

The Hon. Gayle Tierney MLC
Minister for Regional Development

Regional Development Portfolio

Public Accounts and Estimates Committee

21 May 2024



Jobs, Skills,
Industry
and Regions

STATE OF THE PORTFOLIO

The Victorian Government is working with industry, business and local communities to make regional Victoria a better place to live, work, visit and invest

Investment of over \$45 billion in the past decade is paying dividends in rural and regional Victoria:

- ▶ This Government has significantly reduced the headline regional payroll tax rate.
- ▶ The value of Victoria's regional economy is now **\$110 billion**, a **22% increase** since 2014-15.
- ▶ Reflecting the strength of the economy, the number of regional Victorians in employment is now **828,500** – an all-time high.
- ▶ Regional unemployment is historically low at **3.7%**, below the national average, and well below **6.6%** in November 2014.
- ▶ Regional employment has grown by **more than 25%** since November 2014, the strongest state growth over this period.

Chart 3.1: Victorian and regional Victorian unemployment rates ^{(a)(b)}



Source: BP2 Ch3 p42 Chart 3.1

OUR ACHIEVEMENTS

The Regional Development portfolio continues to support regional businesses and economies



- ▶ Since 2014:
 - ▶ The Regional Development portfolio has committed **over \$2 billion** of funding and delivered **3,500 projects**.
 - ▶ Created over **13,000** new jobs in critical industries and businesses.
 - ▶ Facilitated more than **\$600 million** in exports from regional businesses.
- ▶ The portfolio is on track to attract more than **\$1 billion** in private sector investment over 2022-23 and 2023-24.
- ▶ We are currently delivering more than **500** projects across the state, which will drive tourism and economic growth for generations to come.
- ▶ Also delivering almost **\$100 million** in support to regional communities affected by natural disasters.

OUR ACHIEVEMENTS

In 2023-24, we enabled economic transformation through targeted place-based investment and facilitation

Facilitating private sector investment to create long-term, quality jobs

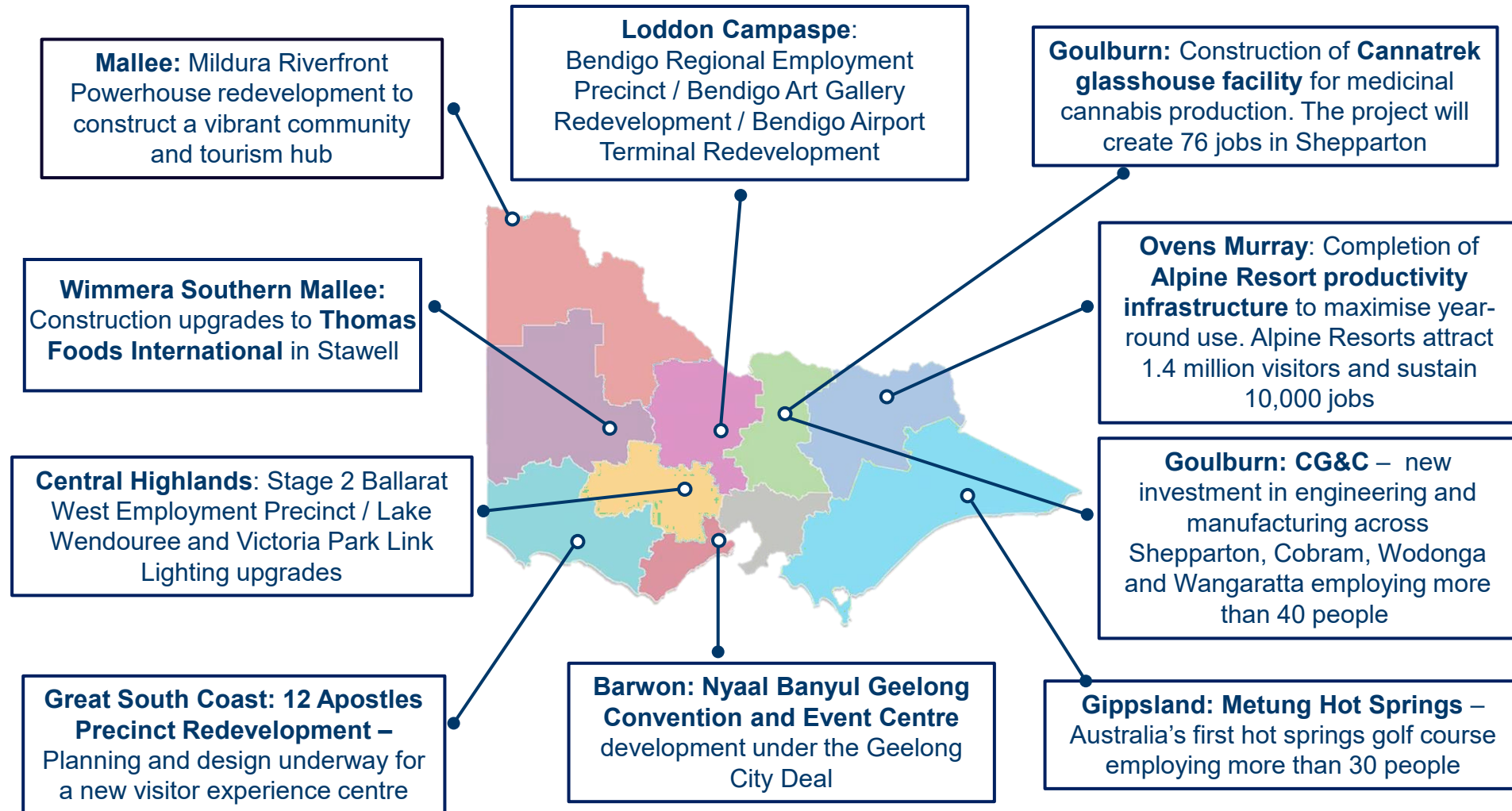
Collaborating across government to secure new investments of state significance

Delivering enabling infrastructure for regional growth

Collaborating with stakeholders to plan for economic development opportunities, including Regional Partnerships

Improving liveability of our regional cities and rural towns

Facilitating solutions for border communities and economies



OUR ACHIEVEMENTS

\$2 billion is being invested in the regions through the Regional Package



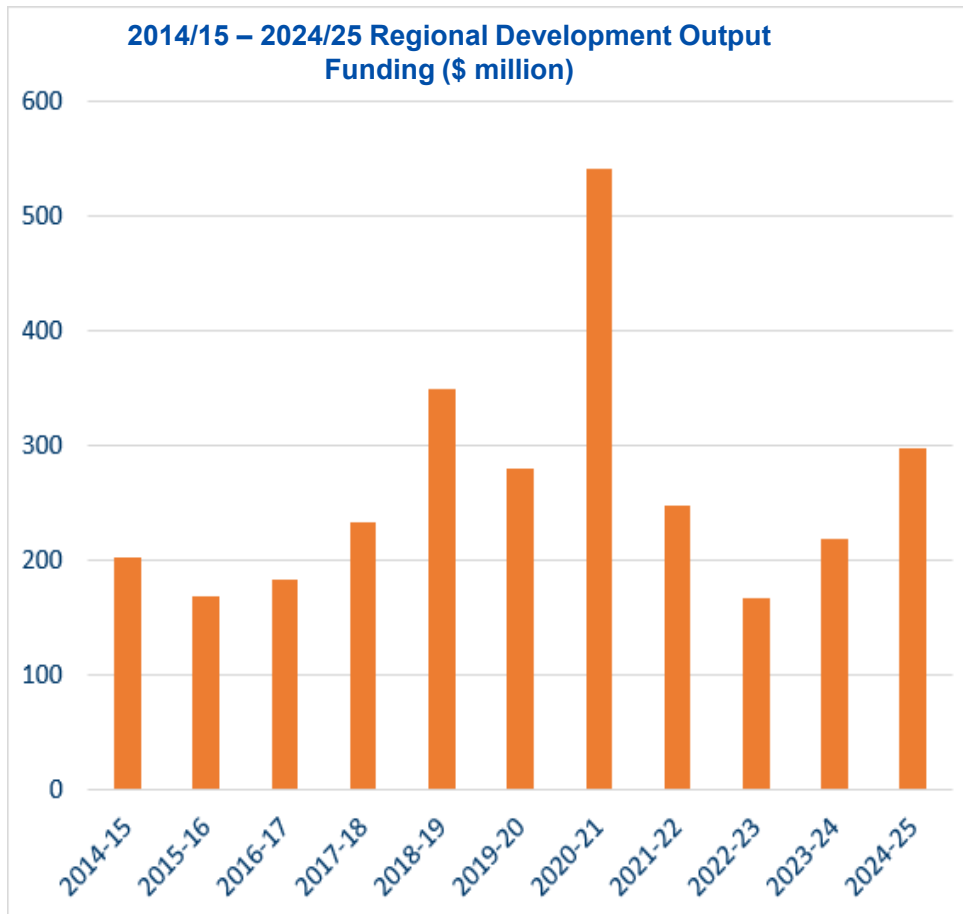
Regional Development is delivering three important components of the \$2 billion Regional Package:

- ▶ **\$150 million Regional Worker Accommodation Fund:** Delivering new housing for regional communities where key workers are struggling to find affordable places to live.
 - ▶ Over **320** EOIs received, successful EOIs now progressing to formal application.
- ▶ **\$20 million Tiny Towns Fund:** Providing better public places and spaces in Victoria's smaller communities.
 - ▶ Over **480** applications under assessment.
- ▶ **\$25 million Council Support Package:** Supporting regional councils to invest in projects that will create long-lasting benefits for communities
 - ▶ Proposals for Stream 1 have been received with Stream 2 applications under assessment.

BUDGET INITIATIVES

In 2024/25, we are building on our strong record of investment and strengthening our approach to place-based economic growth

The 2024-25 Budget is investing \$2 billion into regional communities and economies



Regional Development portfolio – \$7.8 million

- ▶ **\$6.8 million** for the Ladder Step Up program, Inclusive Employment Worker Transition Program, Latrobe Youth Space and funding for LVA operations, with the LVA brought into RDV by 1 January 2025.
- ▶ **\$1.0 million** to support place-based partnerships.

Sharpened focus on sustainable economic growth in our regions

- ▶ Regional Partnership recruitment to enable economic insights and advice.
- ▶ Examining business conditions – supporting a productive and competitive business environment.

