

## TREASURER TOM KOUTSANTONIS

Thursday, 22 June 2017

### Initiatives to support economic growth in the regions

The state's regions play a vital role in the strength of the South Australia's economic and social fabric, which is why a number of new regional initiatives are being funded in the 2017-18 State Budget.

The State Government continues to stand with the Whyalla Community as it works to secure a future for the Arrium steelworks.

The 2017-18 State Budget includes \$1.4 million to deliver community infrastructure upgrades to the city - including a redevelopment of the Whyalla Jetty.

It is part of \$1.1 billion that is being invested in regional infrastructure across the state in 2017-18, to boost job creation and economic and social growth in regions.

Regional small businesses will also benefit from new payroll tax measures and increased Jobs Accelerator Grants.

The State Government is building on its nation-leading tax reforms introduced in the 2015-16 State Budget, by locking in the discounted payroll tax rate of 2.5 per cent for small businesses with payrolls between \$600,000 and \$1 million.

The State Budget will also extend payroll tax discounts to businesses with payrolls between \$1 million and \$1.5 million, benefitting an additional 1300 businesses in this bracket.

The State Government will boost Jobs Accelerator Grants for businesses that employ new apprentices and trainees. Eligible businesses will be able to receive up to \$10,000 for each new worker they employ, or up to \$15,000 for each new apprentice or trainee employed.

This grants scheme has already created more than 1400 new positions in the regions since it was introduced in last year's State Budget.

The 2017-18 State Budget includes ongoing funding of \$15 million per annum for the Regional Development Fund (RDF). The RDF has delivered more than 90 projects in our regions, which drive economic activity, greater investor confidence and job creation.

### Background

New regional spending in the 2017-18 State Budget includes:

- \$17.5 million over four years for the extension of the Community Wastewater Management System funding agreement.

- \$8.9 million over two years for repairs to national parks damaged in the September storm events.
- \$6.7 million over four years from 2017-18 for the Mt Barker/Strathalbyn 24-hour medical emergency care model.
- \$6.1 million over two years for marine facilities improvements at Port Bonython and Whyalla.
- \$5 million over four years towards the PACE Discovery Drilling Program to deliver ground-breaking data and information through new drilling technologies.
- \$3.3 million in 2016-17 towards the Riverland Storms Recovery Assistance Program in response to the hail storm event.
- \$3 million over three years from 2017-18 to contribute to licensing costs of hosting a V8 Supercar event at Tailem Bend.
- \$2.2 million over five years towards the management of the Aroona Dam in Leigh Creek.
- \$1.6 million to support South Australia's Steel Task Force to secure the future of the Arrium Whyalla Steelworks. The additional funding will aid the coordination of the Arrium administration and sale process.
- \$13.5 million over three years in partnership with the Commonwealth for the Flows for the Future of the River Murray project, an initiative aiming to restore natural flow patterns in the River Murray.
- \$1.2 million over four years to train Volunteer Marine Rescue members and State Emergency Services volunteers under the Safer SA Waters program.
- \$1.2 million over four years towards the South Australian Aboriginal Interpreter Service.
- \$1.1 million for the Mount Gambier airport upgrade, in addition to the state government's previous commitment of \$2.95 million, bringing the state's contribution to \$4 million.
- \$730,000 for new ambulances in the APY Lands.
- \$600,000 to the Kingston District Council to repair the Wyomi sea wall.
- \$600,000 over two years, starting in 2016-17 toward the Leigh Creek Motel.
- \$522,000 over four years to establish and maintain a Country Fire Service brigade at Leigh Creek.
- \$407,000 for the Whyalla City Council city entrance, community amenity upgrades and Centre for Opportunity.
- \$188,000 over three years, from 2018-19, towards ongoing support for a Foodbank hub in Port Pirie.

The 2017-18 State Budget continues investment in regional infrastructure and capital works in the regions to help drive local jobs and economic growth. The regional capital spend in 2017-18 includes:

### **Education and Child Development**

- \$50.7 million towards the \$106.5 million for a new generation of science and technology labs at regional public schools.
- \$4.5 million for the Meningie Area School.
- \$400,000 towards Stage 2 of the Roxby Downs Children's Centre.

### **Emergency Services**

- \$15.3 million for Country Fire Service capital works and rescue equipment.
- \$3.6 million for State Emergency Service capital works and rescue equipment.

- \$840,000 for the replacement of Country Fire Service telecommunications equipment.
- \$407,000 for the replacement of State Emergency Service telecommunications equipment.
- \$276,000 towards the State Emergency Service light vehicle fleet.

### **Environment, Water and Natural Resources**

- \$47.2 million towards the \$107.7 million South Australian Riverland Floodplains Integrated Infrastructure Program.
- \$29 million towards the \$45.8 million Riverine Recovery Project.
- \$26.3 million towards the \$48.1 million South East Flows Restoration Project.
- \$1.1 million for enhanced capabilities for fire management on public land.
- \$460,000 for the South Eastern Water Conservation and Drainage Board.

### **Planning, Transport and Infrastructure**

- \$12 million towards the \$30.1 million Improving Critical Road Infrastructure project.
- \$11.7 million towards the \$12.3 million Gawler East Collector Link.
- \$10.9 million towards the \$36.7 million Upper Yorke Peninsula Regional Road Network Upgrade.
- \$7.8 million towards the \$8.9 million for managed motorways on the South Eastern Freeway.
- \$4.7 million towards the \$33.2 million Port Bonython Jetty refurbishment.
- \$4.7 million towards the \$27 million Mount Barker Intersection upgrade on the South Eastern Freeway.
- \$3.5 million towards \$24.7 million for Strategic Route Reviews on Victor Harbor Road, Main South Road, and the Port Augusta to Port Wakefield Road.
- \$2.3 million towards the \$18 million Victor Harbor Road/Main Road, McLaren Vale overpass.
- \$883,000 towards the \$1.8 million Leigh Creek Township upgrade.

### **Correctional Services**

- \$39.9 million towards the \$61.8 million total cost for 160 new beds at Mount Gambier Prison.

### **Premier and Cabinet**

- \$6.6 million towards the \$11.1 million Barunga Mine project.
- \$352,000 towards the Remote Areas Energy Supply.

### **SA Water**

- \$33.2 million towards the \$94.7 million Kangaroo Creek Dam Safety project.
- \$9.4 million towards the \$11.3 million Morgan Water Treatment Plant Balancing Storage project.
- \$6.9 million towards the \$13.3 million Warooka and Point Turton Water Supply upgrade.
- \$5.2 million towards the \$16.1 million Port Lincoln Wastewater Treatment Plant Sludge Treatment Upgrade.
- \$5 million towards the \$11.5 million Myponga Trunk Main Access Track Upgrade.
- \$4.2 million towards the \$96.5 million Murray Bridge Wastewater Treatment Plant Relocation.

- \$4 million towards the \$10.1 million Hahndorf Hydro Energy Project.
- \$3.3 million towards the \$5.1 million Port Lincoln Wastewater Network Upgrade.
- \$2.8 million towards the \$4.2 million Hahndorf Wastewater Treatment Plant Inlet Screen Upgrade.
- \$2.7 million towards the \$7.1 million Taillem Bend Keith Pipeline Coomandook Tank additional storage.
- \$1.5 million towards the \$12 million Mount Barker Development Water Supply Scheme - Stage 1.
- \$800,000 towards the \$8 million Victor Harbor Wastewater Network Upgrade - Stage 3.
- \$305,000 towards the \$5.9 million Baroota Dam Safety Investigation.
- \$107,000 towards the \$6.9 million Mannum Adelaide Pipeline High Voltage Switchboards Upgrade.
- \$90,000 towards the \$6.3 million Tod River Dam Safety project.

### **South Australian Housing Trust**

- \$27.4 million towards the \$213.6 million Remote Indigenous Housing Program.
- \$19.4 million towards the \$20.3 million Economic Stimulus Program for the construction of social housing.
- \$8.5 million for public housing capital maintenance.
- \$2.4 million for the \$3.4 million Whyalla stimulus package.
- \$2.1 million for Public Housing Construction Acquisitions.
- \$1.3 million for the Aboriginal Housing Capital Program.
- \$1 million for the Better Neighbourhoods Program.

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

We're proud to present a State Budget that supports so many valuable projects taking place in our state's regions.

Regional South Australia contributes around \$25.4 billion to the state's economy, which accounts for over a quarter of the state's gross state product.

This State Government wants to support regional businesses that are seeking to grow – and help them grow faster.

By permanently cutting payroll taxes for regional small businesses we can give them the freedom and confidence to expand and take on more staff.

Our Jobs Accelerator Grants also offer up to \$10,000 to eligible businesses for each new worker they employ, or up to \$15,000 for new apprentices and trainees employed, which will help deliver even more growth in our regions. The scheme has already created more than 1400 new jobs in the regions.

With payroll tax relief and Job Accelerator Grants available for each new employee, now is a great time for regional businesses to consider growing and employing more staff.

## **Quotes attributable to Regional Development Minister Geoff Brock**

The 2017-18 State Budget contains a number of new and ongoing initiatives which reflect the crucial role our regions play in the economic health and wellbeing of our state.

This includes continued funding of \$15 million a year for the Regional Development Fund (RDF) through to 2020-21 towards regional projects.

This investment in regional South Australia is attracting private investment and supporting economic diversity in our regions.

The RDF has so far resulted in more than 90 projects across the state leading to increased economic activity, greater investor confidence and job creation.

It's vital that we continue to support our regions through all groups actively working together to ensure the contribution from our regional industries and communities not only continues, but expands.

**Media Contact:** David Russell 0434 307 012