



Government
of South Australia

Launch of Australian Industry Group SA

National Wine Centre, Hackney Road

Tuesday, 28 July 2009

Hon Mike Rann MP

Premier of South Australia

Minister for Economic Development

Minister for Social Inclusion

Minister for the Arts

Minister for Sustainability and Climate Change

(Check against delivery)

- **It's a pleasure to be here with you this evening to celebrate the amalgamation of the Australian Industry Group and the Engineering Employers Association of South Australia**
- **The new merged entity will carry on the strong and proud tradition of the Association in our State, and further strengthen the national work being undertaken by the AI Group**
- **The Engineering Employers Association was established in 1987, but its roots stretch back to the former Metal Industries Association**
- **For around 70 years, it has been an influential force in the pivotal manufacturing industries that have shaped – and continue to redefine – this State**

- Among its past presidents are some of the best-known names of South Australian industry in the 20th Century:
 - Sir Frank Perry of Perry Engineering
 - Bob Hill-Ling from Hills Industries
 - David Elix from Kelvinator
 - and Geoff and Robert Gerard from Gerard Industries
- **I want to take this opportunity to thank Stephen Myatt for the work he has undertaken as Director of the Engineering Employers Association since 1997**
 - Stephen is also a member of the State Government's Manufacturing Consultative Council, which is chaired by Deputy Premier Kevin Foley
- **The Association's membership of 470 companies cover industries that remain the engine room of our State's economic development**
- **They include automotive components, defence, electronics, plastics, toolmaking and sheet metal**

- **The Association has been a strong advocate for the metal and engineering sector, and worked closely with the State Government to help further economic reform**
- **It has also played an important role in addressing areas such as workers' safety and compensation, environment protection, and training and skills development**
 - Indeed, the Association has owned and managed a Group Training Scheme with around 220 apprentices
- **Now, through its merger with AI Group Training Services, it will be part of one of Australia's largest industry owned and operated training schemes**
 - It will enable around 650 apprentices to receive training towards certificates of competency in manufacturing trades
- **That's just one reason why this merger offers significant benefits and opportunities for manufacturing and engineering in South Australia**

- **The AI Group, under the leadership of Don Matthews and Heather Ridout, is playing a significant role in helping Australian industries enhance their competitiveness in a rapidly-changing global environment**
- **Since its formation a decade ago - from a merger between the Metal Trades Industry Association and the Australian Chamber of Manufacturers – the AI Group has grown to represent around 10,000 member companies that employ around 750,000 staff**
- **Its members operate small, medium and large enterprises across an array of sectors**
- **They include manufacturing, engineering, construction, defence, mining equipment and supplies, automotive, food and information technology**
- **These are industries that are foundation stones of the South Australian economy, which we have worked hard to strengthen and diversify**

- **Those efforts are recognised by recent statistics and independent commentary that indicates South Australia remains better placed than other States to emerge from the current global downturn in healthy shape**
- **For example, the latest employment figures showed the total number of people currently employed in South Australia reached the highest level ever – 796,100**
 - Since coming to office in 2002, we have created 105,600 new jobs in trend terms
- **South Australia was the only mainland State not to record a rise in the headline jobless rate for June**
- **And we were the only State to record growth in State Final Demand in the March quarter**
- **In its most recent Business Outlook assessment released last week, Access Economics found that Australia has “out-performed” its international peers in the face of the global recession**

- And the report noted that while the impacts of the downturn will be felt for some time to come, “South Australia will suffer a milder downturn than most”
- **It cited the impact of State and Federal infrastructure investment, as well as spending in the defence sector for boosting our Final Demand**
- **It also noted that housing construction in South Australia remains the “strongest in the land”**
 - Access forecasts South Australia’s GSP will increase at a rate above the national average over the next two years
 - It also predicts that our State’s economy will grow at more than double the rate of the national economy in 2009-10
- **Also, in its June 2009 Trends Bulletin, BankSA claims “South Australia is best placed of all States to continue to prosper through the global downturn”**

- **A key element of in the underlying strength of the South Australian economy is the Government's record investment in infrastructure**
- **This program – in conjunction with the Commonwealth's expenditure – is providing vital services for the future as well as supporting the State's economy during the downturn**
- **The \$11.4 billion infrastructure investment program over four years outlined in this year's State Budget will support nearly 14,000 jobs**
- **Estimates of the number of construction and supply jobs that will be created are:**
 - **Around 2,000 for the 100 giganlitre desalination plant**
 - **About 2,600 for the upgrade and extension of our metropolitan rail network**
 - **In excess of 2,500 on major road construction projects to streamline South Road, and to develop the Northern Expressway**

- **Around 760 jobs to support the redevelopment of our major hospitals**
- **In addition, the partnership with the Commonwealth will deliver new school and transport infrastructure as well as social housing projects**
 - **These are expected to have a direct benefit of around 1,400 construction and supply chain jobs**
- **Ladies and gentlemen**
- **The South Australian Government has worked hard to earn the positive economic assessments and to lock in our achievements to date**
- **But we are not prepared to rest on our laurels, and we remain committed to creating more jobs and even greater economic prosperity**
- **To help achieve that, we will continue to work in partnership with industry and our State's business community**

- **I look forward to working closely with Stephen Myatt and Andrew Downs under the auspices of the AI Group, South Australia**
- **Congratulations on the creation of this new, amalgamated entity, and thank you for the opportunity to be part of tonight's celebration**
- **I wish you all the very best for the future**

(ends)