Queensland Made: Labor’s Plan to Protect and Create Manufacturing Jobs
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Message from the Premier

Working to protect existing jobs and create new jobs is what drives me each and every day.

To achieve this I am committed to creating new frontiers for Queensland’s economy while working to protect our existing strengths in manufacturing, tourism, agriculture and mining.

To deliver stable, secure and reliable manufacturing jobs Queensland must be internationally-competitive and making use of our natural advantages and the talents and resourcefulness of our people.

I want to see more and more products be Queensland made because that means more jobs for Queenslanders.

However, the reality facing many of our manufacturing industries, however is that they haven’t been competing on a level playing field.

With trade restrictions in overseas markets and a lack of protections in free trade agreements for Queensland products and jobs we are at a disadvantage.

In this environment, all levels of government need to actively support manufacturing, and not just be an enabler.

We need to see a return to a level playing field where Queensland manufacturers can compete on quality and price for overseas export markets.

The Queensland Government has a clear role to play in supporting the prosperity of manufacturing and the creation of new value-adding manufacturing supply chains across the state.

That’s why a re-elected Palaszczuk Government will work to protect existing manufacturing jobs, create new jobs and build manufacturing in Queensland.
A re-elected Palaszczuk Government will work hard to protect existing manufacturing jobs and create new jobs. Queensland’s $20 billion manufacturing sector already employs almost 170,000 people. That’s why a re-elected Palaszczuk Labor Government will:

- Provide $70 million of funding for Building our Regions Round 4 to deliver critical infrastructure for the regions
- Commit an additional $20 million to the Made in Queensland grants program to support our manufacturing businesses to become more internationally competitive and create additional jobs
- Provide an additional $20 million to the Advance Queensland Industry Attraction Fund with a broadened focus on companies moving manufacturing activities to Queensland
- Establish manufacturing hubs to drive regional economies, initially in Cairns, Townsville and Rockhampton
- Continue the Buy Queensland procurement policy to ensure local manufacturers have the best opportunity to win government procurement contracts worth more than $14 billion a year
- Guarantee all future rail rollingstock and associated infrastructure for which Queensland has the manufacturing capacity, will be manufactured and maintained by Queenslanders to support jobs in Maryborough and other regional centres
- Establish Defence Jobs Queensland as a dedicated agency that will build on Queensland’s strengths and drive the creation of defence-related jobs
- Deliver up to $10 million towards defence supply chain logistics hubs in Townsville and Ipswich
- Expand placements and increase industry collaboration under the manufacturing and engineering Gateway to Industry Schools Program
- Implement a comprehensive strategy to protect jobs in the meatworks industry and upskill the workforce through the Jobs and Regional Growth Fund and Regional Skills Investment Strategy
- Assist workers to develop new skills to find secure employment in the manufacturing sector through the Queensland Workers Transition Scheme and Regional Skills Adjustment Strategy
- Unlock additional gas tenements exclusively for the domestic market, in addition to the more than 450 square kilometres of gas tenements set aside to address the national gas shortage
- Continue the $200 million Jobs and Regional Growth Fund package to deliver jobs and economic development to our regions
- Deliver a dedicated Minister for Manufacturing to engage with and support the industry.
When elected in 2015, the Palaszczuk Government was faced with a manufacturing sector in crisis, and the LNP refusing to acknowledge manufacturing as a pillar of the Queensland economy.

The Newman-Nicholls Government slashed support for manufacturing, sacked workers and sold assets leading to the loss of 9,200 manufacturing jobs. 145 jobs were cut from the Department of State Development, Infrastructure and Planning, the department charged with supporting local manufacturers achieve their business goals.

In his first budget Tim Nicholls cut $15.6 million in industry support grants and $14.5 million in business development regional support.

As Treasurer, he outsourced the construction of trains to India at greater cost to the taxpayer. Jobs were lost as a result.

Under the Newman-Nicholls Government there was no policy to support local manufacturing through government procurement, with Tim Nicholls opposed to any industry attraction funding to support Queensland manufacturing.

The former government failed to take any measures to guarantee supply of gas for manufacturing. Their only plan for reducing power prices was to sell electricity assets. Without our government’s intervention, prices next financial year for the average commercial business would have been $72,050 higher and $124,850 higher for the average industrial customer, according to independent modelling by ACIL Allen.
The Palaszczuk Government’s Record

The Palaszczuk Government’s policies have seen 3,000 extra jobs created in the manufacturing sector. We have worked hard to restore manufacturing jobs through:

- Securing a $400 million rail maintenance contract for Maryborough’s Downer EDI and Townsville’s UGL facility – delivering security for workers through a manufacturing and maintenance pipeline

- Delivering a Buy Queensland procurement policy – so local manufacturers are best-placed to win more than $14 billion a year in government contracts. (In contrast, the LNP’s policy continues to prioritise interstate and New Zealand companies.)

- Delivering approximately 1,782 jobs and 174 Building our Regions projects, across 62 local government areas to provide a platform for regional business to prosper. This means more projects, more money and more jobs for regional Queensland

- Delivering a $7.6 million Advanced Manufacturing Roadmap, including:
  - $1.5 million to increase robotics and digital business capability
  - $550,000 for hacker / maker spaces to connect manufacturers with ideas and innovations
  - $700,000 to encourage manufacturers to use design and engineering analysis software, new materials and advanced manufacturing techniques
  - $900,000 to improve manufacturers’ energy efficiency
  - $250,000 to attract more young people into manufacturing careers.
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- Delivering a $4 million Biomedical Roadmap, including $2 million for better access to investment capital for biomedical enterprises in order to bring products to market, and deliver increased manufacturing of medical devices, traditional, bio-pharmaceutical and complementary medicines

- Supporting 200 Queensland businesses through $26.5 million of Ignite Ideas funding to test and implement commercialisation plans for a product, driving more than 1,000 new jobs, and manufacturing and export opportunities

- Delivering a $20 million Made in Queensland program to help manufacturers be more internationally competitive

- Providing over 450 square kilometres of gas tenement exclusively for domestic supply - to support local manufacturing jobs

- Pursuing defence contracts, including working in partnership with Rheinmetall, to secure the future phases of the $20 billion LAND 400 project

- Committing $60 million for the Cairns Shipping Development Project and $75 million to the Townsville Port expansion to make Cairns and Townsville more attractive for new and existing businesses looking to expand and invest and open opportunities for industrial development

- Establishing a Bundaberg State Development Area in 2017 to coordinate land-use planning and deliver development certainty for industry in response to growing port-related demand

- Commencing investigations into a potential Cairns South SDA in response to predicted future shortage of industrial land supply in the region

- Keeping public assets in public ownership so as to place downward pressure on prices - preventing electricity prices rising by another $44,440 for the average commercial customer and $77,220 for the average industrial customer.
Building our Regions – Round 4

The Palaszczuk Government’s highly-successful Building our Regions (BoR) program has delivered infrastructure for regional Queensland transparently, fairly and efficiently and provide a platform for industry and manufacturing.

In contrast, the Newman-Nicholls Government’s discredited Royalties for the Regions Program was found by the Auditor-General to have favoured LNP electorates and lack decision-making transparency.

$225 million of the $375 million BoR program has been committed to critical regional infrastructure, and $125 million to the Transport Infrastructure Development Scheme to upgrade primary access transport infrastructure.

Few programs can match BoR for its direct impact on regional jobs and growth. Through BoR, $353.5 million has been leveraged for 174 regional infrastructure projects, across 62 local government areas. 1,762 jobs have been created.

This is more money, more projects, more councils and more jobs than Tim Nicholls ever delivered.
The three-year program has been delivered in two years, meaning regional Queensland jobs have been delivered sooner and regional economies bolstered and diversified.

Nonetheless, BoR can achieve more. We will build upon its successes by committing a further $70 million to ensure Queensland’s regions can continue to deliver critical infrastructure projects that create jobs and real economic results.

This $70 million is in addition to the $375 million committed in the last term of government, and the $600 million Works for Queensland program.

This is a $1 billion dollar combined injection for regional Queensland.

**Made in Queensland Grants**

The Palaszczuk Government’s Made in Queensland initiative is part of our plan to support Queensland’s manufacturing sector become, and remain, internationally-competitive, while creating over 270 new manufacturing jobs for Queenslanders.

Eligible manufacturing businesses, employing between 5 and 200 people, can apply for matching grants of between $50,000 and $2.5 million to become more productive, grow, innovate, and create jobs. The end result is a skilled Queensland workforce.

More than 337 manufacturers have completed an initial benchmarking process to identify potential improvements and ways they can grow their businesses, making them eligible to apply for a Made in Queensland grant for business improvements, protect existing jobs and create new ones. Funding is provided on a dollar for dollar basis.

So far, there have been 604 registrations of interest, with applicants requesting more than $30 million in support. $8,640,124 has been granted to 26 projects. We have achieved much in a short period of time, but it’s clear there is more to do.

A re-elected Palaszczuk Labor Government will double our funding commitment for Made in Queensland grants, to protect existing manufacturing jobs and create new jobs.

**Reshoring boost to Advance Queensland Industry Attraction Fund**

The Palaszczuk Government understands the need to attract projects that support job creation, regional growth, increased innovation and local supply chains, and will commit an extra $20 million to the Advance Queensland Industry Attraction Fund to focus on reshoring manufacturing activities in Queensland and build upon the over 200 jobs created to date.
Two notable successes of the Palaszczuk Government’s Advance Queensland Industry Attraction Fund to date are:

- Oji Fibre Solutions – a fibre-based packaging company with $68 million of investment (up to 55 ongoing jobs are supported)
- The Northern Oil bio-refinery pilot facility in Gladstone, which, if successful, will lead to a $150 million, 200 million litre per year biofuel facility.

The Federal Government has failed to support manufacturing and is therefore leaving businesses at a competitive-disadvantage, when compared to those in countries such as the United Kingdom, the United States and Germany.

The Palaszczuk Government will act to assist companies to gain a competitive advantage in manufacturing.

Manufacturing Hubs

A re-elected Palaszczuk Government will establish manufacturing hubs in Cairns (to support maritime industries around the Port precinct), Townsville (in the wake of the Yabulu Nickel refinery’s closure), and Rockhampton (adversely affected by the closure of the Aurizon workshops).

Manufacturing hubs will support the building of knowledge capital throughout the supply chain, skilling of workers, match appropriately-skilled workers to jobs, and help employers grow their manufacturing business in areas of comparative advantage. Employers will be helped to transition employees into new manufacturing jobs.

Manufacturing hubs will be developed in consultation with local businesses, industry, unions and universities. The hubs will assist businesses be more productive and achieve best-practice standards. They will also job-match unemployed workers and support businesses.
Many countries around the world, including the United States and China, are co-locating small to medium-sized enterprises and increasing collaboration with universities.

An initial allocation of up to $30 million will provide for land supply and infrastructure-establishment costs of manufacturing hubs, to be overseen, implemented and monitored by a new Minister for Manufacturing and the Department of State Development.

**Buy Queensland**

The Palaszczuk Government is committed to assisting small and medium businesses throughout Queensland participate in economic opportunities, including government procurement.

That is why the Palaszczuk Government released ‘Buy Queensland’, which responds to feedback from Queensland businesses, and ensures Queensland jobs and businesses will be the big winners in the way the Queensland Government procures supplies and services.

For the first time, local suppliers will be defined as a business that maintains a workforce within a 125km radius of where goods or workers are needed. Local suppliers tendering for government contracts will receive a local weighting of up to 30 per cent.

In addition, significant infrastructure projects worth $100 million or above will require the use of local sub-contractors and manufacturers for their supplies and materials where possible.

This policy has been overwhelmingly backed by Queensland business, and has received widespread support from Queenslanders.

That is why Queensland Labor is re-committing a re-elected Palaszczuk Government to Buy Queensland; it’s good for Queensland business, good for Queensland manufacturers and good for Queensland.

**Rail Infrastructure Manufacturing and Maintenance**

The Palaszczuk Government backs policies that deliver jobs for Queenslanders. Jobs and business are the big winners of our Buy Queensland policy.

Queensland jobs in the rail infrastructure sector – which is set to deliver more than $6 billion worth of projects and thousands of jobs over the next five years – will be created as a direct result of the Buy Queensland policy. It will be Queenslanders who build major rail projects like Cross River Rail.

In the last three years, the Palaszczuk Government has committed over $75 million in contracts to Queensland rail manufacturing and infrastructure businesses, and there is more to come, as part of our $400 million rail maintenance contracts for Maryborough’s Downer EDI and UGL in Townsville.

A re-elected Palaszczuk Government will guarantee all future rolling stock and associated infrastructure for which Queensland has the manufacturing capacity will be manufactured and maintained by Queenslanders to support jobs in Maryborough and other regional centres.

Unlike Tim Nicholls – who signed a contract for 75 trains to be built in India – the Palaszczuk Government will not allow future trains to be built overseas. A re-elected Palaszczuk Government will also ensure modification work to fix Tim Nicholls’ overseas-made trains will be done in Maryborough.

With our Buy Queensland policy, Labor is proudly supporting local jobs in manufacturing.
Defence Jobs Queensland

The Palaszczuk Government has worked in partnership with Rheinmetall Defence Australia to see Queensland shortlisted for the $5 billion Phase 2 part of the $20 billion Land 400 Project. We will build on this success by creating Defence Jobs Queensland – a dedicated agency that will oversee new defence jobs in Queensland.

Defence Jobs Queensland will oversee and support our government’s drive to secure more defence jobs for Queenslanders from expected defence expenditure of $195 billion over the next decade, including:

- Identifying and bidding on opportunities to secure Queensland as the primary location for the development of defence construction contracts and significant maintenance contracts
- Encouraging and supporting Queensland industry to become involved in the supply chain for major Australian defence projects that are not primarily-based in Queensland
- Developing links between other manufacturing sectors such as mining, engineering technology and science (METS), advanced manufacturing and universities to encourage wider participation in defence sector projects, and transfer of skills and technology to industry and the wider workforce
- Maximising Queensland’s geographic strategic significance by identifying and securing service opportunities that provide local economic activity, including supporting domestic and foreign naval stopovers in regional ports
- Acting as a single point of entry for Queensland defence enquiries
- Leading Queensland delegations to targeted defence trade shows.

Stakeholder engagement

The Palaszczuk Government recognises and values the need for meaningful engagement with stakeholders, if we are to deliver the best outcomes for Queensland.

Defence Jobs Queensland’s whole-of-government approach will see input from representatives from regional councils, regional ports and airfields, the Department of State Development, Queensland Treasury, and the Department of Science, Information Technology and Innovation.

By working with key stakeholders, Defence Jobs Queensland can build regional capacity to develop defence industries and participate in maintenance of defence equipment.

North Queensland

Queensland is the most decentralised mainland state in Australia, presenting many challenges in attracting industry and economic opportunities.

The Palaszczuk Government recognises these challenges. We will ensure Defence Jobs Queensland maintains a regional presence in Townsville, supported by the North Queensland Defence Advisory Board, with senior representatives from the military, industry and academic sectors providing leadership and advice to identify suitable defence and other contracts for maintenance, supply and logistics.
Defence supply chain logistics hubs

Building upon the Land 400 partnership, a re-elected Palaszczuk Government will commit $5 million to support Townsville becoming the military maintenance hub for Northern Australia.

A North Australia Defence Maintenance and Logistics Hub would address the expanding defence needs of Lavarack Barracks, the Singapore-Australia Defence Agreement, and the US Navy 7th Fleet biofuels opportunity. In doing so, ongoing manufacturing supply jobs will be supported. Defence Jobs Queensland, will:

- Assist Townsville to leverage the Australian Defence Force’s Integrated Investment Program in support of local jobs
- Advocate for Australian Defence Force procurement policies to be adjusted to support direct engagement of regional North Queensland firms
- Request that servicing of the Army’s MRH-90 and CH-47 Chinook helicopters occur in Townsville
- Support co-location in Townsville of Defence trade training schools and maintenance units for local force elements.

If Rheinmetall is successful in its $5 billion Land 400 Phase 2 procurement bid for the delivery of 225 state-of-the-art combat reconnaissance vehicles, the Palaszczuk Government will commit up to $5 million to support a defence supply chain logistics hub and a military vehicle centre in Ipswich.

Gateway to Industry Schools Program

The Gateway to Industry Schools Program partners young people and industry to deliver the skilled jobs of tomorrow. If Queensland is to avoid a future skills crisis, secondary schools must engage collaboratively with local manufacturing and engineering enterprises, registered training organisations and universities.

A re-elected Palaszczuk Government will continue the Gateway to Industry Schools program for manufacturing, to build upon the success of schools such as the Aviation State High School.

The Palaszczuk Government’s Advance Queensland Program has identified six priority industries, with the potential to deliver the jobs of tomorrow. One of these – advanced manufacturing – closely aligns with other priority industries including aerospace, defence and mining equipment, technology and services (METS).

We will task the Department of Education and Training with identifying opportunities to build on the Advanced Manufacturing Roadmap and further increase industry collaboration, expand placements and secure our advanced manufacturing future.
Meatworks Industry Support Package

Through the Jobs and Regional Growth Fund the Palaszczuk Government developed a training support package so that 200 of the displaced employees from the Churchill abattoir gained alternative employment with JBS, as well as 110 operational support jobs at the Swicker’s Kingaroy Bacon Factory. These jobs would otherwise have been lost to Queensland.

Tim Nicholls does not support this fund.

Record drought and low livestock levels are among a range of challenges confronting the state’s meat industry.

A re-elected Palaszczuk Government will deliver a comprehensive centralised meatworks supply chain industry strategy to work on rail, energy, infrastructure and training challenges confronting the sector.

The Department of Agriculture’s Supply Chain and Abattoir Study is an ongoing analysis of Queensland beef cattle supply and possible new processing locations. When completed, it will inform our efforts.

Many abattoirs are major regional employers with the potential to make a significant contribution to economic development and rural and regional job creation.

A re-elected Palaszczuk Government will continue the Skilling Queenslanders for Work (SQW) program that was cut by the LNP. To date, more than 11,700 people are now in work as a direct result of Labor’s reintroduction of the program.

Queensland Workers Transition Scheme and Regional Skills Adjustment Strategy

The Palaszczuk Government will continue to assist transitioning workers reskill and get back to work.

Where a large-scale workplace closes with resultant high unemployment, a re-elected Palaszczuk Government will continue to provide retraining and reskilling support for workers, and direct assistance to businesses through JRGF and Made in Queensland grants.

A prototype of the Regional Skills Adjustment Strategy has been rolled out to assist former workers of the Churchill abattoir. A re-elected Palaszczuk Government will also provide skills assessment, tailored-training and skills support to workers through TAFE Queensland (at a lower training cost) and facilitate workers’ engagement with potential employers, programs and assistance.

Annual Domestic Gas Land Release

The Palaszczuk Government is the only government working to deliver more gas for domestic consumers to ease pressure on our gas-dependent manufacturing industries.

The Government recently used powers in the Petroleum and Gas (Safety and Production) Act 2004 to apply an Australian market-supply condition to ensure gas supply only to the Australian market.

Introduced by Labor, these powers are being used to protect jobs.

A Palaszczuk Government will conduct an annual domestic gas land release, so as to ensure manufacturers are able to source the gas they need.

The commitment follows a January 2017 release of a 58 square kilometre block of land for tender in the Surat Basin. Senex was announced as the preferred tenderer on 5 September 2017. A further two parcels – totalling 395 square kilometres – have now been released and preferred tenderers will be announced in late 2017.
Jobs and Regional Growth Fund

The Palaszczuk Government has provided $130 million over three years for the Jobs and Regional Growth Fund (JRGF), as part of the broader $200 million Jobs and Regional Growth Package. The Package also includes:

- The $40 million Advance Queensland Attraction Fund (AQIAF)
- The $20 million Made in Queensland program
- $10 million from various employment initiatives across five agencies.

In recognition of the need to attract economic activity to regional Queensland, the Palaszczuk Government’s JRGF facilitates private sector projects in cities and regions such as Cairns, Townsville, Mackay, Rockhampton, Fitzroy, Wide Bay and the Outback.

The fund provides one-off financial assistance ranging from $100,000 to over $10 million in either direct grants or State charges’ relief on a case-by-case basis.

The JRGF is structured to support and assist existing businesses with their expansion decisions, and attract new businesses to Queensland. It targets businesses and sectors such as agriculture, resources, tourism, manufacturing and construction.

The Palaszczuk Government will continue to fund the JRGF in 2018. 399 jobs will be created with current commitments, and successes to date include:

- A October 2017 commitment to deliver more than 200 jobs with JBS Australia for displaced workers in the Ipswich region
- A June 2017 commitment of $8.64 million to support Bio Processing Australia to develop a $50 million integrated biorefinery in Mackay
- $100,000 for Cape York Timber to secure a business loan and expand its operations in Cooktown, supporting additional local employment
- Funding for Swickers Bacon Factory to support their $100 million expansion in the South Burnett Region.

Minister for Manufacturing

A coordinated-approach will boost government’s capacity to deliver on our Queensland Made policy.

Spanning education and training, state development, infrastructure, industrial relations, innovation, research and local government, a dedicated Minister for Manufacturing appointed by a re-elected Palaszczuk Government will drive new opportunities, future industry and jobs growth into the future.