

# **The Hon Martin Pakula MP**

## Minister for Trade

Public Accounts and Estimates Committee

03 December 2020



## Key statistics



**330,000 jobs**

supported by exports



**12% GSP**

contribution of exports to  
Victorian economy



**6.2% growth**

in Victoria's export  
performance over the year  
to 2019



**\$13.7 billion**

export revenue in 2019 from  
international education

## State of the sector

### *Significant impact of COVID-19*

- Air freight costs have risen.
- 3.1% decline in exports in 2019-20 – but Victoria has outperformed other states.
- Relatively greater impact on service exports:
  - Tourism exports are expected to be \$4.7 billion lower in 2020
  - International education has an estimated loss of \$5.8 billion in export revenue in 2020
- But some sectors are continuing to drive growth in Victoria's exports:
  - Pharmaceutical exports grew by over 40% in 2019-20
  - Agricultural exports have been resilient – meat exports are up 15% in 2019-20

## Our achievements – supporting our key export businesses

- **International Student Emergency Relief Fund**
  - \$45 million announced on 29 April.
  - The fund has supported 33,097 students with a payment of up to \$1,100 (at 24 Nov).
  - Also supported \$2 million in food relief.
- **Other support for International Education**
  - Study Melbourne Student Centre – enhanced services and supports.
- **Exports**
  - Supported Victorian firms to achieve \$709 million in export sales in 2019-20
  - Delivered 25 outbound and inbound trade missions involving over 550 Victorian companies in key sectors.
- **International network**
  - Established 23<sup>rd</sup> VGTI in Ho Chi Minh City, Vietnam to drive new opportunities in Southeast Asia.

## **This budget – Key initiatives**

***We will continue to support our export businesses and help them to adapt to changing global conditions***

- **Export Recovery Package– \$15.7 million across 3 programs:**
  - Virtual trade missions and e-commerce opportunities for local businesses (\$5.6 million)
  - Freight Stabilisation to address logistics and supply chain issues (\$2.5 million)
  - Global Gateway Program to support exporters to stabilise and adapt (\$7.6 million)
- **International education**
  - DJPR will deliver a short term economic recovery action plan with funding of \$24.2 million to position the sector for recovery.
  - DJPR is working closely with education providers and the Federal Government to explore safe and viable options to support international students to return to Victoria in 2021.
  - International Education Sector Strategy – Funding of \$9.133 million for lapsing International Education Strategy programs, services and initiatives.