



# THE FAWCETT FLYER

OCTOBER 2020



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In the first week of October, Treasurer Josh Frydenberg delivered the Government's 2020/21 Federal Budget – the Morrison Government's Economic Recovery Plan to get more Australians back into work supported by essential services in a secure nation.

The COVID-19 pandemic has caused the most severe global economic downturn since the Great Depression – expected to contract globally by 4.5% in 2020, compared to just 0.1% during the Global Financial Crisis.

Our Government has been able to take decisive action and provide targeted, proportionate and effective support during the COVID-19 pandemic because we entered this crisis in a position of economic strength, as a result of hard work since 2013 to restore balance to Australia's budget.

While there's still a long way to go in recovering from this crisis, the Economic Recovery Plan has been developed to get more Australians back into work, supported by guaranteed essential services in a secure nation. The Budget commits a further \$98 billion to the Economic Recovery Plan, including approximately \$25 billion in direct COVID-19 response measures and \$74 billion in new measures to create jobs.

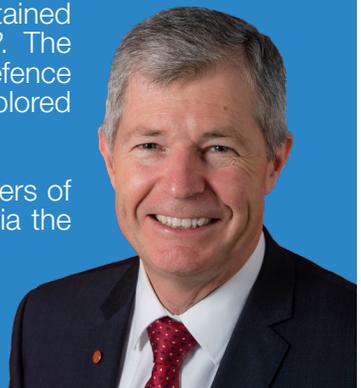
The economic recovery in Australia is underway. Our Government's record levels of economic support has helped save 700,000 jobs and seen 446,500 jobs created over the last 4 months. As a result, Standard & Poor's has reaffirmed Australia's AAA rating, making us one of just nine countries in the world to hold a AAA credit rating from all three major credit rating agencies.

The Reserve Bank of Australia economists have even stated that it appears Australia's economy may be out of recession, and again experiencing positive growth over the September quarter. But we still have some way to go and the Government is working hard to restore our economic strength.

For more information on what was contained in this year's Federal Budget, see *Page 2*. The Government's investment in Australian defence capability, through the Budget, has been explored in more depth on *Page 4*.

For more information on these or other matters of a Federal nature, please contact my office via the details available on the back cover.  
Kind regards,

**SENATOR DAVID FAWCETT**





## 2020/21 FEDERAL BUDGET DELIVERS FOR ECONOMIC RECOVERY

Treasurer Josh Frydenberg delivered the Government's 2020/21 Federal Budget, this month – our Government's Economic Recovery Plan to get more Australians back into work supported by essential services in a secure nation.

This year's Federal Budget commits a further \$98 billion to the Economic Recovery Plan, including approximately \$25 billion in direct COVID-19 response measures and \$74 billion in new measures to create jobs.

This Budget includes record funding for South Australian schools, hospitals, aged care, mental health, disability services and more – tackling the COVID-19 induced

recession head-on while continuing our track record of delivering the essential services that Australians rely on.

Legislated tax cuts – backdated to 1 July 2020 – have been brought forward by two years to put more money into the pockets of Australians. Under these tax reforms, 99% of businesses will be able to deduct the full cost of eligible assets, giving Australian business owners the confidence to invest in their business.

Our JobMaker Hiring Credit will support nearly half a million young Australians by paying a weekly credit to businesses who hire workers aged between 16-35, as this age

group represents the largest group of Australians who lost work as a direct result of COVID-19. A 50% wage subsidy has also been introduced for businesses who employ apprentices and trainees, helping them stay in work.

In South Australian schools alone, the Federal Government is investing \$1.6 billion in 2020/21 – a \$266.3 million increase in funding since last year. \$19.8 billion is being provided for Australian universities, plus \$903.5 million over the next 4 years to create extra university places and 50,000 short course places.

This Budget continues our Government's track record of record funding for SA hospitals, totalling \$1.6 billion in 2020/21. More than \$16 billion has been committed to the emergency response to the COVID-19 pandemic across Australia, including \$2.3 billion to support Australia's home-grown researchers and manufacturers to develop and produce a COVID-19 vaccine.

Through \$23.9 billion in Aged Care funding – an increase of \$2.3 billion since last financial year – older Australians are being supported to overcome the economic challenges of COVID-19 and receive the care of their choice. As more Australians opt for at-home care, this Budget funds the delivery of 23,000

additional home care packages.

In addition to releasing \$9.4 billion in economic support payments throughout this year for pensioners, including aged pensioners, a further 2 payments of \$250 each are to be delivered in December 2020 and March 2021.

Approximately 2,600 direct and indirect South Australian jobs are being supported through \$625 million of investment in South Australian transport infrastructure. Funding injected into shovel-ready road and transport infrastructure projects since COVID-19 have now reached \$725 million in SA.

Delivering on and exceeding our Government's commitment to grow the Defence budget to 2% of GDP by 2020/21, this financial year's Budget includes \$270 billion over the next decade to upgrade Australia's defence capabilities. For more on the Australian Government's investment in our Defence capability, see *Page 4*.

For more information on the 2020/21 Federal Budget, click [here](#) or scan the QR Code below.



# 2020/21 BUDGET DELIVERS DEFENCE CERTAINTY

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*Australia's first Offshore Patrol Vessel under construction at Osborne, SA.*

The Morrison Government's continued commitment to keep Australians safe, while protecting the nation's interests, in a rapidly changing global environment, is evident in our \$270 billion investment over the next decade to expand Australia's defence capability.

The 2020/21 Federal Budget sees sustained strong investment in Australia's national security, with a focus on regional security, building defence capability and creating jobs, boosting Australia's cyber resilience and supporting Australia's sovereign defence industry.

The Budget delivers on and exceeds our Government's election commitment to grow the Defence budget to 2% of GDP in 2020/21 – increasing to approximately 2.2% of GDP, which is creating certainty and confidence for Australian defence industry businesses. Over the next decade, the Australian Government is investing \$575 billion in our

nation's defence - \$270 billion of which is committed to upgrading capability.

The Government has deliberately uncoupled our defence investment from a percentage of GDP enabling it to rise above 2% as necessary, and this has been a sound decision, given the global and Australian economic impact as a result of COVID-19. Providing Defence with budget certainty over the next decade and beyond is important for programming and capability acquisitions, creating business confidence throughout defence industry which is translating into job security here in SA.

This includes investing in more lethal and long-range capabilities, including longer-range strike weapons, offensive cyber and area denial capabilities. Defence is investing to improve Australia's awareness within our region and support regional engagement,

while increasing our air and sea lift capability to ensure we can rapidly respond to events in the Pacific. This once-in-a-generation investment provides unprecedented opportunities for our sovereign defence industry and the creation of more Australian jobs.

To counter the malicious cyber activity against Australia which is increasing in frequency, scale and sophistication, this Budget provides the nation's largest ever investment in cyber security through our \$1.7 billion 2020 Cyber Security Strategy – including \$1.4 billion over the next decade to enhance the cyber security capabilities and assistance provided to Australians, through the Australian Signals Directorate (ASD) and the Australian Cyber Security Centre. It includes a \$470 million investment to expand our cyber security workforce, with the creation of over 500 new Australian jobs within ASD.

A key focus of South Australia's newly opened Australian Cyber Collaboration Centre (A3C) is to provide best-practice, full-spectrum cyber courses to quickly train and increase the supply of skilled workers to the cyber security industry – expected to provide between 5,000 and 7,000 new jobs in SA over the next 5 years. Established through a \$10 million State Government investment at Lot Fourteen, A3C includes a cyber academy, cyber test range facility, physical spaces for collaboration,

infrastructure to support product testing, and access to training courses. A3C officially opened their cyber test range – the biggest cyber test range in the country – in late October.

Additionally, a \$1 billion investment package was brought forward to support Australia's defence industry and sustain thousands of jobs across the country. This includes \$110 million for Defence innovation, industry grants, skilling and micro credentialing, and cyber training for Defence industry. These measures continue to support and grow the 70,000-strong workforce in defence industry, supply chains, and down-stream suppliers who are benefiting from our investment in defence.

This Government is investing a further \$124.3 million over 10 years to support the Pacific Step-Up through security infrastructure in the Pacific. Under the Pacific Step-Up (profiled in previous editions of the *Fawcett Flyer*), Australia is working with regional partners to strengthen economic resilience, deepen personal connections and enhance security cooperation throughout our region.

For more information on Defence investment in the 2020/21 Federal Budget, click [here](#) or scan the QR code below.



# OSBORNE SHIPYARD

## PROGRESS MILESTONES

While much effort has been focussed on slowing the spread of COVID-19 and ensuring Australia's economic recovery, the growth of Australia's sovereign defence industry and ongoing progress of our Naval Shipbuilding Plan remain a priority. Ongoing shipbuilding projects create stability for the Australian businesses involved, creating and sustaining Australian jobs during these difficult times.

Prime Minister Scott Morrison was in South Australia to see the recently-completed Osborne South Naval Shipyard complex (*pictured, right*) – the location for the construction of Australia's 9 Hunter Class Frigates. With the Shipyard completed in June and the frigate prototyping phase to begin in December, the facilities have officially been handed over to lead contractor ASC Shipbuilding. Osborne South construction has involved 58 local suppliers including Samaras Group and SA Structural.

As part of the frigate prototyping phase, 2 of 3 initial contracts signed by ASC Shipbuilding were with SA companies, following the release of the Government's Australian Industry Capability plan. In total, as part of the frigate prototyping phase, 33 work packages are to be released worth more than \$20 million. The Navy frigates are to be built by an Australian workforce using Australian steel.

Works continue at the Osborne North Naval Shipyard – the location for the build of the Attack Class Submarines – with Phase 1 of construction progressing well. Steel erection and pre-case panel installation is



underway. Once complete, these facilities will be operated by lead contractors Naval Group Australia and Lockheed Martin Australia. The first Future Submarine Program 'Local Manufacturing Package' was announced in October – worth approximately \$900 million. Expressions of Interest are being sought from Australian industry for the manufacture of 23 major items of equipment for the 12 Attack Class Submarines.

For more information on Osborne South Naval Shipyard's completion, click [here](#) or scan the QR Code below.



# 7 VIRTUAL JOBS FAIR SHOWS SA OPPORTUNITIES

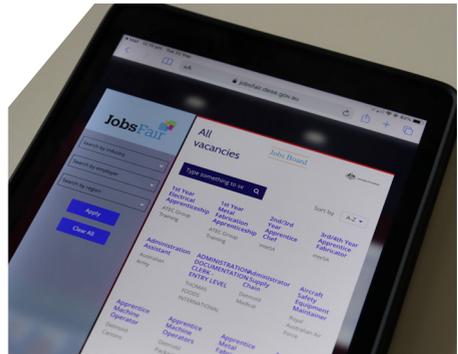
The Government's priority for our economic recovery, as revealed through the 2020/21 Federal Budget, is creating Australian jobs.

As the Government works toward our economic recovery, the Department of Education, Skills and Employment has been holding a series of Jobs Fairs across the nation to help jobseekers connect with local job opportunities. My original request for an in-person Jobs Fair for SA was delayed due to COVID-19, however a Virtual Jobs Fair was held in late September – providing a free platform for jobseekers to network with employers and employment service providers throughout the Adelaide and Murraylands regions. Participant businesses included Bowhill Engineering (the contractor building girders for the latest phase of the North-South Corridor), SkyCity Adelaide, Thomas Foods International, Detmold, and BAE Systems Australia, among others.

With prototyping to begin on the Hunter Class Frigates in December, 18 current job listings were advertised by BAE Systems Australia. BAE is welcoming its 1,000th employee for the Frigate program before the end of 2020. Approximately 1,000 additional positions with BAE will become available throughout 2021 – primarily in trades, engineering, procurement, and ICT.

Lot Fourteen – part of the Australian Government's \$649 million Adelaide City Deal – is also creating local jobs and proving a magnet for national and international businesses.

Cyber security specialists CyberCX and technology services company Accenture have also confirmed they will open centres at Lot Fourteen, with CyberCX creating at least 20-25 jobs, and Accenture creating up to 2,000 jobs. In September, Leonardo Australia announced it is establishing a base at Lot Fourteen



to operate geo-spatial satellite imaging for security and disaster response manoeuvres.

For more information on the Adelaide and Murraylands Virtual Jobs Fair, click [here](#) or scan the QR Code below.



As the Federal Budget was delivered this month rather than in May – delayed due to the impact of COVID-19, Budget Estimates took place in October this year and I contributed through my role as a member of the Senate Foreign Affairs, Defence and Trade Legislation Committee, as well as Chair of the Senate Environment and Communications Legislation Committee. Existing Committee activity had to fit in around the critical release of the Federal Budget and subsequent Budget Estimates.

This month, it was good to visit Kangaroo Island as part of a committee inquiry and hear from KI locals about how the island is continuing to recover from the combined impact of the 2019/20 Black Summer Bushfires and the COVID-19 pandemic. We received feedback from landholders about issues of mobile black spots and wanting more control over how to manage their own land – for example, clearing along fence lines and conducting controlled burns to protect their land from severe bushfires as seen last summer.

As part of the day, we visited Hanson Bay Wildlife Sanctuary and met with owner Jim Geddes who spoke about the decrease in international tourism and the impact that this is having on the island economy. We also met with KI Mayor Michael Pengilly

and some elected members of the Council. In Kingscote Town Hall, we heard from local landowners, SA Department for Environment and Water, Agriculture Kangaroo Island, and Kangaroo Island Wildlife Park, among others.

Following our visit to KI, the 2020/21 Federal Budget included an investment of \$100 million to benefit regional bushfire recovery, among other initiatives. The new Regional Recovery Partnerships will fund recovery and resilience projects in regional areas, including Kangaroo Island, adversely affected by COVID-19, drought and the last summer's bushfires.

In late October, the Parliamentary Joint Committee on Intelligence and Security released our report for the review of the Mandatory Data Retention Regime which included 22 recommendations to which the Government will respond. Reviews into AFP powers, Declared Area Provisions, and ASIO Amendment Bill continue, among others.

For more information on Parliamentary Committee Inquiries, click [here](#) or scan the QR Code below.



# OUT AND ABOUT



Mr Cosie Costa and Mr Malcolm Dixon were recognised for their hard work and contribution to the Liberal Party of Australia, at the SA Liberal Party State Council AGM, and presented an award by Prime Minister Scott Morrison. Well deserved!



Tea Tree Gully RSL organised an event to recognise the service of Mr Bill Andrew and Mr Colin Kay to the Commonwealth during World War II. I had the privilege of presenting Mr Kay with a certificate and medallion in recognition of his service.



In late September, I addressed participants of the University of Adelaide's Professional Certificate in Defence Industry Leadership Program – a targeted and practical professional development program that provides employees in the defence industry with the opportunity to develop their personal and professional leadership skills.



Novafast are a local SA business which has developed a reputation for producing quality large scale composite pipe and liquid storage products in Australia, and exporting overseas to Asia and the Middle East. It was great to visit Novafast to discuss their development of sovereign capability to support Defence projects.



Soon after the COVID-19 virus arrived in Australia, SA-based Detmold Group made a significant investment to transition towards manufacturing Personal Protective Equipment to protect our nation and state's frontline health workers. I visited Detmold Medical in September at their facility in Brompton to see how they were continuing to increase output.

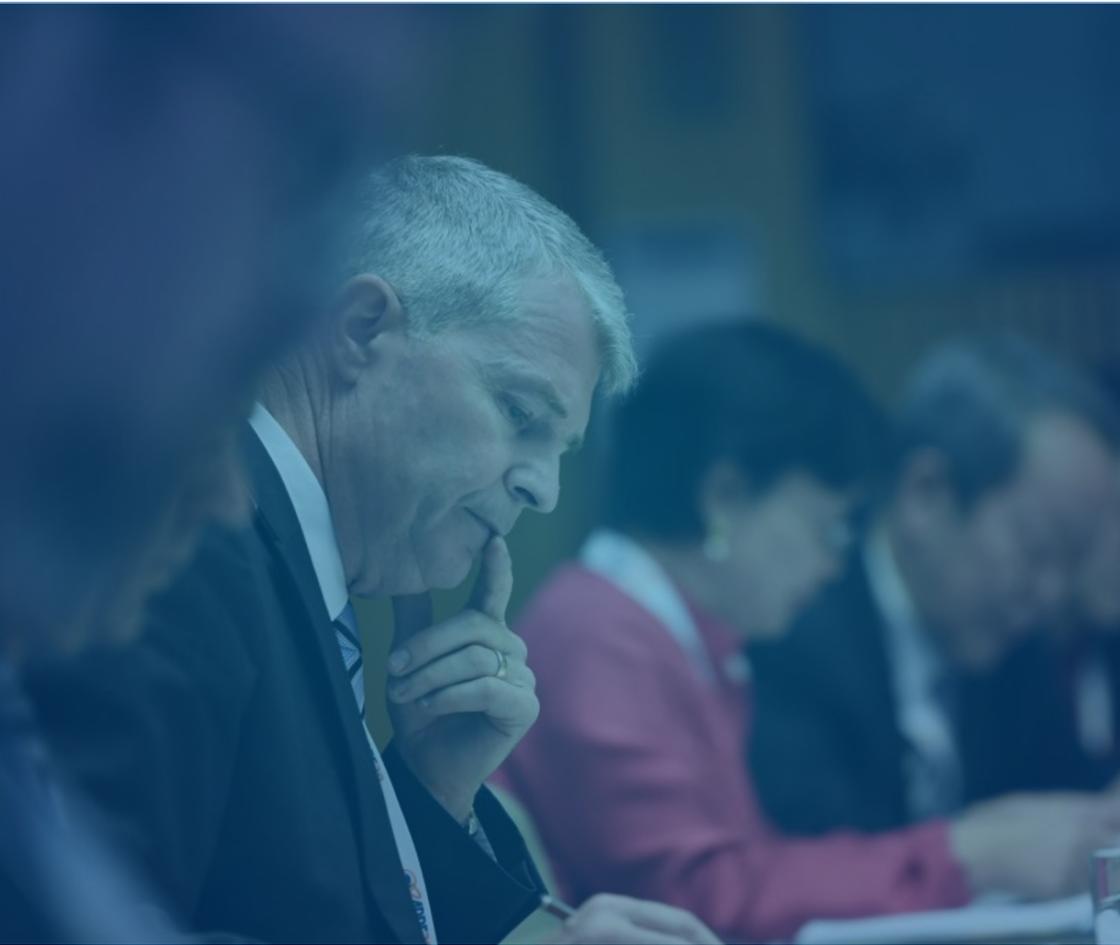
It was great to officially open Solinnov's new office in Mawson Lakes with Managing Director, Sanka Piyaratna. Solinnov are one of the SA based companies involved in Defence's C4 EDGE cooperative – working to provide an advanced, integrated command and control environment designed for the Australian Army's mission and environment.



Pleased to join the Commodore of the Cruising Yacht Club of South Australia at the formal opening of the 20/21 season. CYCSA have been a strong partner in supporting Defence Veterans through running the 'Setting a New Course' program using sailing to help overcome the impacts of Defence service experienced by some.

Keep up to date on  
announcements, via  
Facebook:  
**[@senatorfawcett](#)**





Liberal Senator for South Australia

Chair of the Joint Standing Committee on Foreign Affairs, Defence and Trade

**Suite 4 13/100 King William Street, Adelaide SA 5000**

**8205 1040**

**[senator.fawcett@aph.gov.au](mailto:senator.fawcett@aph.gov.au)**

**[senatorfawcett.com.au](http://senatorfawcett.com.au)**