

A Plan for Australian Jobs

February 2013

On Sunday 17 February 2013, Prime Minister Julia Gillard released “A Plan for Australian Jobs,” the Australian Government’s Industry and Innovation Statement. The Plan outlines a \$1 billion investment in productivity, prosperity and jobs.

The Prime Minister’s press release is available [here](#).

The Plan is available in full [here](#).

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The Government’s Plan responds to the report by the non-Government members of the Prime Minister’s Taskforce on Manufacturing, [Smarter Manufacturing for a Smarter Australia](#), which was released in August 2012. The Plan includes new policy measures to address the concerns of the sector, including the current period of intense structural change. It builds on the Government’s December 2012 announcements to support Australia’s manufacturing sector by strengthening Australia’s anti-dumping and countervailing system and the industry-led Manufacturing Leaders Group.

The Plan outlines initiatives to support productivity, prosperity and jobs across three broad areas:

1. Backing Australian industry to win more work at home

- A new Australian Industry Participation Authority to help businesses build the capabilities and connections to win work on major projects.
- Legislating Australian Industry Participation (AIP) arrangements, requiring major projects worth \$500 million or more to implement AIP Plans to give local industry opportunities to win work on a commercial basis.
- Requiring projects worth \$2 billion or more that apply for concessions under the Enhanced Project By-Law Scheme to embed Australian Industry Opportunity officers within their global supply offices.
- Reforms to the anti-dumping system to provide stronger protection for Australian industry against unfair competition from overseas.

2. Supporting Australian industry to win new business abroad

- The Government will invest more than \$500 million in establishing up to 10 Industry Innovation Precincts to drive business innovation and growth in areas of Australian competitive advantage.



- Precincts will bring firms, research institutions, technology experts and business service providers together to achieve the innovations, connections and scale our businesses need to succeed in the future.
- A new Industry Innovation Network will allow businesses around Australia, including in regional areas, to take part in Precinct activities, gaining access to knowledge, support, services and partnerships regardless of their location.
- The first two Precincts will be a Manufacturing Precinct with locations in South East Melbourne and Adelaide and a Food Precinct headquartered in Melbourne.

3. Helping Australian small and medium businesses to grow and create new jobs

- A new \$350 million round of the Innovation Investment Fund to stimulate private investment in innovative Australian start-up companies.
- Changes to venture capital tax arrangements to improve clarity and certainty for investors and encourage participation by “angel” syndicates.
- A new Growth Opportunities and Leadership Development (GOLD) initiative to provide focused support for SMEs with high-growth potential.
- Extending the successful Enterprise Connect program for SMEs to more manufacturing firms and to new sectors like professional services, information and communication technologies, and transport and logistics, improving the productivity of businesses in key enabling sectors for the broader economy.
- A new Enterprise Solutions Program to help SMEs develop solutions to public sector needs and become better equipped to win work through public tenders.

Funding

The \$1 billion Plan will be funded through changes to the research and development (R&D) tax incentive. Companies with a turnover of greater than \$20 billion a year in the Australian economy will no longer have access to the R&D tax incentive, although they will still have ordinary tax deductibility for their R&D expenditure. The government anticipates that this will affect between 15 and 20 companies in the Australian economy at the moment. The change is subject to the passing of legislation by the Australian Parliament.