

ACT JOBS
AND ECONOMIC
RECOVERY
PLAN



ACT
Government

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Acknowledgement of Country

The ACT Government acknowledges the Ngunnawal people as traditional custodians of the Canberra Region and acknowledges that the region remains a significant meeting place.

The ACT Government and community partners are committed to self-determination as the guiding principle in the delivery of programs and services and are working in partnership with Aboriginal and Torres Strait Islander communities to address matters that are important to them.

Chief Minister's message

This is the greatest economic and public health challenge that the Territory has ever faced.

The decisions we are all taking right now, in our personal lives and our professional lives, are significant. These decisions have, through the initial stages of the pandemic, resulted in a low infection rate in the Territory.

Our public health response has, and always will, take precedence in how the ACT Government continues to support the Canberra community.

But right now, as a community, we have to display resilience and agility to rebuild our economy to restore growth and protect local jobs.

The Government's economic survival measures have helped the Territory manage the first stages of the pandemic, and has kept many Canberrans working. We have bolstered our health system, and stepped in to provide support to households and local businesses.

However, our next stage of economic recovery has to go further, and it has to be bigger. The ACT Government's plan to support Canberra has to maintain confidence today, tomorrow, and every day over the next decade to ensure the Territory emerges from this once-in-a-century economic shock stronger and more resilient.

Following a call from the Reserve Bank of Australia for increased investment to stimulate activity, the ACT's Jobs and Economic Recovery Plan features a \$4.9 billion commitment from the ACT Government to protect and create local jobs.

In delivering this plan, the Government will grow Canberra's employment base to more than 250,000 local jobs by 2025.

To do this, we will embark on an ambitious infrastructure investment program. We will build the infrastructure a growing city needs, including an expanded Canberra Hospital,



new schools in growing suburbs, new social and public housing, and a state-of-the-art CIT facility to support thousands of students into the jobs of the future.

We will invest in growing emerging industries and continue to invest in the role Government can play in supporting innovation by creating and shaping future markets. This investment will include targeted skills development and partnering with our world-leading tertiary sector to train the workforce of the future.

The Plan also outlines how the ACT Government will create new jobs in our own workforce. Our city relies on the services the Government provides, and now more than ever we need to keep growing our capacity.

Maintaining confidence in non-government sectors is also critical to Canberra's future. This Plan outlines how the Government intends to reach our target of more than 250,000 local jobs by 2025 by supporting employment growth in areas such as tertiary education, renewable energy, innovation, arts and defence industries. We will continue to deliver reforms in planning and tax while creating the regulatory environment for businesses to grow and hire more staff.

The pandemic isn't over, and the economic impacts will be felt for generations. However, in these uncertain times the ACT Government is delivering the right plan to support Canberra's economic recovery and protect local jobs.



Our recovery plan

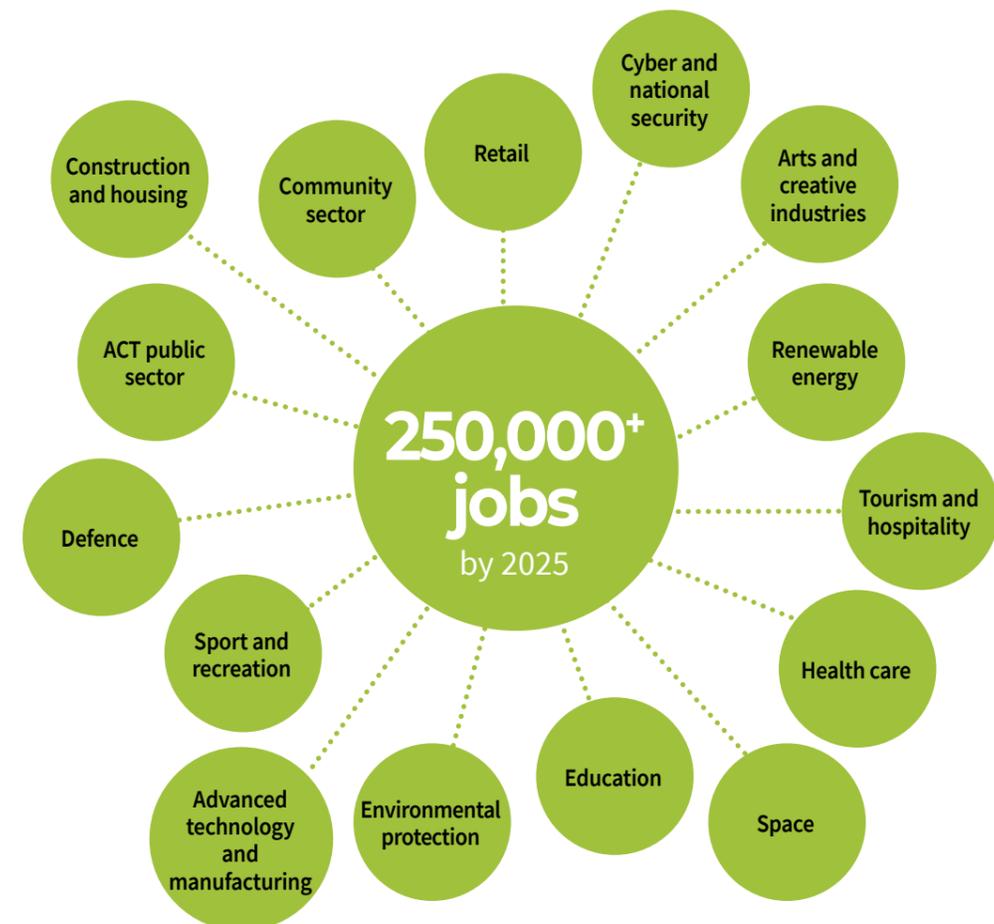
Before the bushfires and pandemic, the ACT had one of the strongest labour markets in the nation. The economy was strong, resilient and increasingly diverse.

These events have negatively impacted the wellbeing of all Canberrans, but our community has shown incredible resilience and worked together to get through these difficult and uncertain times. Businesses have quickly adapted to public health directions and transitioned to new service delivery models.

Throughout the pandemic, the ACT Government has delivered measures to help the community survive. We will continue to support the community and local

businesses by responding quickly to changing needs on the journey back to a strong economy.

While the ACT economy has shown resilience and performed better than most other jurisdictions across Australia, most industries have been negatively impacted. This is why the ACT Government is committed to keeping Canberrans employed and growing jobs to reach a target of more than 250,000 jobs by 2025.



Our priorities

COVID-19 is a once-in-a-century crisis. This plan commits to growing Canberra's economy and reaching a jobs target of more than 250,000 Canberrans in employment by 2025.

To achieve this target the ACT Government's strategy is to:

- › Support businesses and the community through the immediate impacts of COVID-19 by investing more – now – in supporting the ACT economy, jobs, and delivering essential services.
- › Deliver a \$4 billion Infrastructure Investment Program over the next four years.
- › Support businesses to start and grow through better regulation, and simplify interactions with Government through Access Canberra.
- › Continue significant investment in skills development and education.
- › Engage with industries that will create secure jobs in the future while maintaining high employment standards and rights.
- › Maintain the community's confidence in Canberra's resilience by continuing to invest in our health response and public services.

While the challenges we face are new, we will recover in a way that respects the Canberra community's values as a progressive city that pulls together to support those most in need by:

- › Targeting support to industries, sectors and people most impacted by COVID-19 such as tourism, hospitality, the arts, part-time workers and young people.
- › Continuing to grow Canberra as an inclusive city that continues to address inequality and disadvantage.
- › Working together with business, the community and employee representatives to find solutions that work for everyone.
- › Embedding our Wellbeing Framework into our policy frameworks to monitor, maintain and improve the personal wellbeing of all Canberrans.
- › Continuing to reduce inequitable and inefficient taxes through a progressive tax reform program.



The ACT Government will establish a Canberra Economic Recovery Advisory Group. The Advisory Group will bring together economists, industry representatives, community sector partners and unions to provide advice on how the ACT Government can continue to protect and create local jobs. Priorities for the group will be:

- › Regulatory reforms to increase the flexibility of business and reduce red tape.
- › Government measures to attract new investment to the ACT.
- › Future stages of tax reform to increase productivity.

The Local Business Commissioner will also continue to help local businesses access Government support as well as provide services such as the Commercial Tenancy Mediator.



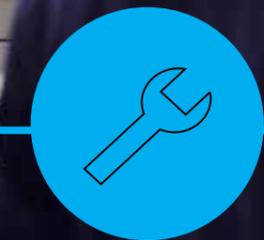
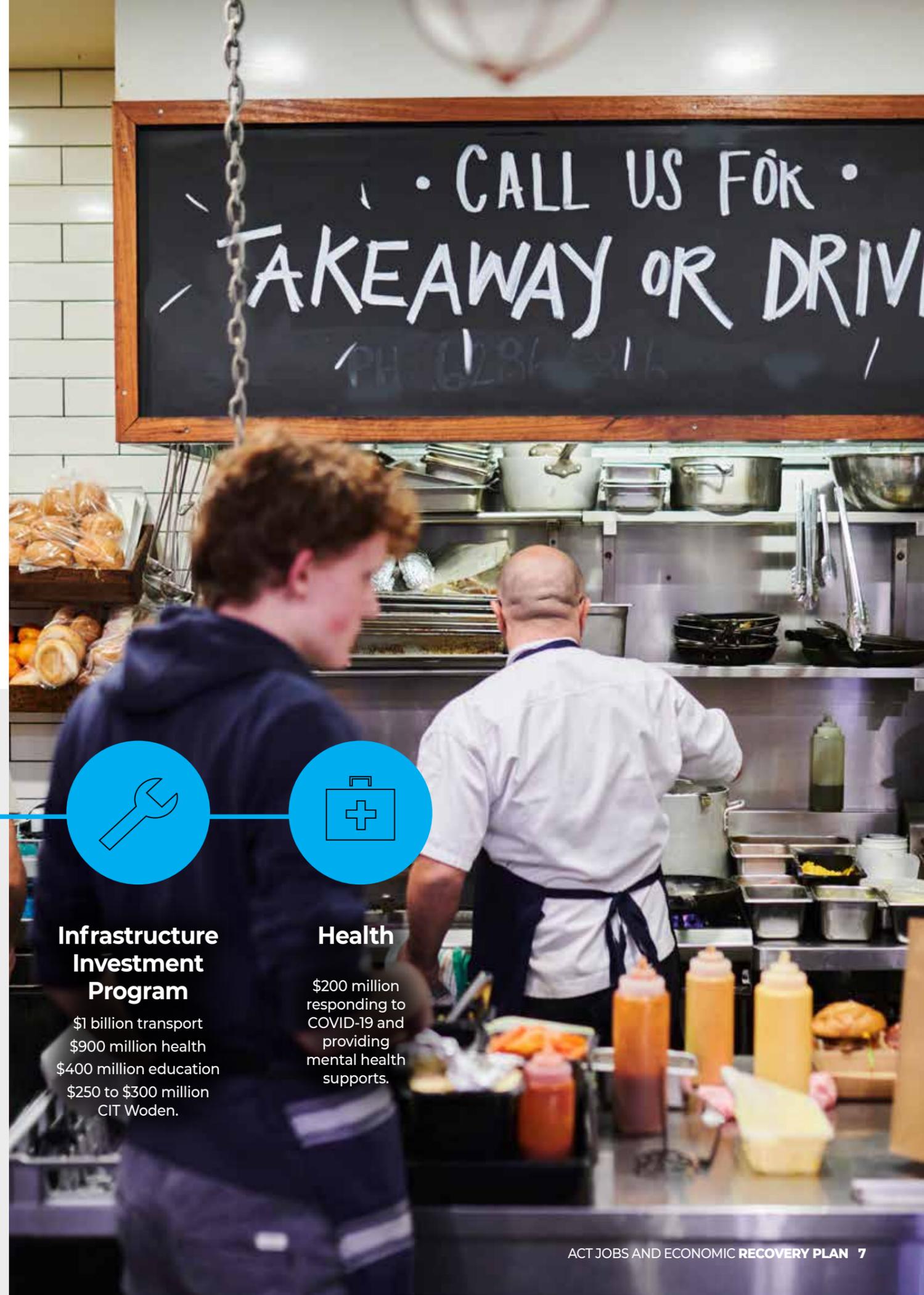


Our emergency response

The ACT Government will invest \$4.9 billion to provide relief to households and businesses, protect jobs and support our public health and essential services. This includes the delivery of a \$4 billion pipeline of work through the Infrastructure Investment Program, over four years. The Government is continuing to work closely with industry and stakeholders to provide targeted, quick and effective support to those most in need.

“ It is the right thing to do to borrow today to help people, keep them in jobs and boost public investment at a time when private investment is very weak. ”

Phillip Lowe, Reserve Bank of Australia, Governor.



Infrastructure Investment Program

\$1 billion transport
\$900 million health
\$400 million education
\$250 to \$300 million CIT Woden.



Health

\$200 million responding to COVID-19 and providing mental health supports.



COVID-19 is a health and economic emergency

A public health emergency was declared in the ACT on 16 March 2020 in response to the increasing spread of COVID-19 in Australia and across the world. The ACT Government put emergency measures in place to stop the spread of infections in the ACT and we have avoided the devastating health impacts we've seen overseas.

COVID-19 has also caused an economic crisis, creating a significant disruption in the global economy, and the ACT is not immune. The ACT economy is expected to experience a significant contraction in 2020 as a result of the health restrictions, combined with the impact of the recent smoke and bushfire events.

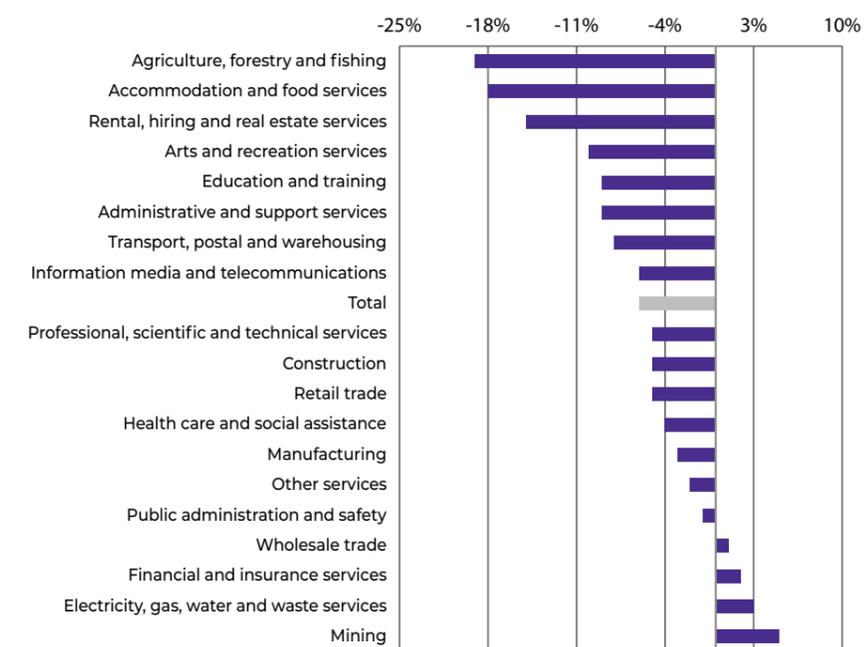
Others adapted their business model or were eligible for JobKeeper payments. The current bans on international and domestic travel have impacted our tourism and tertiary education sectors, and construction industry. The move to remote working has impacted the food, beverage, and retail sectors across Canberra's group centres.

Largest forecast economic contraction since self-government

The effects of the economic downturn on the community and industry have differed greatly. Some businesses have continued trading or staff have been working remotely.

Many businesses and their employees are struggling from loss of trade due to the disruption caused by COVID-19, and our young people and those in insecure or casual employment have been the most impacted.

Significant job losses in the ACT due to COVID-19 since mid-March



ABS Cat no. 6160.0.55.001



14,800
JobSeeker recipients
in the ACT

JobKeeper applications by industry

In the ACT, there are a number of Canberrans receiving support through JobKeeper and JobSeeker. Of the over 30,000 businesses in the ACT, 11,800 are receiving JobKeeper, with the construction sector having the highest number of organisations receiving support. The Commonwealth has not provided the data on the number of employees on JobKeeper in each jurisdiction. While our workforce has rebounded to 233,400 in July 2020, there are also 14,800 JobSeeker recipients in Canberra.

JobKeeper	No. of organisations
Construction	1,953
Professional, scientific and technical services	1,848
Health care and social assistance	1,232
Other services	1,227
Accommodation and food services	974
Transport, postal and warehousing	867
Retail trade	617
Administrative and support services	542
Arts and recreation services	534
Manufacturing	451
Education and training	449
Rental, hiring and real estate services	345
Information media and telecommunications	186
Financial and insurance services	181
Wholesale trade	146
Agriculture, forestry and fishing	111
Public administration and safety	62
Electricity, gas, water and waste services	26
Mining	11
No industry code available	5
Total all industries	11,767

Australian Government.



nearly
11,800
organisations
on JobKeeper
in the ACT



The Territory is already starting to see some positive signs emerging, with higher levels of employment, participation rates, and increasing job vacancies. An important factor is consumer and business confidence, which has reduced due to infection outbreaks in Victoria and New South Wales.

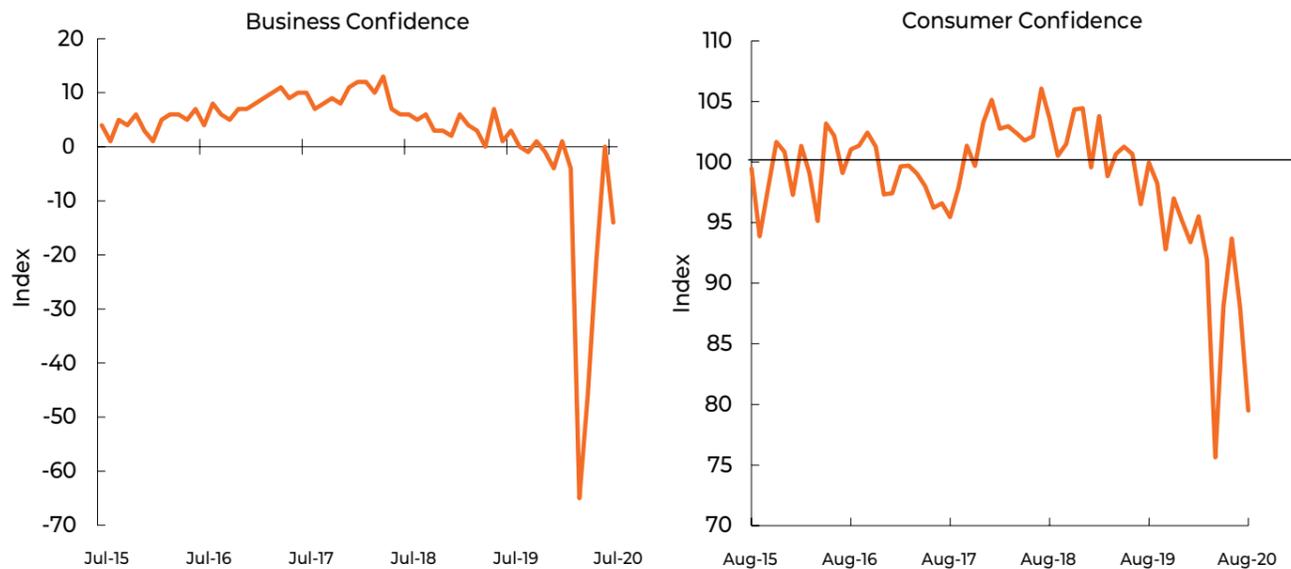
This reinforces the importance of the Government's health response.

Households and businesses are expected to remain more cautious, which will affect consumption and investment – further reinforcing the need for public expenditure in the short term.

Longer-term, some of the drivers of economic growth in the ACT have been disrupted. The pandemic has changed people's attitudes to spending, which presents opportunities and challenges for businesses.

This will also require Government to change regulatory environments and the way it delivers services.

Confidence comes from the quality of the health response



NAB Business Sentiment, July 2020 and Westpac-Melbourne Institute Consumer Sentiment, August 2020

Changes in what we buy and how we buy in April to June



ABS Cat no. 6160.0.55.001.
Note: Measures the change between June quarter 2020 turnover and March quarter 2020 turnover.



10,500
jobs lost in April and
May 2020

5,600
jobs were recovered
in June and July 2020

Achieving our jobs target

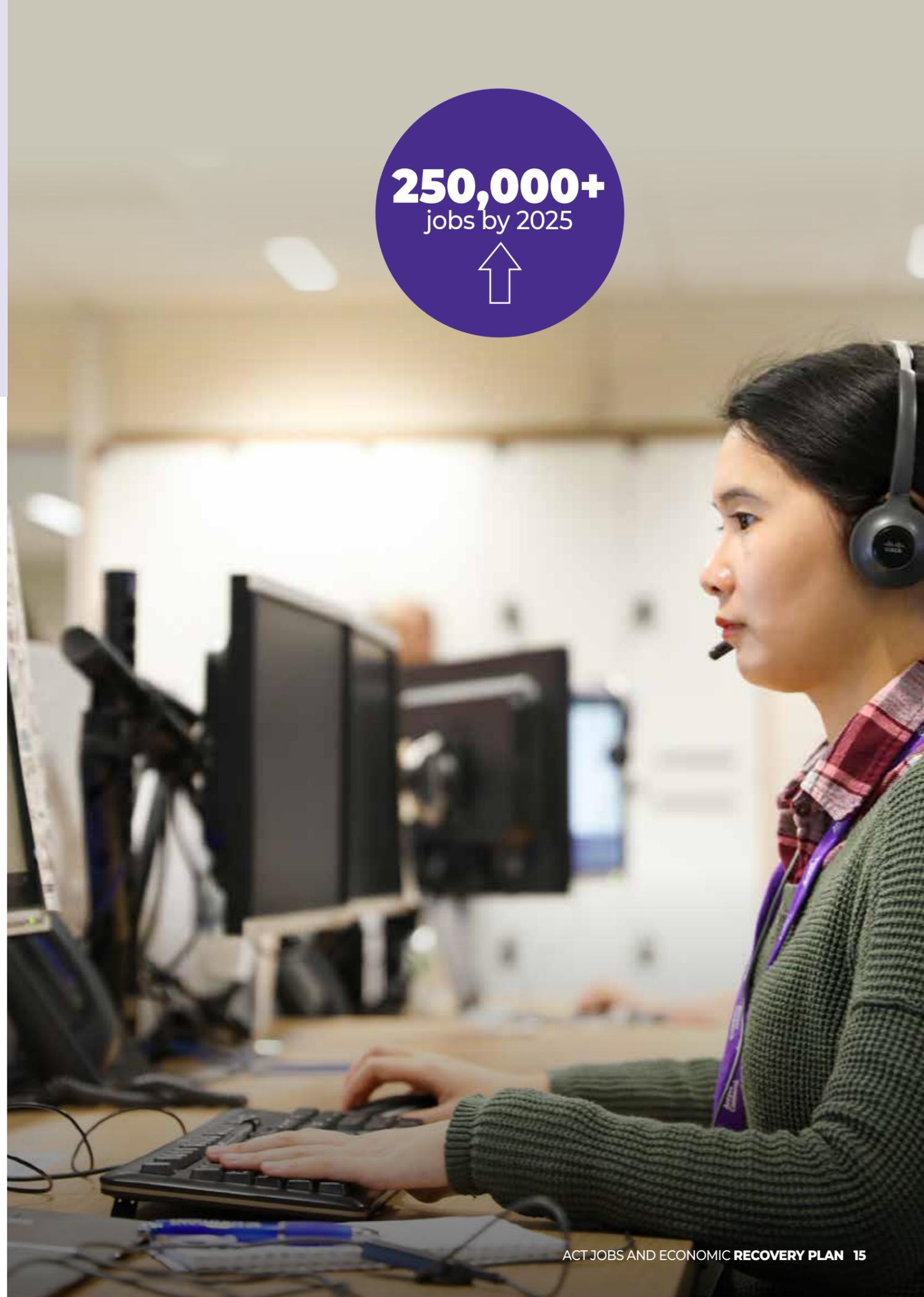
Before the COVID-19 pandemic, the ACT reached a record level of 238,300 Canberrans employed across the Territory. In April and May 2020, jobs fell by 10,500. When the economy started to reopen in June and July 2020, employment in the Territory improved by 5,600. By July 2020, the total employment was 233,400.

Most industries in the ACT have been negatively impacted by the pandemic. This is why the ACT Government is committed to keeping Canberrans employed and growing jobs to reach a target of more than 250,000 jobs by 2025.

The Government is focused on supporting the industries most affected by the pandemic, and investing in creating more jobs. The Government will target industries with high-growth potential, like cyber security and renewable energy, to generate employment.



250,000+
jobs by 2025

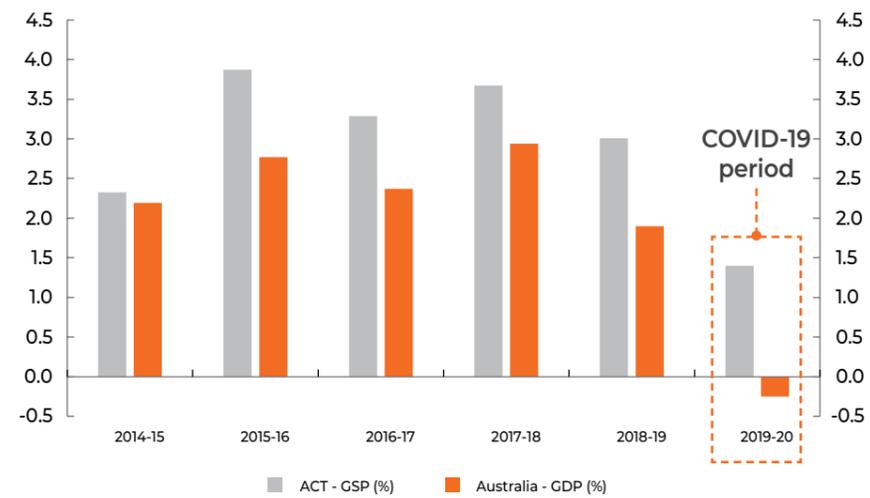


A strong economic foundation

Entering the COVID-19 crisis, the ACT economy was resilient, strong and increasingly diverse.

Historically strong economic growth

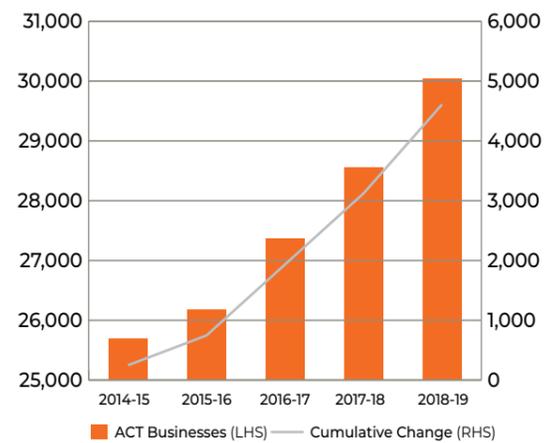
The ACT's economic growth has been among the fastest in Australia for the past five years, which has supported the creation of over 4,700 new businesses and close to 20,000 additional jobs.



ABS Cat no. 5220.0

Creating an environment for new businesses

The ACT Government's economic strategy to grow our economy and make it more resilient through diversification has provided the ACT with a solid foundation to recover from the impacts of COVID-19.



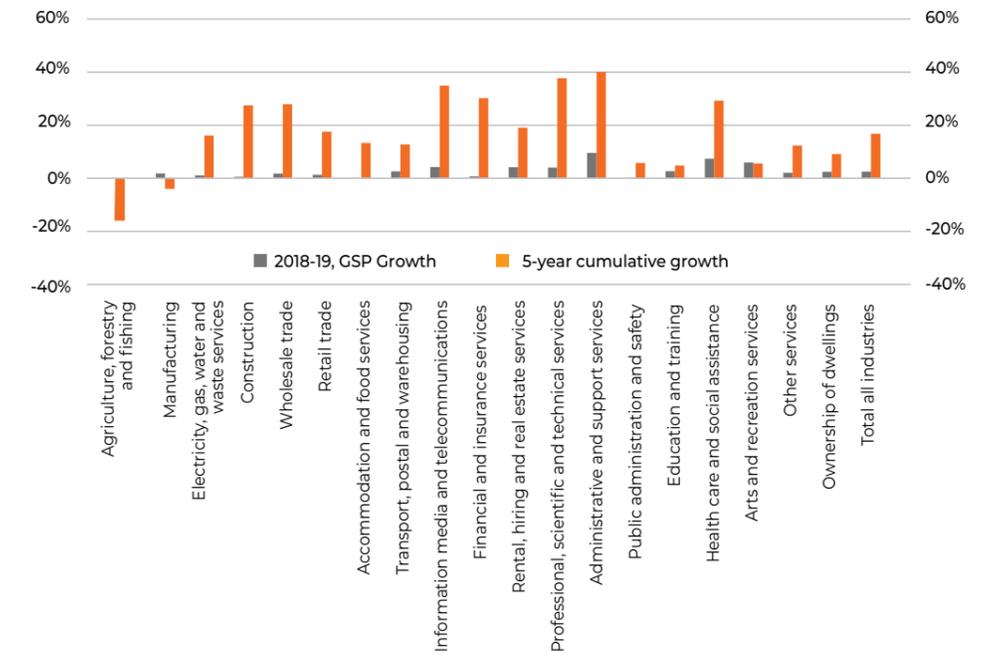
ABS Cat no. 8165.0.





The ACT economy is highly productive

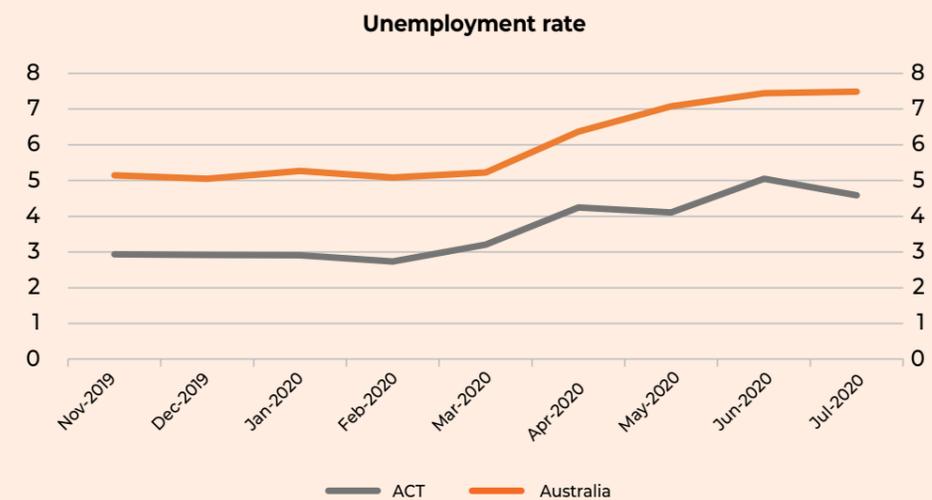
The ACT's \$41 billion economy is one of the most productive in the country. The five-year average for our labour productivity rate is the highest in Australia and has occurred along with expanding our economic base and growing new industries.



ABS Cat no. 5220.0.
Note some minor industries have been removed.

One of the best labour markets in the country

A growing and more diverse economy has created new job opportunities for Canberrans from all backgrounds. The ACT has consistently had one of the lowest unemployment rates in the country. This is despite years of Commonwealth job freezes and the transfer of hundreds of APS jobs out of Canberra.

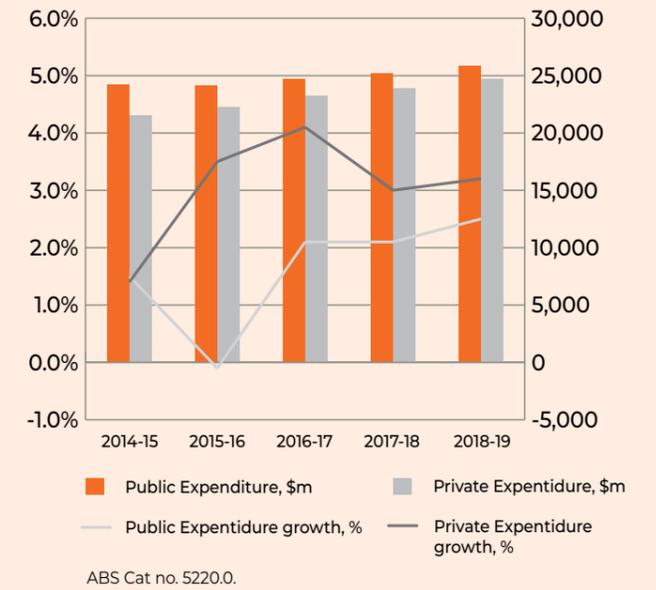


ABS Cat no. 6202.0.



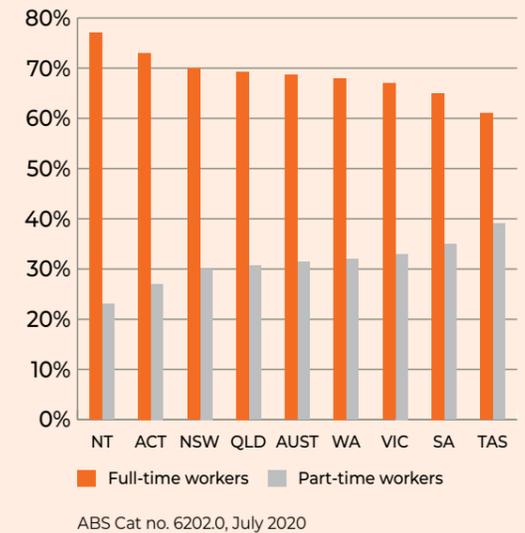
Strength in diversity

Private sector expenditure in the ACT has continued to expand, building a solid economic foundation, meaning we are well-placed to respond to the challenges that lie ahead. Public sector activity remains a central pillar in the ACT economy and will be particularly important in the short-to-medium term as we expect private expenditure to fall as a result of COVID-19.



Secure workforce with high relative numbers of full-time workers

Another feature of Canberra's resilience and a strong labour market is that our unemployment rate and part-time share of employment are consistently some of the lowest in the country, even as our community has been growing by around an average of 7,500 people a year for the past five years.



\$4b

Infrastructure
Investment
Program

Building Canberra - our infrastructure plan

The Government's \$14 billion ACT Infrastructure Plan has developed a strong pipeline of projects that we can start work on now to provide support for jobs and ensure our city remains one of the world's most liveable - now and into the future.

The Government will invest \$4 billion in its Infrastructure Program over the next four years. Our capital investment priorities continue to be in health, education, public transport, public housing, sustainable energy and urban renewal.

Delivering these projects will stimulate our economy, creating and protecting more jobs at a time when our city needs it most.

Health

\$900 million in essential health infrastructure so Canberrans continue to have access to quality health care when and where they need it.

Our key health infrastructure priorities are:

- › Future-proofing the Canberra Hospital.
- › Centenary Hospital for Women and Children.
- › Strengthening community-based care
- › Mental health supported accommodation.
- › Culturally appropriate care for Aboriginal and Torres Strait Islander Canberrans.



\$625m

for the
Canberra
Hospital
expansion



Education

More than \$400 million to support our 87 public schools across Canberra, as well building new schools in growth areas. This includes:

- › Building a new East Gungahlin High School to open in 2023.
- › Delivering a new primary school at Throsby.
- › Building a P-6 and 7-10 school campus in Molonglo.
- › Expanding the Amaroo School Senior Campus.
- › Modernising Campbell Primary School.
- › Improving ICT to support our school system.
- › Expanding Franklin Early Childhood School.
- › Delivering energy-efficient heating upgrades for ACT public schools.

Skills

More than \$250 million to expand our higher education campuses, including the new Canberra Institute of Technology (CIT) Woden Campus and new public transport interchange in the heart of Woden.

This significant investment in Woden's renewal will stimulate job creation and economic growth in the area, during construction and once the facility is operational.





\$335m
to extend
Light rail
to Woden

Transport

More than \$1 billion in major transport-related projects, including an integrated public transport network for our future. We will continue Light Rail Stage 2 from Gungahlin to Woden, investing \$24 million in 2020-21 and provisioning \$312 million over the next three years for design and construction.

The Government will increase our investment in footpaths, cycleways and infrastructure, like Park & Ride facilities, to help Canberrans combine active travel with public transport.

Our transport infrastructure investments also include the duplication of Athllon Drive and William Hovell Drive, an investment of over \$130 million. Additionally, the Government has provided more than \$170 million for the last portion of John Gorton Drive, including a bridge crossing the Molonglo River.



Social infrastructure

More than \$200 million in social, cultural and sporting infrastructure for our community. This will include new and upgraded cultural, sporting and recreational facilities across Canberra, including the Kingston Arts Precinct and planning for the new Canberra Theatre.

Housing

The Government has injected an additional \$61 million into the 10-year \$1 billion public housing renewal program, through a package of investments that will provide additional housing for people in need. Strategic re-development of old and outdated public housing sites enables the building of new and flexible accommodation for residents.





Testing clinics & drive through centres

\$4.5m mental health boost



Pop-up COVID-19 emergency department

Supporting industries and creating opportunities

Health care

The ACT Government will continue to increase its health care workforce as the city grows supporting new job. Areas for growth include:

- › The \$625 million Canberra Hospital expansion will support 500 jobs over the next five years.
- › Growing frontline health workforce by around 100 employees over the next 12 months.
- › Expanding the nurse-led walk-in-centre network, with the opening of the Inner North Walk-in Centre.
- › The Centenary Hospital for Women and Children expansion.

The ACT Government has already provided significant investment in the immediate COVID-19 response. In addition, over the past decade the Government has invested more than \$1 billion in healthcare infrastructure and doubled investment in frontline services.

A strong public health response to COVID-19 underpins confidence for households and businesses.

The ACT must continue to be a great place to work as a health care professional. The Government will continue to explore opportunities to partner with the university sector in teaching, research and innovation. The pandemic has demonstrated that there are opportunities in fields such as telehealth to rethink engagement and care models.

\$28.5m

**Jobs for
Canberrans
Fund**



\$2m
**ACT Graduate/
Cadet Fund**

ACT Public Service

The ACT Public Service is the second-largest employer in the Territory with around 22,000 employees. Its role to continue delivering essential services for the growing community is now more important than ever.

The Government will continue to provide secure jobs for Canberrans by:

- › Growing the frontline health workforce by around 100 employees over the next 12 months.

- › Growing the education workforce by an extra 85 employees over the next 12 months.
- › Funding 30 new positions in the ACT Ambulance Services in 2019-20 and 2020-21.
- › An extra 99 firefighters over the next four years.
- › 69 extra ACT Policing staff recently funded.

The Government has also accelerated invoice payments to local businesses to provide greater cashflow support.

Jobs for Canberrans

The \$28.5 million Jobs for Canberrans Fund has identified 486 jobs and employed 419 Canberrans who were stood down during the pandemic or did not qualify for Commonwealth support payments. These staff have helped answer calls at Access Canberra, clean our schools, and improve and maintain our green spaces.

We are ensuring young people get into secure gainful employment through a \$2 million ACT Graduate/Cadet Fund. The number of new graduates and cadets in the ACT Public Sector will increase from 120 per year to 160 for 2021 and 2022.

Tourism and hospitality

Canberra's visitor economy is a central economic pillar of our city's growth, generating \$2.6 billion in visitor expenditure in the year ending September 2019.

COVID-19 has had a devastating impact on tourism, with effects felt in domestic and international flights, hotel occupancy, business and employment, and tourism generated by national and international students.

The Government's future investment to protect local jobs in this sector includes:

- › A new domestic tourism marketing campaign.
- › A Tourism Cooperative Marketing Fund which provides matched funding to businesses to collaborate on innovative marketing campaigns that drive overnight visitation and increase awareness of Canberra as a leisure travel destination.
- › Working with Canberra International Airport and state, federal and national governments to identify opportunities to recommence domestic and international flights.
- › Restarting the calendar of quality events and experiences.
- › Encouraging Canberrans to experience their own city and support local business, through initiatives like an ACT digital discount scheme.
- › Reducing the City Centre Marketing and Improvement Levy by 50 percent.
- › A \$1,000 electricity bill rebate for cafés and restaurants.
- › Waiving fees, including annual liquor license fees and outdoor dining fees.
- › Waiving vehicle registration fees for tourism operators.
- › A trial of physical distancing technology pilot for business events in partnership with the Canberra Convention Bureau.
- › Delivering ACT Government events in a COVID-safe manner.
- › National Infection Control Training to support hospitality workers, and other workers in customer-facing roles, to help them understand how to reduce the risk of COVID-19.



Canberra is the ideal short-break destination, promising world-class events and attractions. Canberra's tourism economy has traditionally been driven by domestic visitors, providing a unique opportunity in the current environment.



Retail

Sudden changes in spending habits have changed how businesses sell products. Many local businesses adapted their business models to respond to the effects of the immediate public health response and comply with restrictions and physical distancing requirements. The ACT does not restrict trading hours, so businesses have the flexibility to change their operations in line with the new environment.

The ACT Government is continuing to encourage Canberrans to Choose Local as part of a public information campaign.

This campaign will be supported by the trial of the ACT digital discount program which will provide \$500,000 in Government-funded vouchers for people to shop locally at COVID-19 affected businesses.



Supporting vulnerable members of our community

Community sector

The ACT Government will protect local jobs in the community services sector. Commonwealth supplementary funding for community sector employees will cease at the end of the 2020-21 financial year under the historic Equal Remuneration Order (ERO). This means services and jobs would be reduced without intervention. The Government will provide the equivalent funding of \$9 million to allow our vital community organisations to focus on supporting Canberrans most in need.

The Chief Minister's Charitable Fund (CMCF) joined with Hands Across Canberra, the Snow Foundation and John James Foundation to run a COVID-19 Rapid Response Grant Round to support not-for-profit organisations that work with vulnerable people. The combined grant round provided more than \$570,000 in funding to 63 projects, of which 28 projects worth more than \$215,000 were funded by the CMCF and Hands Across Canberra.

\$23m
in community support programs



delivering mental health and community support



Providing food relief

\$4b
Infrastructure
Investment
Program



Around
**\$820m in
construction
contracts**
over the next
12 months

Construction and housing

Canberra's construction and housing sectors grew by more than 20 percent before COVID-19 and reached a workforce of 19,000. Initial survival measures such as the \$35 million Fast-Track Program gave certainty and supported jobs. Cuts to stamp duty and lease variation charges will support housing construction over the next 12 months.

According to the Reserve Bank of Australia, new contracts in the construction sector have been scarce over recent months, creating emerging pressure in the industry.

The \$4 billion Infrastructure Investment Program provides a significant pipeline of small and larger projects that will support construction jobs over the next four years.

Engineering

The ACT Government is supporting the development of an innovative, skilled and trusted engineering workforce to ensure Canberra has the public and private infrastructure required to increase liveability and help our city grow.

- ▶ An Engineering Workforce Plan will ensure we have the engineering capability required to meet the future needs of ACT engineering studies.
- ▶ The Government will introduce a regulatory scheme and associated framework to increase accountability on engineers, in parallel with the reforms introduced to improve quality in the building and construction sector. The scheme will align with other jurisdictions where possible, and develop a system that provides the best outcome for the community and practitioners in the ACT.

The Government will continue to create and protect jobs in the construction and housing sector through:

- ▶ Stamp duty concessions for new land and off-the-plan purchases to stimulate activity in the new housing market and the housing construction sector until 30 June 2021, and help Canberrans buy a new home.
- ▶ 50 percent remission on the Lease Variation Charge to encourage investment and construction that might not otherwise have occurred. If fully taken up, this measure would increase the pipeline of work by up to \$150 million over the next nine months.
- ▶ Fast-tracked development applications and unit titling approvals with an additional \$1.5 million provided to hire more staff to speed up development assessment. The Government's development application process is digital, allowing faster approvals with staff redeployed to help expedite this important process.
- ▶ The Government has injected an additional \$61 million into the 10-year \$1 billion public housing renewal program through a package of investments that will provide additional housing for people in need. Strategic redevelopment of old and outdated public housing sites enables the building of new and flexible accommodation for residents.
- ▶ Delivering the Commonwealth's HomeBuilder Scheme, which is expected to provide some support to housing construction in the ACT.

\$1 billion transport infrastructure investment

The ACT Government is delivering an integrated public transport network for Canberra's future, continuing Light Rail Stage 2 from Gungahlin to Woden, and infrastructure to support walking and cycling. This includes increasing our investment in footpaths, cycleways and infrastructure like Park & Ride facilities to help Canberrans combine active travel with public transport. At the same time, the Government will continue to improve the existing road network.





The ACT Government will continue to ensure the Skills Needs List reflects the contemporary needs of the ACT economy.



The ACT Government will invest \$250-\$300 million in the new state-of-the-art CIT in Woden, supporting 6,500 students annually. This significant investment in Woden's renewal will stimulate job creation and economic growth in the area, during construction and once the facility is operational.

Education, training and early childhood

Canberra is an innovative knowledge capital, and Canberrans are the most highly qualified jurisdiction in the country. It is home to a robust higher education sector and a growing early childhood sector.

The Government will continue to hire more teachers and learning support staff across our public school system over the coming years.

The Government is investing over \$250 million in schools infrastructure over the next two years, which will also provide capacity for more teachers and support staff. This includes:

- › A new primary school at Throsby.
- › Molonglo Secondary School, due to open in 2023.
- › East Gungahlin High School.
- › Expanding Franklin Early Childhood School.
- › A new P to 6 school in Denman Prospect.
- › Upgrades and expansions to a range of schools, such as Franklin Early Childhood School and Gold Creek School, Campbell Primary School and Narrabundah College.

The Government will support employment growth in the early childhood sector as we expand access to early childhood education for three-year-olds in the ACT.



Tertiary education, training and research sector

The Government is investing to deliver skills that leverage digital transformation opportunities and support growth in emerging industries. This will secure Canberra's status as Australia's leading knowledge economy, address skills shortages and help people retrain and upskill.

Canberra's higher education, training and research sector is a significant driver of the ACT economy, and contributed \$3.3 billion to the local economy in 2017. The tertiary education sector supports 20,000 direct and indirect jobs (around nine percent of total employment in the Territory) and approximately 63,000 tertiary students.

To support growth in this vital employment sector, the ACT Government will:

- › Invest \$8.4 million to provide access to support young people aged 17 to 24, and job seekers, to access free training in areas of current and emerging need. This training will help Canberrans remain connected to the workforce, enable them to develop contemporary skills, and get a new or better job as we emerge from the COVID-19 crisis.

- › Work with the Academy of Interactive Entertainment (AIE) for a new global headquarters in Watson.
- › Support the new UNSW Canberra City campus, attracting up to 6,000 students and creating around 2,000 jobs.
- › Continue strong collaborative partnerships with the Australian National University (ANU) and University of Canberra in emerging industries such as renewable energy, defence and space.
- › Continue working closely with the sector to bring international students and research investments back when it is safe to do so.
- › Around \$250 to \$300 million to expand our higher education campuses, including a new CIT in Woden.

Advanced technology and manufacturing

The ACT Government's strategic partnerships and investments in key emerging industries take advantage of Canberra's competitive strengths, and support future jobs growth.

The Government will build on these strong foundations as part of the ACT's Recovery Plan, ensuring the Territory continues to be Australia's leading knowledge-based economy.

The Government has invested \$9.7 million through the Priority Investment Program (PIP) over the last three years in the renewable energy, cyber security, space technology and agri-technology sectors including:

- › \$1.5 million to establish a Distributed Energy Resources Laboratory at the ANU to test new technology in solar panels, batteries, wind generating units and smart meters.
- › Funding to ANU to establish the Quantum Optical Ground Station at Mt Stromlo to conduct high speed, encrypted, optical communications with orbiting spacecraft, an Australian first.
- › \$1 million to commercialise SmallSat capability by Skykraft, a University of New South Wales (UNSW) Canberra spin-off that specialises in developing small satellite constellations to deliver space-based global services.
- › \$1.3 million to the ANU/CSIRO Centre for Entrepreneurial Agri-Technology to support a collaborative innovation ecosystem dedicated to strengthening, transforming and diversifying Canberra into a regional, national and global agricultural hub.
- › \$600,000 to the Canberra Node of AustCyber to support the growth, education and export of the Canberra region cyber security sector.
- › A new PIP COVID recovery funding round to attract investment and grow established and emerging priority sectors of Canberra's economy.



Defence

Canberra is Australia's defence capital with the largest concentration of defence and national security agencies, assets, organisations, diplomatic networks and industry bodies in Australia.

KPMG estimates the current total economic contribution of the defence industry to the ACT economy and surrounding region is \$4.3 billion in Gross State Product (GSP) and contributes to 25,300 jobs in defence and other sectors.

The Established, Capable, Skilled defence industry strategy outlines how the ACT Government will grow Canberra's already significant and globally competitive defence industry to support defence and secure flow-on economic benefits for the Canberra community.

Under the strategy there are five key priorities:

- › Supporting the Canberra region to maximise opportunities from defence procurement.
- › Collaborating with other states and territories.



- › Attracting investment to grow the defence industry in the Canberra region.
- › Continuing to build a skilled, innovative and connected workforce.
- › Fostering new ideas and growing research and industry partnerships.

Cyber security

Canberra has Australia's highest concentration of national security agencies, assets, prime contractors, and small-medium enterprises delivering cyber security capabilities to the public and private sectors – it is an area for continuing employment growth.

Canberra also hosts world-class tertiary education and research institutions renowned for their strong cyber security offerings, research capabilities and facilities. CIT is also providing a nationally recognised cyber security vocational training course, and has established a CIT Training Security Operations Centre and Tech Co-Lab facility which includes a virtual classroom simulating real cyber threats, giving students the chance to work through real scenarios.

The Canberra region's cyber businesses and researchers have a strong collaborative working relationship, with an objective to grow the region's cyber industry.

Canberra delivers a unique and connected network of higher education and research institutions, businesses and government agencies through the AustCyber Canberra Cyber Innovation Node.

In 2018-19, the ACT Government (through the Priority Investment Program) committed \$600,000 over three years to deliver the AustCyber Canberra Cyber Innovation Node. This funding supports a dedicated program manager and initiatives to support the growth, education and export of the Canberra region cyber security sector.

Building on Canberra's existing strengths in the cyber security sector, the ACT Government is working with AustCyber Canberra Cyber Innovation Node and the higher education and research institutions to develop a research and innovation environment attracting investment, talent and resources to the ACT and region.

Space

Canberra is the driving force behind Australia's space industry. It has the infrastructure, businesses, research strengths and education and training systems to support civil, commercial and defence space applications.

Canberra leads Australia in key capabilities needed to drive the national space agenda, including:

- › The Australian National Space Mission Design Facility at UNSW Canberra, combined with the ANU National Space Test Facilities at the Advanced Instrumentation Technology Centre, provides Australia's only end-to-end facilities for the design, building and testing of spacecraft.
- › Construction has commenced on Australia's first Optical Ground Station (OGS) at the ANU facility to be commissioned in June 2021. This OGS is an Australian first and will be the first operational node in a planned Australia-wide OGS network.

- › Geoscience Australia's Positioning Australia program, incorporating Australia's Satellite-Based Augmentation System and National Positioning Infrastructure Capability and Digital Earth, are all managed in Canberra, supported by the National Computational Infrastructure at ANU.
- › CSIRO's Centre for Earth Observation, headquartered in Canberra, will be a catalyst for engagement with Australian businesses, Government agencies and research organisations.
- › Mt Stromlo and EOS Space Systems host world-leading space situational awareness and debris monitoring.
- › The Canberra Deep Space Communication Complex, managed on behalf of NASA by CSIRO, is one of only three NASA Deep Space Network Facilities in the world and currently supports more than 30 deep space missions.
- › The Space Tracking Treaty with the USA was recently extended to 2043 and is expected to deliver nearly \$400 million to Canberra's economy.



Renewable energy

The ACT Government is a world leader on taking climate action to reduce emissions and increase renewable energy consumption. The ACT has the second-highest concentration of renewable energy jobs in Australia. The Government will continue to support the growth of this important, highly skilled sector.

Some key initiatives include:

- › A \$12 million industry-funded Renewable Energy Innovation Fund that has helped kickstart successful projects such as new underground hydrogen storage solutions, new electricity market models that show how a low carbon future is possible, and a new test to help ensure quality in the solar panel industry. This flexible early-stage funding shows that the Government is willing to embrace risk in order to create opportunities for jobs and economic growth.
- › Higher education providers CIT and ANU which offer courses in wind development and large-scale wind generation to continue upskilling our workforce.
- › The Government has partnered with Neoen on Australia's first public hydrogen refuelling station. We have also partnered with Neoen, Hyundai and ActewAGL on a hydrogen mobility project, including refuelling infrastructure and integrating 20 hydrogen fuel cell vehicles in the ACT Government fleet.
- › Innovative renewable energy reverse auctions that continue to provide opportunities for industry to participate in renewables generation and have secured dozens of jobs in the ACT.
- › The Government offers a series of rebates for energy-efficient appliances, increasing jobs in retrofitting private homes and businesses.
- › The ACT Government has allocated \$365,000 to upgrade solar and improve sustainability on public and community housing as part of our fast-tracked infrastructure projects to support the local economy. Common Ground Gungahlin, a multi-unit property in Kaleen, and a further 10 properties leased to community organisations, will benefit from these upgrades, including draught-proofing and installing rooftop solar panels.



In 2020, the ACT was the first place in Australia to reach 100% renewable electricity.



Environmental protection

The ACT is Australia's bush capital. Canberrans cherish our natural environment, not only because of its beauty and ecological value, but also for its unique contribution to the quality of life that Canberrans enjoy. The Government will continue to create jobs that protect and preserve our exceptional natural assets.

As part of the Jobs for Canberrans fund, 26 new employees are helping with bushfire recovery work in the Namadgi National Park. This includes six Ngunnawal rangers to care for country, aiding in the recovery of our natural and cultural heritage after the bushfire this year. Throughout 2020-21, the Government will also invest \$1.4 million to address high-risk and priority recovery activities identified in the ACT Bushfire and Flood Recovery Plan, which will support critical environmental, heritage and infrastructure works.

Economic benefits of addressing climate change

Reducing greenhouse gas emissions and increasing resilience to climate change impacts requires Government investment. This can increase economic investment. The ACT has secured more than \$500 million of investment from adopting a formal policy of achieving 100% renewable electricity by 2020, generated increased property values, improved health savings, promoted industry development and innovation, and reduced government expenditure on climate adaptation.



Arts and creative industries

Our arts and creative industries play a critical role in activating Canberra as a creative city. By connecting Canberrans with one another, and promoting a culture of engagement, they foster Canberra's status as a highly liveable city that is open to all.

Canberra has the highest cultural participation rate of any jurisdiction in Australia.

The ACT Government will continue to protect jobs in the arts and creative industries sector through:

- ▶ The HOMEFRONT program, providing more than \$950,000 in grants to Canberra's artists to support activities such as research and development, making new works or sharing works via online platforms, and artists' fees and living expenses to undertake arts activities.
- ▶ The ongoing \$5 million investment in the CBR Screen Fund, supporting strategic productions that build local screen industry capability and profiles Canberra across different genres and platforms to the world.
- ▶ More than \$1 million for COVID-19 Organisation Emergency Support Funding to arts organisations that have experienced a sustained period of lost revenue and opportunities during the pandemic.
- ▶ Fast-tracking minor upgrades and maintenance works to key arts facilities as part of the Fast Track infrastructure program. More than 50 Canberrans from seven local businesses have already been engaged to deliver projects such as improvements to the Canberra Glassworks foyer space and the heritage-listed cottages at Lanyon.
- ▶ New digital initiatives to showcase local artists, such as the highly successful CTC@Home program by the Canberra Theatre Centre and the RISE Canberra calendar.
- ▶ An additional \$2.5 million for the Cultural Facilities Corporation to continue delivering cultural services for the Canberra community.
- ▶ Establishing MADE IN CBR through the \$250,000 Special Purpose Fund under the CBR Screen Fund to provide specific support to ACT Screen professionals to develop new projects that have the potential to connect with markets and reach global audiences. The objective is to have a pipeline of projects ready for production as the economy recovers.

The Government will ensure the arts and creative industries not only recover from the impacts of COVID-19 but are more resilient and play an even greater role in keeping Canberrans connected. This includes:

- ▶ The \$375,000 Creative Recovery and Resilience Program which was developed with feedback from artists and in collaboration with the Minister's Creative Council.

The program will support initiatives showcasing Canberra artists and demonstrating the value of the arts to the community.

- ▶ Continuing to explore plans for a new Canberra Theatre as part of a revitalised Civic, Arts and Cultural Precinct in the centre of Canberra.





Sport and Recreation

The Government has reshaped its sports and recreational activities to ensure Canberrans can continue to engage in active lifestyles in a COVID-19 safe way. We are assisting ACT sporting organisations to implement “Return to Play in a COVID-safe environment” plans, modifying the way participants train, play and spectate to keep our community safe.

The Government has worked with the sport and recreation sector to ensure it can re-emerge in the strongest possible position from the COVID-19 pandemic. This included an immediate financial injection of \$700,000 to ACT peak sport and recreation bodies, early access to our 2021 Sport and Recreation Grants Program and waiving fees such as sportsground and school gymnasium hire.

The Government continues to invest in our community’s sports and recreation infrastructure, through:

- › Fast tracking infrastructure projects, including pavilion upgrades in Deakin, Amaroo and Wanniasa.

- › Developing a football-focussed facility in Throsby and planning for new district playing fields in Stromlo.
- › Working with the private sector to bring a new ice sports facility to Canberra’s southside.
- › Continue to support our elite sporting teams.





Creating an environment for long-term growth

The ACT Government will continue working to grow and diversify our local economy in the years to come. This plan provides a recovery pathway in the face of COVID-19, building upon the solid foundation created through our initial response.

Ongoing resilience in Canberra's economy, a strong pipeline of Government investment, and support for businesses and households are all expected to see the ACT through this crisis and return to a sustainable

growth path. In the short-term, this will be mainly driven by Government investment until business confidence improves. We will also create the right environment for businesses to grow, invest and hire more staff.



Tax reform

The ACT Government's tax reform program has changed how tax is collected in the ACT. The aim is to create a more reliable revenue source through general rates to fund our essential services, such as hospitals, schools, transport and city maintenance. Inefficient and unfair taxes such as stamp duty will be reduced until they are removed.

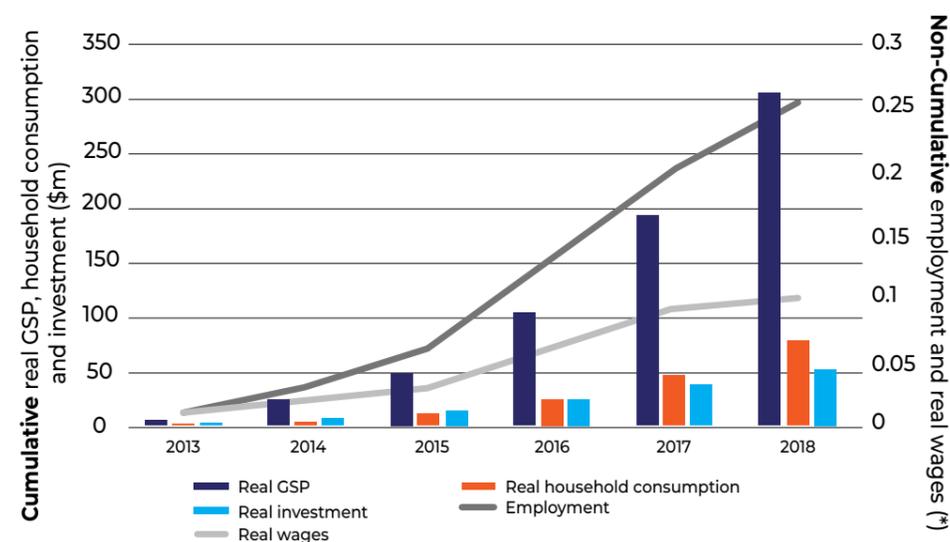
Our stamp duty cuts for new land and off-the-plan unit purchases, with concessions available of up to \$11,400, are significantly supporting our construction and housing sectors.

A more stable tax system makes it easier to respond to crises, such as the bushfires and COVID-19 pandemic.

In this context, property tax reforms, such as those underway in the Territory, are being considered by other jurisdictions, acknowledging the importance of phasing out inefficient and inequitable transaction taxes and replacing them with more equitable and efficient revenue.

The ACT Government fully abolished insurance duty in the ACT in 2017, saving households hundreds of dollars each year.

Improved economic indicators due to tax reform



Centre of Policy Studies, 2020, The Economic and Efficiency Impacts of Altering Elements of the ACT's Tax Mix.

Next stage of tax reform

Stage Three of the Tax Reform Program will commence in 2021-22, one year earlier than planned. It will help Canberra recover from the pandemic while also continuing to deliver the program.

Under Stage Three:

- ▶ Average general rates will increase by 3.75 per cent per year, a slower rate than previous years.
- ▶ The Government will continue to reduce stamp duty in every budget. The next round of reductions will be targeted at affordable owner-occupier purchases and stimulating affordable housing construction.
- ▶ Off-the-plan units and land purchases will continue to have significant concessions until 30 July 2021.
- ▶ The commercial stamp duty tax-free threshold will increase to reach \$2 million in 2025-26.

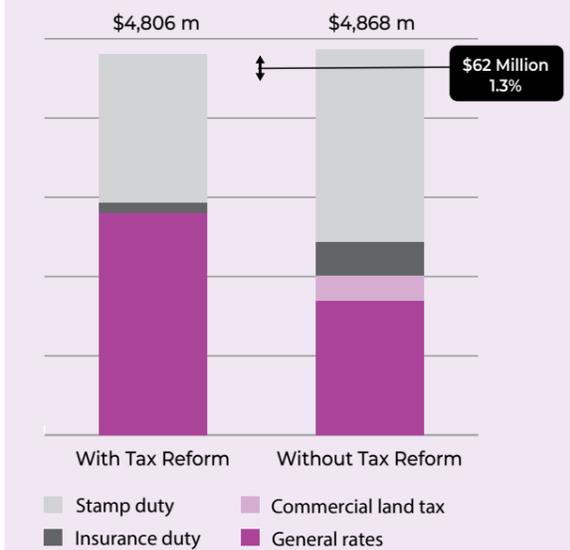
Business tax settings

- ▶ Payroll tax exemption for apprentices and trainees.
- ▶ ACT has the highest payroll tax threshold in the country.
- ▶ 80% of purchases already below commercial stamp duty threshold, removing a barrier for entry for most small businesses.



Between 2012-13 and 2018-19, tax revenue from stamp duty, insurance duty, commercial land tax and general rates was slightly less (1.3 per cent) than it would have been without tax reform.

Tax Reform is in the ACT is broadly revenue neutral



ACT Government, 2020, Revenue Neutrality of Tax Reform.



A strong record ✂️
of removing unnecessary red tape



Making it easier to do business in the ACT

The ACT Government is taking a leading role to support the economy over this difficult time for local businesses. As they begin to recover and employ more Canberrans, the Government will continue to make it easier for businesses to reopen and grow, while protecting the city we know and love.

The ACT Better Regulation Taskforce will review the regulatory and process changes made to date, the business settings in the current environment and begin pursuing additional reforms.

The priority areas for the Better Regulation Taskforce are:

- › Expand our digital services offering to make it quicker and easier for Canberrans to do business and interact with government services in ways that suit them.
- › Improve arrangements to recognise skills across licensed occupations to improve labour mobility.
- › Identifying areas of regulatory burden and engage directly with businesses to provide advice to Government on areas for reform.
- › Review key legislation to:
 - › Reduce the need for businesses to contact multiple agencies to make it easier for businesses to work with Government.
 - › Ensure the legislation supports new types of business models to grow our digital economy; and
- › Remove barriers to investment in the Territory by working with superannuation funds and other large institutional investors such as the build-to-rent sector.

working together with business



The ACT Government is committed to growing the ACT economy by supporting businesses to create connections, attract investment and identify new business opportunities.

The Government has already implemented the following changes:

- › Removed duplication in regulation and reporting requirements for charities and associations registered with the Australian Charities and Not-for-profits Commission.
- › Removed requirements to use outdated communication methods to encourage use of digital tools. The Commonwealth

Deregulation Taskforce recognised this as a key priority for economic recovery.

- › Introduced changes to move to Electronic Conveyancing to streamline processes and better protect against fraud.
- › Supported new and innovative business models such as rideshare and drone delivery, becoming a recognised leader and test bed for innovators.

Planning reform to support our local centres

Land use planning plays an important role in fostering economic growth, productivity and diversification. Providing flexibility can encourage innovation and help businesses make the best choices for them. Promoting Canberra's liveability, accessibility and sustainability can help attract and retain the best talent for the ACT's knowledge-based economy.

The vision for the ACT Planning Strategy 2018 is for Canberra to be a sustainable, competitive and equitable city. The ACT Planning Review commenced in 2019 with a view to develop a clear and easy-to-use planning system that is in line with contemporary best practice.

Delivering this agenda is an important opportunity to consider how the planning system can best support sustained growth and recovery from COVID-19.

The Government will:

- ▶ Streamline the certificate of occupancy/unit titling process to reduce the time taken between projects, completion and settlement.
- ▶ Reform the Commercial Zones Development Code to remove floor area limits on shops and offices to allow greater diversity of businesses and business models.
- ▶ Improve the certainty of development assessments by clarifying and expanding the pre-development application consultation process with stronger engagement between developers and the community.



Planning regulatory reform priority: addressing duplication of environmental and planning approval processes

There is material overlap between the EPBC Act and the National Capital Authority's Works Approval process, particularly in relation to heritage matters in the ACT.

The planning and environmental approval process is integrated and streamlined, and the Assessment Bilateral Agreement is in place between the ACT Government and the Commonwealth to streamline processes with the EPBC Act. However, where a differential overlay of "Designated Land" (covering parts of Commonwealth land and Territory land) occurs, planning approval is also required from the National Capital Authority. This can be an issue for linear infrastructure in particular.

To illustrate this point, Light Rail Stage 2A from Alinga Street in the Canberra CBD to Commonwealth Park traverses only 1.7 kilometres of road reserve, yet the planning jurisdiction changes five times!

Better integration of the Commonwealth planning and environmental process could be achieved in the following ways:

- ▶ Where a proponent completes an EPBC Referral with an outcome not determining any significant heritage impacts, it should not then become subject to additional heritage considerations through the Works Approval process under the Australian Capital Territory (Planning and Land Management) Act 1998, administered by the National Capital Authority.
- ▶ Where a project is determined to have a significant impact on a heritage matter through an EPBC Referral process, then issues relating to the assessment and determination of project impacts to that heritage matter should be resolved through the EPBC Act process without the need to also complete further assessments through the Works Approval process.

There could also be scope for changes to the bilateral agreements that provide streamlined assessment processes for public infrastructure projects that benefit Canberra and the national capital. For example, a single assessment process could be established for major public transport and road projects.

Reform of the Commonwealth EPBC Act

The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) does not provide a nationally coordinated approach to managing the environment or ongoing Commonwealth funding commitments. It also fails to take a long-term view of environmental protection. A major gap in the Act is its failure to incorporate climate change as one of the matters of national environmental significance. The ACT Government continues to call for reforms of the EPBC Act.



Aboriginal and Torres Strait Islander business development

The ACT Aboriginal and Torres Strait Islander Agreement 2019-2028 aims to increase the number of Aboriginal and Torres Strait Islander businesses, social enterprises and entrepreneurs supported.

A six-month Aboriginal and Torres Strait Islander Business Support Program has been established to help businesses survive and recover from the impacts of COVID-19. Yerra, an Indigenous majority owned and managed Canberra business, will deliver the program with support from the ACT Government.

The Government will also undertake a review to consider the impacts of COVID-19 on Aboriginal and Torres Strait Islander businesses and inform the development of future support programs.

Innovation to create businesses of the future

Canberra has the highest rates of entrepreneurship and innovation in Australia. Leveraging this advantage will be critical to developing an environment for sustained growth. There are many programs to support and encourage business development that the Government will continue to invest in.

The ACT Government provides \$1.2 million annually to the **Canberra Innovation Network (CBRIN)** to develop an integrated local innovation ecosystem that encourages and supports entrepreneurs, start-ups and high growth potential businesses. It is an initiative of the ACT Government, supported by six foundation members and sponsors including the ANU, Canberra Institute of Technology, CSIRO, Data61, University of Canberra and UNSW Canberra and corporate partners Optus, PWC, ActewAGL and King and Wood Mallesons.

In response to COVID-19, the Government has collaborated with CBRIN and the innovation community to implement a range of measures, including:

- › 50 scholarships to fully subsidise its Idea to Impact lean business model generation training program for business operators and entrepreneurs.
- › Six collaboration Innovation Labs that will focus on economic recovery from COVID-19, which will engage Government, industry and academic groups.
- › Two COVID-19 specific streams of Innovation Connect:
 - › the Boosting Innovation grants program provides grants of between \$10,000 and \$30,000 to existing start-ups and innovative businesses to continue their prosperity and access to new customers and markets during COVID-19.
 - › a \$25,000 grant to participants in the GRIFFIN Accelerator Program.

Canberra's International Engagement Strategy will also be refreshed to ensure Canberra remains a globally connected city, linking in with other Governments and leading institutions in the science, research, arts and education sectors globally.



Working with innovators on new business models

The ACT Government has a strong record of partnering with innovative businesses to bring their products to the ACT in a way that supports business innovation, while also being safe and convenient for the community.

The Government recently released a dockless shared micromobility policy which sets out the Government's expectations for the operation of a high-quality e-scooter scheme in the ACT. The policy established a competitive expression of interest process to allow for two operators to be selected to operate up to 750 devices each.

Beam Mobility and Neuron Mobility were the two organisations chosen to introduce the e-scooter shared scheme in the ACT. The scheme will create more jobs for Canberrans in the management and maintenance of the e-scooters, support tourists exploring the Capital, and provide a new option for Canberrans to get around town.



ACT Wellbeing Framework

From the fires and hail to the COVID-19 health emergency, these recent events have significantly impacted the wellbeing of our city, affecting our quality of life and testing our resilience.

The ACT Wellbeing Framework will measure progress on aspects of life that matter most to Canberrans. Feedback from the community confirms that our wellbeing is shaped by many interrelated factors: economic, social and environmental. We know that the recent events have made these aspects of life more difficult, with many Canberrans experiencing financial pressures, working from home, remote learning, caring responsibilities, higher levels of anxiety, increased isolation, accommodation pressures and challenges accessing some services and information.

We also know that these events have not affected Canberrans evenly. Those who were already doing it hardest in our community

have been further impacted, and those who have never needed service support in the past are now needing to access services, including mental health support.

The Government will continue to monitor the impacts of the recent events on Canberrans and embed the data we have into the response, ensuring that no one is left behind.

The Government is focused on addressing existing inequalities through our recovery, recognising that some fears and vulnerabilities many Canberrans have felt recently are those that some Canberrans feel all the time. All Canberrans should feel like they belong, are valued and can contribute to our city's future.



What do we know about our recent wellbeing?

The recent Living Well in the ACT Region survey by the University of Canberra (UC) shows that the wellbeing of Canberrans has fallen over the period 'from smoke to COVID-19'.

The Personal Wellbeing Index, which is part of the ACT Wellbeing Framework, brings together a range of wellbeing areas. While levels of high wellbeing have fallen, and low wellbeing increased, the ACT comes off a strong base nationally, and the wellbeing of over 70 percent of Canberra adults remains either typical or high. This suggests our overall resilience remains strong.

The UC survey reveals that the impacts of these events have been greater on women than men and on those from younger age groups (age 18-49). The survey also shows an increase in rates of psychological distress amongst Canberrans.

The ACT Government will report in more detail on these issues later in 2020 following further engagement with the Canberra community.



