

THE HON LILY D'AMBROSIO MP

MINISTER FOR INDUSTRY

20 MAY 2016



Economic Development,
Jobs, Transport
and Resources

VICTORIAN ECONOMIC CONTEXT

Fastest growing
economy in the nation



Over 100,000
new jobs



Strong economic
growth



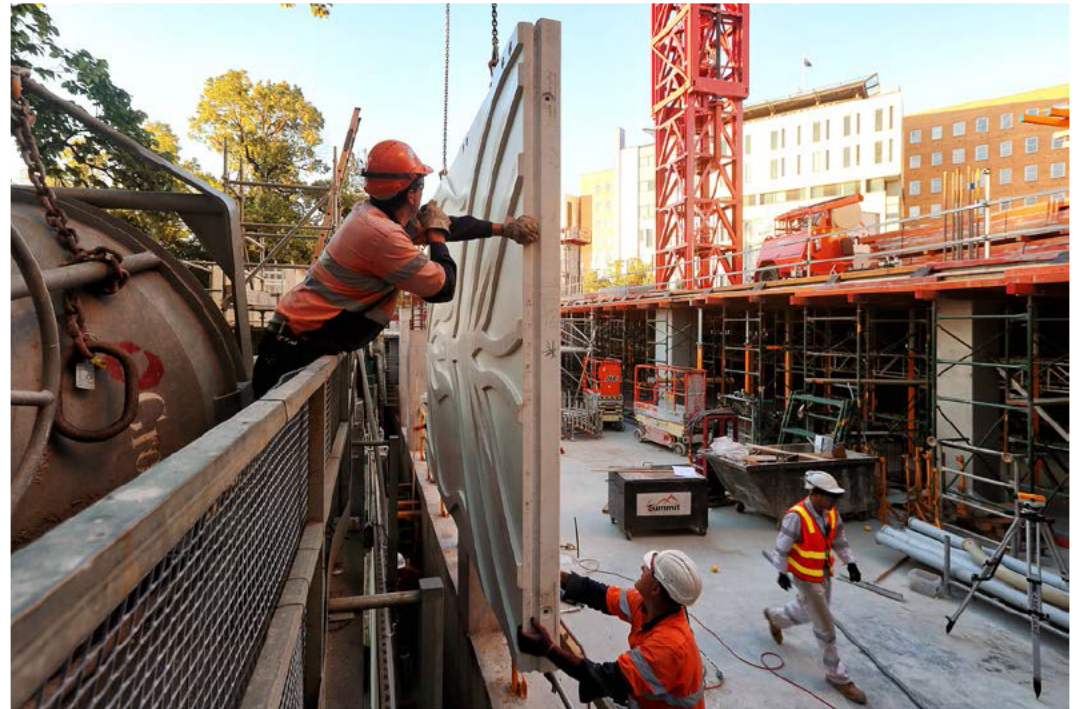
Victoria's PMI is at
52.5 points



VICTORIAN ECONOMIC CONTEXT

But there is more
work to be done

- Structural transition in some sectors
- Uneven growth across sectors and regions



TOWARDS FUTURE INDUSTRIES: VICTORIA'S AUTOMOTIVE TRANSITION PLAN

Plan launched 7 December 2015

\$46.5 million to assist businesses, workers and communities meet changes ahead

- \$33.1 million Local Industry Fund for Transition
- \$5 million Automotive Supply Chain Transition Program
- \$8.4 million South East Automotive Transition (SEAT) skills program
- Establishing Skills & Job Centres to be one-stop-shops to assist workers

Established a Victorian Automotive Taskforce to oversee the implementation of the Plan



VICTORIAN INDUSTRY PARTICIPATION POLICY

Lowered threshold of Strategic Projects to \$50 million -
21 Strategic Projects declared worth \$8.4 billion
creating or retaining over 5,000 jobs

Using local steel in the removal of 50 of the most
dangerous and congested level crossings.

2016-17 Budget allocated \$12 million to deliver the
Victorian Industry Participation Policy



BUDGET INITIATIVES FOR 2016-17

Expansion of the
Future Industries Fund

Latrobe Valley
Transition Program

Investment Attraction
and Assistance

Expansion of
Automotive Transition
Plan

Investing in the
Victorian Industry
Participation Policy

Investing in vital
infrastructure

2016-17 BUDGET: STAKEHOLDER REACTIONS

“Through the Future Industries Fund, the Victorian Government is supporting companies to look at innovation. The fact that they are going to include small businesses and larger businesses, and particularly there’s matching funding. Too often there’s not enough funding to make a difference and I think this really will.” **Tim Piper, Director, AI Group (Vic)**

“The Victorian Trades Hall Council (VTHC) supports the changes made by the Victorian Government to strengthen VIPP, which took effect on 1 July 2015. VTHC also appreciates the commitment of the Andrew Labor Government to build on those changes, through consultation with unions and other stakeholders, with additional reforms to be introduced on 1 July 2016”. **Submission from Victorian Trades Hall Council to Victorian Industry Participation Policy Review, 1 December 2015.**

“We are calling for Labor and the Coalition to support the automotive components sector, on the basis that it’s good business to do so” **Federation of Automotive Products Manufacturers manager Tom Chappell**

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