

STATE BUDGET 2020-21

MINISTER FOR INNOVATION AND SKILLS HON DAVID PISONI MP MEDIA RELEASE

Tuesday 10 November 2020

Backing business to create jobs the key focus of Budget, to support skills-led economic recovery

Companies that employ new apprentices and trainees will have the associated payroll tax on those eligible positions waived for 12 months in a major Marshall Liberal Government boost for local skills training and jobs in the wake of COVID-19.

The significant tax incentive contained in the State Budget 2020-21 will apply for apprentices and trainees who commence a relevant contract of training from today until June 30 next year.

The measure – which could save businesses up to \$3,600 over the year if they employ 2 apprentices - complements the Government's massive investment in the vocational education and training (VET) sector, apprentices and trainees, small business, innovation, and the creative industries – by backing business, creating more jobs, and building what matters.

The State Budget 2020-21 also includes an additional \$88 million over two years to deliver more training through the JobTrainer Fund National Partnership Agreement with the Commonwealth, which will be crucial as the South Australian economy continues to recover from the global COVID-19 pandemic. This builds on the existing Skilling South Australia initiative, which is driving growth in apprenticeships and developing a sustainable training system, through the \$192 million Skilling Australians Fund National Partnership with the Commonwealth.

The State Budget 2020-21 expands on the Public Sector Traineeship program, providing an extra 750 trainees in aged care, disability care, and cyber security, as well as apprentices in the housing construction sector.

A small to medium enterprise (SME) business advisory service will be established through a \$5 million investment in 2020-21 to support SMEs to access personalised business advice, assisting them in developing sustainable and robust expansion strategies and plans. The State Government will provide vouchers up to \$10,000 to support at least 500 South Australian businesses to access this program.

Building on the \$10,000 emergency cash grants for small businesses in response to the COVID-19 pandemic, which supported nearly 100,000 jobs and more than 18,700 small businesses and not for profit organisations, a further stimulus will be provided in the form of \$10,000 cash grants targeted at businesses who employ staff and continue to be impacted by COVID-19 and \$3,000 cash grants for businesses that don't employ staff, are eligible for JobKeeper and operate from commercial premises.

Minister for Innovation and Skills David Pisoni said the State Budget 2020-21 is continuing the Marshall Government's significant investments in skills training, support for small businesses, the innovation agenda, and the fast-growing creative industries.

"We are driving a skills-led economic recovery from the COVID-19 pandemic, and our additional training investment under JobTrainer will complement Skilling South Australia and prioritise skills

STATE BUDGET

2020-21

in priority sectors where there is high demand for skilled workers to drive employment – such as in the social care sector, cyber security, ICT, defence industries, and the creative industries,” Minister Pisoni said.

“The State Government is playing its part when it comes to employing apprentices and trainees, with an expansion of the Public Sector Traineeship program. The State Budget is providing for 750 trainees in aged care, disability, cyber security, and apprenticeships in the housing construction sector.

“We’re also continuing to back small businesses to grow, with the establishment of the SME Business Expansion Growth Advisory Program, which will assist SMEs access personalised business advisory services, such as financial and business planning, strategy development, change management, continuity planning and market access – want to see small businesses grow in a sustainable way in order to create more jobs for South Australians.

“The Marshall Government’s bushfire response also continues through this State Budget, with further significant support for small businesses impacted by the 2019-20 bushfires which devastated large parts of our state.”

Bushfire response budget measures include:

- Grants of up to \$10,000 for wine grape producers who have smoke impacted vineyards but are ineligible for the \$75,000 Primary Industries and Small Business Support Grant;
- \$2.8 million provided in 2019-20 for small business bushfire recovery grants of up to \$50,000, jointly funded with the Commonwealth Government under Disaster Recovery Funding Arrangements;
- \$1.5 million over three years for transformation and growth programs in bushfire affected areas including the establishment of a small business hub on Kangaroo Island, first response financial counselling and tailored training and development for small business, jointly funded with the Commonwealth Government under Disaster Recovery Funding Arrangements; and
- \$22.3 million over two years for Small Business Loss of Income Grants – this initiative is also funded with the Commonwealth Government under Disaster Recovery Funding Arrangements, and will provide grants of up to \$10,000 for eligible small businesses impacted by the significant bushfires in 2019-20.

Other key investments in the Innovation and Skills portfolio include:

- \$3.2 million in 2020-21 for workforce mobility measures in response to COVID-19;
- An additional \$2 million in 2020-21 for the Research, Commercialisation and Start-up Fund to support research and development and innovation activities aligned to the Marshall Government’s Growth State Sector Strategies;
- \$1.2 million in 2020-21 to expand the Australian Cyber Collaboration Centre (A3C), increasing the capability of the A3C by bringing together cyber vendors, suppliers, start-ups and scale-ups, and cyber collaboration projects to create a world class cyber ecosystem at Lot Fourteen;
- \$7 million over four years to establish the Innovation and Translation Intermediaries program within South Australia’s Innovation Districts and Neighbourhoods, as part of the EXCITE Strategy, South Australia’s Science and Innovation Strategy;
- \$1 million for an Innovation Challenge, developed in conjunction with the Chief Scientist and Chief Entrepreneur, to capture new technologies and facilitate the convergence of research and development across technology domains to support industry sectors and start-ups gain early market advantage.

STATE BUDGET

2020-21

- Strengthening the cyber security requirements of the GigCity high-speed internet network, with \$2.5 million over four years to support the continuation of the GigCity program to the 23 existing GigCity precincts beyond 2021;
- \$5.4 million over two years, managed by the South Australian Film Corporation to extend the existing Post Production, Digital and Visual Effects Rebate to video game development.