

Victorian Budget 2022/23

2022-23 Budget Estimates Hearing

Economic Development

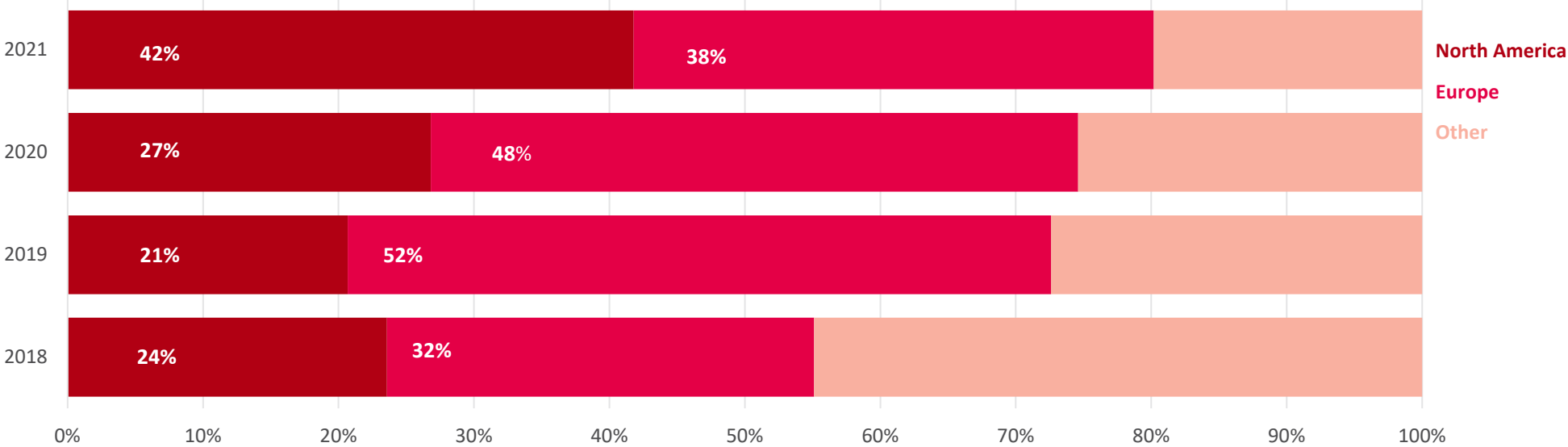
Tim Pallas MP

Minister for Economic Development



The Victorian economy is bouncing back strongly, and maintaining global competitiveness

VICTORIA HAS MAINTAINED ITS GLOBAL COMPETITIVENESS FOR FOREIGN DIRECT INVESTMENT (FDI)



FDI into Victoria by source region (%)

Source: FDI Markets Data, extracted 13 April 2022

Achievements in attracting strategic investments



HYDROGEN ENERGY SUPPLY CHAIN PILOT PROJECT (HESC)

- The world's largest liquefied hydrogen export demonstration project.
- Successfully completed supply chain demonstration pilot project with Japan.
- Victoria is world's first jurisdiction to export liquefied hydrogen on the world's first purpose-built carrier ship, the Suiso Frontier.



KEYWORDS

- Global games studio Keywords establishing Melbourne HQ and development studio.
- 130 new high skilled jobs over three years, drawing on Victoria's creative talent pool including games developers, graphic artists, and designers.



NCS

- Singapore's NCS to establish its NEXT Cloud Centre of Excellence in Melbourne.
- 500 new digital skilled jobs in Victoria.
- Focusing on innovation, technology advancement and artificial intelligence.

Enhancing the Business Investment Environment

Venture Growth Fund

The 2020-21 Budget committed more than \$25 million to create the VGF. The fund is contributing to the State's economic recovery by:

- Injecting sustainable capital into the Victorian start-up ecosystem.
- Boosting future growth and job creation.
- Developing skills in the local venture capital market and encouraging co-investment in Victorian start-ups.

R&D Cash Flow Loans

The R&D Cash Flow Loans Initiative is also addressing long term growth for the State.

- \$50 million in low interest loans to Victorian SMEs since June 2021.
- Immediate impact to enable employment growth and/or technology upgrades.
- 58 loan recipients with average loan value of \$880,000.

2022-23 State Budget initiatives

International Investment Attraction Fund

- The 2022-23 Budget provides a **\$40 million** boost to the International Investment Attraction Fund.
- Global firms are setting up in Victoria to create local jobs, boost Victorian manufacturing and support new opportunities for local businesses to grow and develop.

Equity Investment Attraction Fund

- **\$20 million** Equity Investment Attraction Fund to back start-ups.
- Pilot program to attract and retain high-growth companies by providing funding in return for an equity stake.

Stronger Victorian Government Trade and Investment network

- A further **\$5 million** to boost investment and skills attraction to bolster Victoria as a key player on the global stage.

Invest Victoria's performance outcomes

Invest Victoria met its 2020-21 targets ...

Foreign investment outcomes



\$297 MILLION

IN WAGES FROM INVESTMENT



\$496 MILLION

INNOVATION EXPENDITURE

Wages and innovation expenditure were introduced in 2020-21 to reflect the increased focus on high skilled employment and high value economic activity. Given overachievement in 2020-21, further refinements of the targets and method of measurement for 2022-23 will be examined.

Whole of government outcomes

\$2.8 BILLION
CAPITAL INVESTMENT

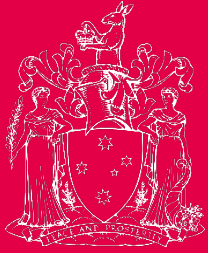


5,740 FTE DIRECT JOBS



110%
OF TARGET

... And is on track to achieve its targets for 2021-22



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