

STATE BUDGET

2023-24

STEPHEN MULLIGHAN MP
TREASURER

A BUDGET TO DRIVE THE ECONOMY AND JOBS

The 2023-24 State Budget allocates \$186 million in measures to invest in the economy, driving growth and creating jobs.

South Australia's economy has been going from strength to strength, with several record breaking months of employment. Employment has grown by 3.9 per cent over the past twelve months. This is over 2 and a half times higher than the decade average annual growth rate of 1.5 per cent.

The value of goods exports is at a record high \$17.5 billion in the 12 months to April 2023, and retail spending hit a record high \$2.3 billion in April due to the AFL Gather Round and LIV Golf, while the winter crop is at record levels for 2022-23 at 12.6 million tonnes.

The budget funds measures designed to maintain this momentum and capture key economic opportunities as global economic headwinds gather.

To provide support for the AUKUS project, the government will spend \$5.5 million to establish an Office for AUKUS to help implement the Australian nuclear-powered submarine construction program at Osborne.

To capitalise on AUKUS and other economic opportunities, the budget also allocates \$2.4 million over four years to expand SA's international network, including a trade office in Washington, D.C. and Frankfurt, Germany, along with a Special Envoy to Singapore and South-East Asia to help attract investment to South Australia.

The 2023-24 Budget sees the Malinauskas Government continue its significant support of the visitor economy through:

- An additional \$20.8 million over four years for the Major Events Fund, to attract new events to South Australia and grow existing events.
- \$18 million over four years to support the successful Adelaide 500.
- \$27.8 million over four years to boost funding to the racing industry.

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The Government is investing in industries of the future with:

- \$33 million over four years, including the repurposing of the Australian space park proposal, to grow the space industry, building on the existing space presence at Lot Fourteen to help attract, grow and retain space companies in South Australia.
- \$22 million in 2026-27 to further increase the Economic Recovery Fund, to help South Australian businesses invest and grow after the pandemic.
- \$20 million over four years for the Research and Innovation Fund, including continuing funding for the start-up hub at Lot Fourteen.
- \$5 million over two years for the state's contribution to BioCina to establish an end-to-end mRNA manufacturing facility in SA.
- \$25.4 million over five years to support operations of six SA-based National Collaborative Research Infrastructure Strategy facilities including funding for equipment upgrades.
- \$13.5 million over four years for the extension of the SA video game development rebate scheme.

The budget also includes \$6 million over three years to attract and retain high quality international students, particularly as the university sector continues to recover after COVID.

The Upper Spencer Gulf, and regional South Australia more generally, will play a key role in the government's economic plan. The Upper Spencer Gulf will be home to SA's hydrogen industry, and potentially a significant sustainable water industry.

The 2023-24 Budget includes a provision to partner with private sector proponents to fund further environmental studies, final engineering and costings for the Northern Water project to facilitate a final investment decision. The project aims to deliver a new and sustainable water supply for the far north and Upper Spencer Gulf areas of South Australia to support significant expansion of the state's mining industries, as well as regional communities.

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To further support the establishment of a Hydrogen industry in the Upper Spencer Gulf, the Malinauskas Government is funding \$1.2 million over two years to facilitate the development and implementation of the Hydrogen and Renewable Energy Act. This will support the delivery of the Hydrogen Jobs Plan and establishment of a world-leading green hydrogen sector.

In addition, businesses will also benefit from certainty due to the government's promise of no new taxes.

Quotes attributable to Stephen Mullighan

South Australia's economy has performed exceptionally well over the past 12 months and we want to maintain that momentum as interest rates and inflation take their toll.

There are major economic opportunities for our state with nuclear submarine construction, renewable energy, hydrogen and mining – this budget provides the support to capture these and grow our economy and jobs into the future.

These measures are about creating jobs and opportunities so that we remain the best place to do business and invest.

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