our schools and health system.

We will also fight to ensure the Federal Government helps our state create jobs after it abandoned its support for automotive manufacturing in South Australia.

Media Contact: David Russell 0434 307 012