

Job Creation Package

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The Plan to make Tasmania attractive
for investment, to create jobs

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Job Creation Package

To encourage business to employ new workers, a majority Liberal Government will immediately implement a Job Creation Package to help the private sector create over 5,000 new jobs.

The most critical issue facing Tasmania is our unacceptably high unemployment rate, and there is an urgent need to help the private sector create jobs.

Almost 19,000 Tasmanians are now languishing on the unemployment queue and our unemployment rate of 7.6 per cent is by far the highest in the country and a long way above the national average of 5.9 per cent.

Showing how seriously we treat the issue, the Liberals have already established a goal of reducing unemployment to the national average within our first term.

The Liberals' Job Creation Package has four components:

- 1) Regional Revival Fund;
- 2) Payroll Tax Rebate for medium and big business;
- 3) Small Business Jobs Bonus; and
- 4) Headworks Holiday to encourage new developments.

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1. Regional Revival Fund

The Labor-Green Government has decimated regional communities with its anti-forestry and anti-development stance.

A majority Liberal Government will help rebuild these regional communities by establishing a \$12 million Regional Revival Fund that will facilitate construction of infrastructure required for major job-creating private sector projects.

Proponents must be able to demonstrate that a contribution from the fund will provide positive net economic benefits to the State, and that they have the financial capacity to commit to their projects.

Also, before accessing funding, proponents must demonstrate that they have made a substantial commitment to the project and/or meet agreed development milestones.

This **Regional Revival Fund** complements the Headworks Holiday. Proponents will not be able to double dip by accessing both programs.

The Regional Revival Fund is expected to support at least 2000 jobs in regional Tasmania.

2. Payroll Tax Rebate to support medium and large businesses to create jobs

Tasmania's payroll tax rate is the highest of all the states and territories, and is hindering the creation of new jobs.

To encourage medium and large businesses to expand and employ additional people, the existing Payroll Tax Rebate for new jobs will be extended for an additional year.

Under the Liberals, employers will receive a payroll tax rebate for additional positions created within their business from 1 July 2014 to 30 June 2015.

To be eligible, the new positions will need to be continuously maintained until at least 30 June 2016, with employers able to claim the Payroll Tax Rebate for that period.

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New employee's wages and salary (\$)	Value of rebate per annum (\$)
40,000	2,440
50,000	3,050
60,000	3,660
70,000	4,270
80,000	4,880
90,000	5,490
100,000	6,100

Based on previous similar schemes, it is estimated that this initiative will support the creation of up to 600 desperately needed new jobs, with a cost capped at \$4 million.

3. Small Business Jobs Bonus

Small businesses are the engine room of Tasmania's economy - there are some 36,000 small businesses in Tasmania, employing more than 105,000 people.

A majority Liberal Government will provide a Small Business Jobs Bonus of up to \$1,000 for new positions created by Tasmanian small businesses between 1 July 2014 and 30 June 2015.

For full time positions, the Small Business Jobs Bonus will be \$1000, which will be paid in two tranches: \$500 after the job has been filled for six months, and the remaining \$500 after another six months.

Recognising that adding a full-time staff member is a big decision for many small businesses, the Jobs Bonus will also be available for new part-time employees that exceed 20 hours per week. This will be paid in two tranches of \$250 each, after the job has been filled for six months and 12 months respectively.

To be eligible, the position must be retained for a full year. For the purpose of this programme, a small business is defined as a business registered in Tasmania that does not pay payroll tax.

The Small Business Jobs Bonus will be capped at \$2 million.

The Small Business Jobs Bonus will support over 2,000 new jobs in Tasmanian businesses.

The New Jobs Bonus programs complements, and will be available in addition to, the Australian Government's Tasmanian Jobs Programme,

which offers a \$3,250 payment to businesses that provide full-time jobs to people who have been unemployed for at least six months.

More information on the Australian Government's Tasmanian Jobs Programme is available at <http://employment.gov.au/tasmanian-jobs-programme>.

4. Supporting developers to create jobs

To encourage developers to invest in Tasmania and create jobs, a majority Liberal Government will implement a two-year Headworks Holiday.

The Liberals led the debate in this critical area and it is clear that these developer charges, of up to \$9,500 per residential block, are acting as a roadblock to development in Tasmania.

A majority Liberal Government will immediately implement a two-year water and sewerage headworks holiday for new developments, including subdivisions, for a period of two years.

This will kick-start new developments in Tasmania, and will unlock a raft of development opportunities that are currently sitting idle due to cost constraints.

It is estimated that this initiative will bring forward up to \$100 million of developments each year, and help create up to 500 new jobs.

The Headworks Holiday will be capped at \$5 million per year.

Costings

Total over four years \$28 million:

- Regional Revival Fund: \$12 million
- Payroll tax rebate: \$4 million
- Small Business Jobs Bonus: \$2 million
- Headworks Holiday: \$10 million

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