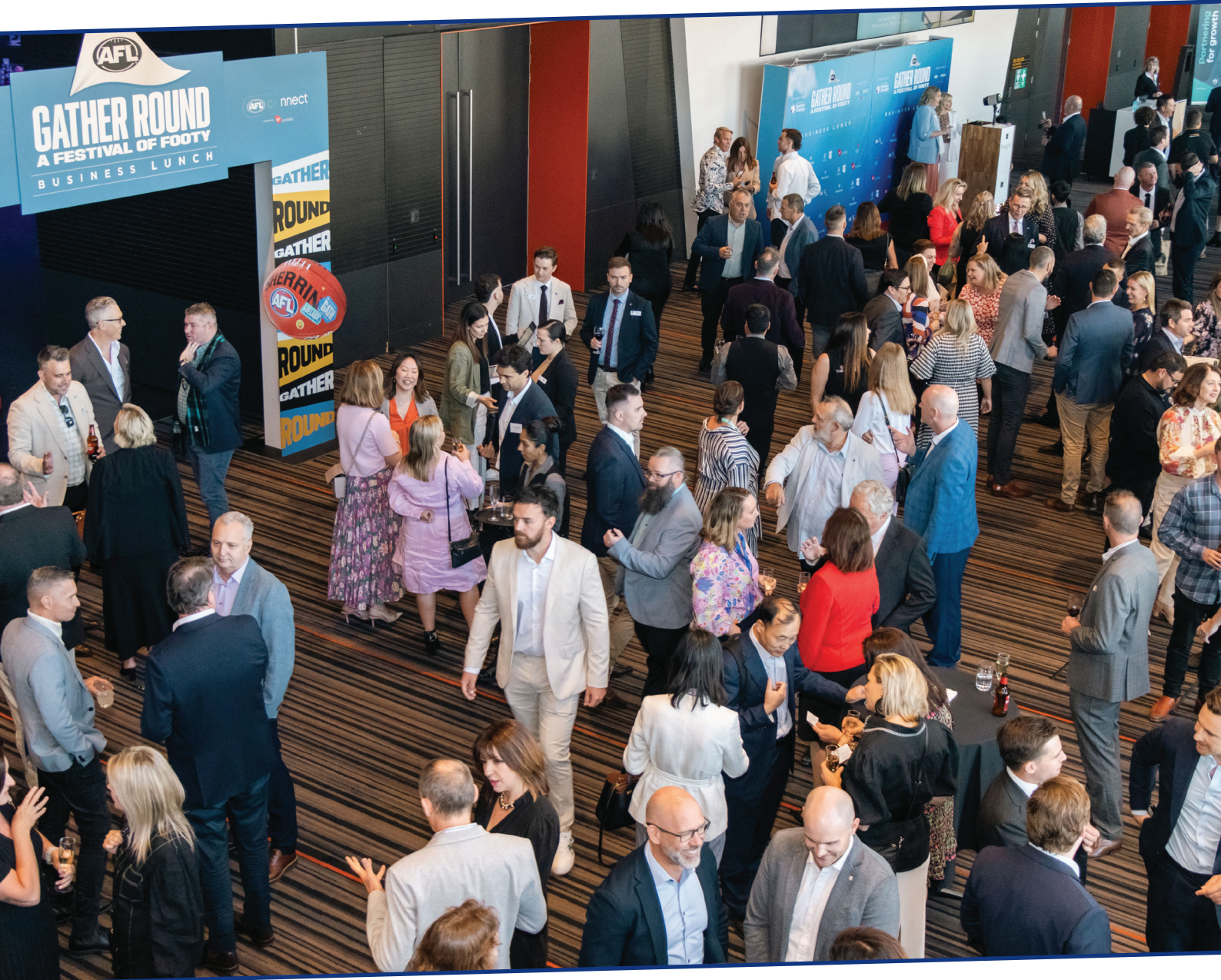


# Pre-Election Charter26



# Foreword

The South Australian Business Chamber is the leading advocate for businesses in the state, challenging government to create policies that support economic growth, job creation, and drive productivity. We represent businesses of all sizes and industries, metropolitan and regional, ensuring that the voice of business is heard by our political leaders.

The Chamber's June 2025 Survey of Business Expectations highlighted that rising operational costs continue to be the top concern for businesses, with more than 77% of businesses telling us it is limiting their ability to grow, invest, and remain competitive. Increasing expenses for energy, materials, wages and compliance are squeezing profit margins at a time when consumer spending is still influenced by a cost of living crisis. This has been a consistent theme over the past three years.

It is the small business sector - particularly those who are not part of the government supply chain - impacted by cost increases and a decline in customer demand, who are feeling the most pressure, with insolvencies on the rise.

The next four years provides an opportunity to level the playing field for businesses currently caught in a two-speed economy that is rapidly evolving into the haves and have-nots with government procurement the main contributor. While investment in infrastructure, energy and defence projects is welcome and critical to our state's future, the small business sector remains the cornerstone of our economy in South Australia and integral to long term growth.

It is these businesses, many run by local families, that will provide the foundation that supports our state's economic transition over the remainder of the decade.

We cannot overstate that a strong business community is essential to South Australia's prosperity, driving employment, innovation and investment, and raising living standards.

The initiatives contained in this Charter are drawn from the Chamber's insights from regular business surveys and ongoing engagement with members and are designed to position government policy in South Australia as a catalyst for businesses to flourish.



**Andrew Kay**  
Chief Executive Officer  
South Australian Business Chamber

# South Australian Business Chamber Pre-Election Charter26



## Productivity and Economic Growth

1. Red Tape Reduction
2. SA Export Market Development Grant
3. Digital Literacy
4. Resources & Sustainability Program



## Future Workforce

5. Global Talent Program
6. Migration Skills & Recognition
7. Gender Pay Gap
8. Workforce Inclusion & Participation
9. Incentives for Apprentices & Trainees



## State Tax Reform

10. Payroll Tax Threshold
11. Payroll Tax Regional Discount
12. Maximum Payroll Tax Deduction
13. Remove Superannuation from Payroll Tax
14. Remove Stamp Duty from Insurance Premiums

# Productivity and Economic Growth

South Australia's growth will be accelerated by doing business easier, smarter and at scale. The Chamber recommends practical, outcomes-focused measures government can implement now, including a whole-of-government effort to reduce red tape, targeted support to diversify exports, identifying and building digital capability for SMEs, and a proven program to cut resource use.

Together these reforms lower risk, unlock private investment, and help businesses in both metro and regional SA grow sales, hire more people and boost Gross State Product (GSP).



# Commit to a whole-of-government Red Tape Reduction Program

**Purpose:** To position SA as the easiest state in the country to do business.

**Outcomes:** Productivity boost, fast-tracked projects, and SA is the destination state for start-ups, relocation and investment.

South Australian businesses consistently tell us that cutting red tape is one of the most effective ways government can support growth, investment, and job creation. Too often, approval processes are complex, duplicated, and slow — stalling projects and draining business confidence. History has shown that when rules are streamlined in a state emergency response, projects move quickly, so we know it can be done. The challenge is to make this the rule, not the exception.

We call on the next State Government to commit to a whole-of-government Red Tape Reduction Program — a sector-by-sector review of approval processes at both state and local level, with the aim of positioning South Australia as the easiest state in the country to do business. This must be Premier-led, operate for the full term of government, and involve industry in a practical taskforce model.

Key priorities should include:

- » Reducing planning approval timeframes and introducing consistent state-wide planning codes.
- » Removing duplication between federal, state, and local requirements.
- » Streamlining multi-agency involvement in projects into a single source of accountability.

- » Fast-tracking environmental and heritage assessments without compromising integrity.
- » Prioritising essential service infrastructure approvals.

To lock in reform, South Australia should also:

- » Adopt a Small Business Impact Statement policy requiring new legislation to be accompanied by an assessment of its cost, compliance, and competitiveness impact on small business.
- » Establish a permanent Government-Business Committee where senior government leaders and business representatives meet regularly to review regulatory performance, identify new barriers, and ensure progress is transparent and ongoing.

Together, these measures would embed red tape reduction as core government practice, removing unnecessary barriers, unlocking stalled projects, and ensuring SMEs have the confidence to invest and grow. By streamlining processes and making regulation work smarter, South Australia can achieve a genuine competitive advantage and deliver on the promise of being the easiest state in Australia to do business.

# Introduce the SA Export Market Development Grant

**Purpose:** To encourage more SA businesses to compete in international markets and existing exporters to seek market diversity.

**Outcomes:** Job creation, business growth and investment, improved SA competitiveness and boosting GSP.

South Australia has proven it can punch above its weight in exports, achieving more than \$17 billion in 2024, following a record high of \$17.76 billion in 2023. Still, much of our trade remains concentrated in a handful of markets and sectors, leaving businesses exposed when conditions change. The collapse of wine exports to China highlighted just how vulnerable our economy is when we rely too heavily on single markets.

More businesses need to be encouraged to look beyond our shores for growth opportunities and the success of the *Commonwealth* Export Market Development Grant (EMDG) shows that an incentive to de-risk market entry investment does not need to be significant to change behaviour. The existing EMDG has been a proven export driver, but it is capped, and can be out of reach for smaller businesses.

A dedicated South Australian Export Market Development Grant (SAEMDG) would give local businesses the backing they need to move into new markets, spread risk, and capture growth opportunities across Asia, Europe, and beyond. By supporting practical activities such as trade missions, product adaptation, promotion, and compliance with international standards, the program would de-risk export expansion and enable more businesses, especially SMEs, to take the leap.

Delivered in partnership with the SA Business Chamber, the SAEMDG would be designed *by business, for business* - streamlined, accessible, and outcomes-focused. It would help South Australian businesses grow their global footprint, drive foreign and interstate investment, create new opportunities across regions and industries, and remove barriers to trade.

## Provide a free digital literacy tool for SA businesses

**Purpose:** To assess businesses digital capabilities and inform future training and support needs.

**Outcomes:** Greater efficiency and impact of future digital investment, improved competitiveness, productivity and security for SA business, strengthened basic SME cyber hygiene.

Australian National Security considers SMEs a critical weak link, particularly in cybersecurity and supply chains, due to their limited digital maturity. South Australian SMEs need strong digital capability to remain productive, secure and competitive. While other jurisdictions offer grants and advice, there is currently no accessible, whole-of-business diagnostic, which covers digital, cybersecurity and AI.

To provide a clear baseline and guidance on how South Australian businesses can position themselves as leaders, we propose the State Government fund the creation and delivery of a free, simple, SME Digital Literacy Diagnostic Tool, aligned to the Australian Digital Capability Framework and co-designed with relevant industry stakeholders.

Using an employer-led process, the tool should be considered Stage 1 to assess employees across four proficiency levels and the Framework's five focus areas:

- » Information and Data Literacy
- » Communication and Collaboration
- » Digital Content Creation
- » Protection and Safety
- » Technical Proficiency and Problem Solving.

Results would be presented as an organisation-wide heat map with tailored actions for each cohort. The process should be quick to complete, privacy-preserving, mobile-friendly and suitable for micro, small and medium businesses across metropolitan and regional SA, with optional sector and regional benchmarking.

The diagnostic will reduce complexity for business by providing a single, evidence-based entry point to understand digital needs. Aggregated, deidentified results will lead to Stage 2 that will comprise of government support to target assistance where impact is highest, strengthen basic cyber hygiene across the SME base, and improve productivity and resilience. The tool will complement Commonwealth programs (such as Digital Solutions) to avoid duplication and maximise value.

Stage 1 success will be measured by the number and spread of SMEs assessed, and establish the basis for Stage 2. By linking diagnosis to delivery and including emerging AI and cyber offerings developed with industry and the Future Skills Organisation, overall success will be measured by reported time and cost savings from digital uptake.

# Invest in a statewide program to improve energy, water and waste practices

**Purpose:** Lower operating costs and fast-track emissions reductions.

**Outcomes:** Measurable energy, water and waste savings, improved sustainability, and reduced business costs.

South Australian businesses are carrying sustained cost pressures that show no sign of abating. We see an opportunity to find efficiencies that can alleviate some of these costs, while delivering an environmental benefit for the state. The SA Business Chamber seeks to partner with government to deliver a three-year, statewide rollout of a program to provide free, practical coaching and tools to help businesses audit their resource use, manage carbon emissions and save on costs while reducing consumption of waste, water and energy.

The program could be co-developed and delivered by the SA Business Chamber to be tailored to South Australian businesses, or we could adapt and leverage Business Queensland's successful ecoBiz program. Backed by a proven governance model and mandatory (confidential) data sharing from participants, ecoBiz replaces fragmented, short-term initiatives with a single, scalable service.

This program would combine one-to-one expert coaching with a digital platform so businesses can baseline and track energy, water, waste and carbon, receive tailored action plans, and access learning year-round. In Queensland, participants achieved average intensity reductions of around 21% (energy), 13% (water) and 19% (waste),

with more than \$3.15 million in avoided costs in 2023-24 — savings that flow straight to the bottom line.

With a demonstrated 4:1 benefit-cost in savings to dollars invested, the program would support SMEs across metropolitan and regional SA. It could also be adapted for South Australia's unique renewables profile and expanded to:

- » Interact with existing programs (e.g. REPS, Green Industries SA and federal initiatives).
- » Incorporate additional elements such as electric fleet transition, Vehicle-To-Everything (V2X), Virtual Power Plants, and other emerging technologies.
- » Support businesses with new mandatory emissions reporting requirements.

This program would create work for local providers, and position South Australia as the best place to start, run and grow a business with net zero emissions.

# Future Workforce

To build a bigger, smarter and more inclusive workforce, the Chamber proposes a connected package. This would include a global talent program, faster recognition and licensing of migrants, incentives to take on apprentices and trainees, support to hire from underutilised segments and implementation of the SA Gender Pay Gap Taskforce recommendations.

Together these measures cut time-to-hire, strengthen pipelines in priority sectors, lift participation and productivity across metro and regional SA, and create a stronger, fairer labour market that supports investment and growth.



# 5

## Establish a global talent program to connect skilled migrants with SA employers

**Purpose:** Address skills shortages across key industries.

**Outcomes:** A job-ready talent pipeline, placing 500 skilled migrants into SA jobs in two years to close the skills gaps, cut hiring time and lift productivity.

South Australia is experiencing an extended period of record low unemployment, major project demand, and persistent skills shortages across multiple industries. At the same time, many skilled migrants and international graduates remain underemployed due to barriers such as unfamiliar recruitment practices, lack of local networks, or limited employer readiness. To secure the workforce South Australia needs, the next government must support initiatives that both strengthen business access to talent and enable skilled migrants to contribute fully to our economy.

The Global Talent Alliance (GTA) is one such initiative. Developed in partnership between the SA Business Chamber and Community Corporate, GTA combines industry influence with specialist migrant employment expertise to connect global talent with local businesses to build a stronger, more inclusive workforce. With government backing, the program will not only address critical skills shortages but also enhance South Australia's reputation as a welcoming destination for skilled talent and investment.

Funding the GTA would deliver a job-ready pipeline through cultural competency training, inclusive recruitment practices, and industry-specific pathways to employment. In its first two years, GTA will place 500 skilled migrants into South Australian jobs - 100 to 150 sourced offshore and 300 to 350 already residing in the state. Backing this program will unlock untapped global talent, strengthen business productivity, and help position South Australia as the best place in the nation to live, work, and invest.

# Support faster recognition of migrant qualifications to fill critical roles in SA

**Purpose:** Reduce barriers for skilled migrants to address skills shortages.

**Outcomes:** A clear pathway to cut qualification recognition timeframes, lift utilisation of overseas-trained workers and address vacancies to boost productivity.

South Australian businesses report persistent barriers when hiring skilled migrants into specialised and licensed roles. Even when applicants have years of experience, many cannot have their qualifications recognised quickly enough to meet demand. Delays and duplication between skills assessment, licensing and registration processes keep qualified people out of work, while employers face ongoing shortages in skilled roles.

We support national reform, but South Australia should not wait. The State Government should strongly advocate to the Federal Government for faster, low-cost recognition, supported by onshore bridging options that meet regulatory requirements. This includes targeted micro-credentials, supervised practice and gap-training linked to state registration and licensing.

To accelerate outcomes, the state should work with federal agencies (Home Affairs, Jobs and Skills Australia, Trades Recognition Australia) and national bodies (e.g. AACA, ARctick, VETASSESS) to leverage the SA Skills Commission Occupational Recognition Service and the Skilled Migrant Trade Recognition Pathway Program, and pilot more streamlined pathways in SA for priority occupations.

Additional support could also be provided to SA based providers (TAFE SA, universities and approved industry educators) to deliver the bridging units, practical assessments and work-readiness modules needed for licensing and registration.

These steps would cut time-to-licence, reduce hiring risk for employers and unlock the value of skilled migrants and overseas applicants. With reports of over 600,000 permanent migrants nationally working below their skill level, even incremental improvements in recognition and licensing would make a measurable impact on employer confidence, reduce skill underutilisation, and contribute to South Australia's growth.

# Implement the SA Gender Pay Gap Taskforce Report recommendations

**Purpose:** To support SA businesses to reduce the gender pay gap across the state.

**Outcomes:** Greater awareness of gender pay gap issues, and SA leads in attracting and retaining women in the workforce.

We welcome the 2024 South Australian Gender Pay Gap Taskforce Final Report and support implementation of the three key recommendations to deliver:

1. **Support for Employers:** The SA Government should partner with a relevant organisation to collaborate with industry peaks and establish a targeted awareness campaign and support small and medium businesses to address the gender pay gap.
2. **Independent Research Centre:** The government should partner with academia and industry to create an independent South Australian research centre to conduct applied research on gender inequality and economic outcomes.
3. **Public Sector Action:** The government should take targeted steps to reduce the gender pay gap within the public sector itself.

Our ask is that government engage with and fund the SA Business Chamber as the delivery partner for *Recommendation 1*, with two workable options for the Chamber to:

- » develop the resources and establish the campaign, then deliver it with industry peaks; or
- » work with government to co-design the resources and campaign, after which the Chamber will lead statewide delivery to SMEs across metro and regional SA.

As a *We're Equal* organisation, the Chamber is well placed to coordinate industry peaks and engage directly with businesses to turn policy into low-burden action for SMEs. Resources can go live within 12 months of funding, with the campaign delivered over 12-24 months. We can stage delivery, pilot in priority sectors, and report regularly on reach and results.

Further, the Chamber should be engaged early to support government and academia in the creation of an independent South Australian research centre to support *Recommendation 2*.

# Encourage workforce inclusion through payroll tax discounts or similar incentives

**Purpose:** To lift the South Australian participation rate.

**Outcomes:** Underutilised workforce segments engaged to ease labour shortages, reduced social costs and build stronger communities.

South Australia's economy relies on a strong and diverse workforce, yet many capable individuals remain unemployed due to barriers including long-term joblessness, Culturally and Linguistically Diverse background, disability, and post-corrections. Without opportunities for stable employment, these individuals struggle to enter the workforce, leading to ongoing social and economic costs. Businesses, meanwhile, face labour shortages that could be alleviated by this potential workforce.

Targeted payroll tax exemptions or similar incentives for the first year of employment, would mitigate perceived risks and encourage businesses to hire workers from these target cohorts. This would create a pathway for economic participation while addressing recruiting challenges for employers. At the same time, it would improve South Australia's participation rate, provide the dignity of work to a broader section of our society, reduce reliance on social services, and strengthen community stability.

Introduced with a per-employer cap and regional weighting, this initiative could be piloted for two years with a review to measure outcomes and impact.

# Introduce incentives for businesses to take on apprentices and trainees

**Purpose:** To build a stronger skills pipeline to meet rising demand.

**Outcomes:** Increased apprentice/trainee commencements and completions and reduction in skills shortages in priority sectors.

South Australia's future economy depends on a strong pipeline of skilled workers. This can only be achieved through the public and private sector working in partnership. Acute shortages are already being experienced across regional and metropolitan businesses. Without sustained investment in workforce development, industries risk long-term skill shortages, putting the delivery of SA's major defence and infrastructure projects at risk.

Employers are instrumental in shaping the future of our skilled trades sector yet many businesses, in particular SMEs, hesitate to hire apprentices and trainees due to the associated costs of training, inherent loss of productivity and the fear of wasted investment due to the risk of non-completion.

The State Government should introduce targeted incentives, such as payroll tax relief, for businesses that employ apprentices and trainees. This initiative would make hiring apprentices more viable and encourage the development of a skilled and competitive workforce across metropolitan and regional centres.

Providing financial incentives for businesses to hire apprentices and trainees helps ensure ongoing skills development, supports succession planning, and strengthens industry sustainability. By reducing the cost burden, businesses are more likely to invest in training the next generation of skilled workers, securing the long-term success of our state's key focus sectors.



# State Tax Reform

When we asked businesses what the State Government should focus on to improve productivity, payroll tax reform came out on top, with half of all respondents telling us it must be the priority. Payroll tax issues are no longer the domain of big business, which was made clear by 42.7% of businesses with fewer than 20 employees also calling for change. In June 2025, businesses reported that an increase to the payroll tax threshold would result in hiring more staff (48%), investing in existing staff (43%), expanding operations (21%), increasing capital expenditure (18%), and investing in R&D (17%). Businesses also flagged stamp duty on business insurance as an avoidable cost that pushes up premiums and weakens resilience.



# Increase the payroll tax threshold to \$2.1 million

**Purpose:** To support business growth.

**Outcomes:** Job growth, increased business investment, and improved competitiveness.

Currently, a business with annual wages (including superannuation) at the \$1.5 million annual payroll threshold is liable for payroll tax on a sliding scale to the full rate of 4.95% when annual wages exceed \$1.7 million.

South Australia's payroll tax threshold has remained unchanged since 2019, despite significant annual wage price index growth of 3.7% in 2023, 3.9% in 2024 and 3.4% in 2025 – and an annual spike in the superannuation levy, making it outdated and increasingly burdensome for employers. This has led to many businesses incurring payroll tax for the first time, despite not increasing their workforce, as “wage bracket creep” has tipped them over the threshold.

Failing to adjust the threshold discourages job creation and stifles business investment, particularly for small and medium-sized enterprises. By increasing the threshold, businesses can reinvest in hiring, wage growth, and expansion, ultimately strengthening the economy.

The State Government should raise the payroll tax threshold from \$1.5 million to \$2.1 million to reflect modern wage conditions and remove the disincentive for businesses to create jobs for South Australians.

# Introduce a 50% payroll tax discount for regional SA

**Purpose:** To encourage regional investment and population growth.

**Outcomes:** Job creation in regional centres, investment attraction, and sustainable regional communities.

South Australia's regional areas play a vital role in the state's economy, yet businesses often face higher operational costs and workforce shortages. Our regions operate at a disadvantage to other states such as Victoria, which offers a significantly reduced regional payroll tax rate (1.2125%), to entice businesses to invest outside of the metropolitan area.

A 50% payroll tax discount would rebalance economic activity across the state by encouraging businesses to establish and expand in regional South Australia. This measure would drive investment, create jobs and lift long-term economic sustainability. By making regional employment more cost-effective it would also encourage regional population growth, strengthen local communities, and reduce pressure on Adelaide's infrastructure and job market.

It is recommended that we reflect the models used in Victoria and Queensland. Eligibility criteria should be well-targeted and safeguarded against misuse, including a requirement that a business's principal address and at least 85% of its workforce be located in a regional area. This initiative has the potential to attract new industries and build economic complexity for our regional centres, securing a better future for our regional cities and towns.

# Increase the maximum payroll tax deduction to match the threshold

**Purpose:** To make SA a more competitive place to do business.

**Outcomes:** Businesses encouraged to scale, brings SA in line with other states, and eases financial burdens on business.

South Australia's payroll tax deduction has remained capped at \$600,000 since 2009, despite increases to the payroll tax threshold, yet all other states have aligned their deductions with their thresholds to ease tax burdens on growing businesses.

Raising the deduction to match the payroll tax threshold would support the natural growth path of SMEs into mid-sized businesses, easing the tax burden as they scale. This initiative would also bring South Australia in line with other states, making it a more attractive place for businesses to invest, expand, and create jobs. Lowering the tax burden on mid-sized businesses encourages reinvestment in wages, training, and staff, ultimately strengthening the state's economy and job market.

The current cap puts South Australia at a competitive disadvantage for business attraction compared with other states and this could be addressed through broader payroll tax reform.

# Exempt superannuation from payroll tax calculations

**Purpose:** To build SA's position as the best place to do business in Australia.

**Outcomes:** A clear competitive advantage for SA, fast tracking investment attraction, and broadening the tax base.

South Australian employers are liable for payroll tax on wages and compulsory superannuation contributions. With the Super Guarantee at 12% from 1 July 2025, the payroll tax base has expanded again leading to further bracket creep.

Excluding superannuation from payroll tax would send a clear pro-investment signal that differentiates South Australia from every other jurisdiction. It would provide certainty by decoupling payroll tax from future superannuation rate changes, simplify compliance for employers, and encourage businesses to base operations, expand headcount and commit long-term capital in SA.

While there would be an initial reduction in payroll tax receipts, stronger investment and employment would broaden the payroll tax base over time and lift activity that flows through to other state revenue. The net effect should be faster growth in GSP as more projects proceed in SA, more supply chains anchor locally, and regional and metropolitan communities benefit from sustained private-sector expansion.

# Remove stamp duty from business insurance premiums

**Purpose:** To improve the affordability of adequate insurance for SA businesses.

**Outcomes:** Better risk mitigation for business, financial resilience to business interruption caused by natural disaster or unforeseen accidents.

South Australian businesses face some of the highest effective costs on insurance in the country, with stamp duty applied to almost every policy. On top of already rising premiums, this heavy tax burden can often discourage adequate insurance coverage as businesses must consider the total cost when making such decisions.

National research reports that around 10% of SMEs are underinsured, leaving them and their employees vulnerable in the event of natural disaster or business interruption. When businesses underinsure, the costs do not disappear and are often shifted to government disaster relief and the broader community.

Climate change has seen a cycle of one natural disaster after another - fire, floods, drought and now algal bloom. These events are impacting all business insurance cover and, in the case of regional SA, either making cover completely cost-prohibitive or in some cases unavailable. The response, to drop cover or self-insure, places a serious risk on business continuity.

Removing stamp duty on business insurance lowers costs and encourages full, appropriate cover — reducing business failures, safeguarding jobs and easing pressure on government disaster relief.

This would reinforce the government's commitment to making South Australia the best place to do business, while also strengthening long-term economic resilience.



Category	Value	Percentage	Value	Percentage	Value	Percentage
100%	1000	100%	1000	100%	1000	100%
95%	950	95%	950	95%	950	95%
90%	900	90%	900	90%	900	90%
85%	850	85%	850	85%	850	85%
80%	800	80%	800	80%	800	80%
75%	750	75%	750	75%	750	75%
70%	700	70%	700	70%	700	70%
65%	650	65%	650	65%	650	65%
60%	600	60%	600	60%	600	60%
55%	550	55%	550	55%	550	55%
50%	500	50%	500	50%	500	50%
45%	450	45%	450	45%	450	45%
40%	400	40%	400	40%	400	40%
35%	350	35%	350	35%	350	35%
30%	300	30%	300	30%	300	30%
25%	250	25%	250	25%	250	25%
20%	200	20%	200	20%	200	20%
15%	150	15%	150	15%	150	15%
10%	100	10%	100	10%	100	10%
5%	50	5%	50	5%	50	5%
0%	0	0%	0	0%	0	0%

# About the South Australian Business Chamber

The South Australian Business Chamber is SA's largest membership-based employer organisation, representing employers and business owners across across all industry sectors.

Our purpose is to remove complexity and create opportunity for South Australian business.

At the South Australian Business Chamber, we empower businesses to reach their full potential.

Through our four core pillars—**Connect, Protect, Educate, and Advocate** - we're dedicated to helping South Australian businesses grow, succeed, and shape a stronger future for our state.

Learn more about our Membership Benefits at [sabusinesschamber.com.au/join](https://sabusinesschamber.com.au/join).



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Published by

South Australian Business Chamber  
ABN 14 725 309 328

[sabusinesschamber.com.au](http://sabusinesschamber.com.au)



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