

Tim Pallas MP
Minister for Trade and Investment

Trade and Investment Portfolio

Public Accounts and Estimates Committee

2 June 2023



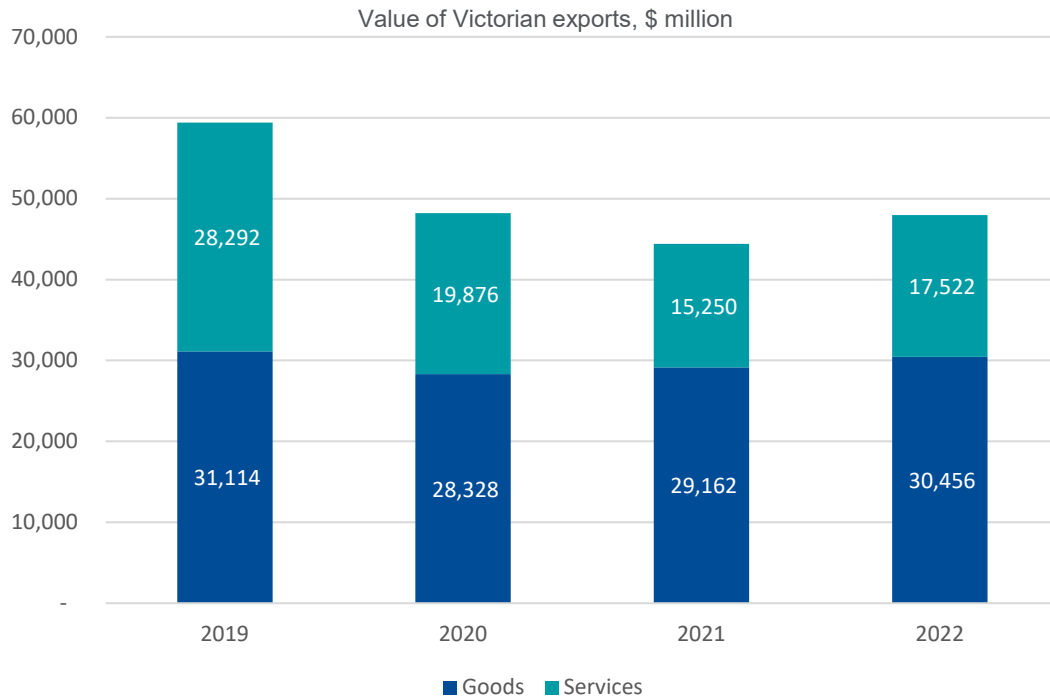
Jobs, Skills,
Industry
and Regions

Victoria maintains a strong position in Trade and Investment

State of the Portfolio

Trade

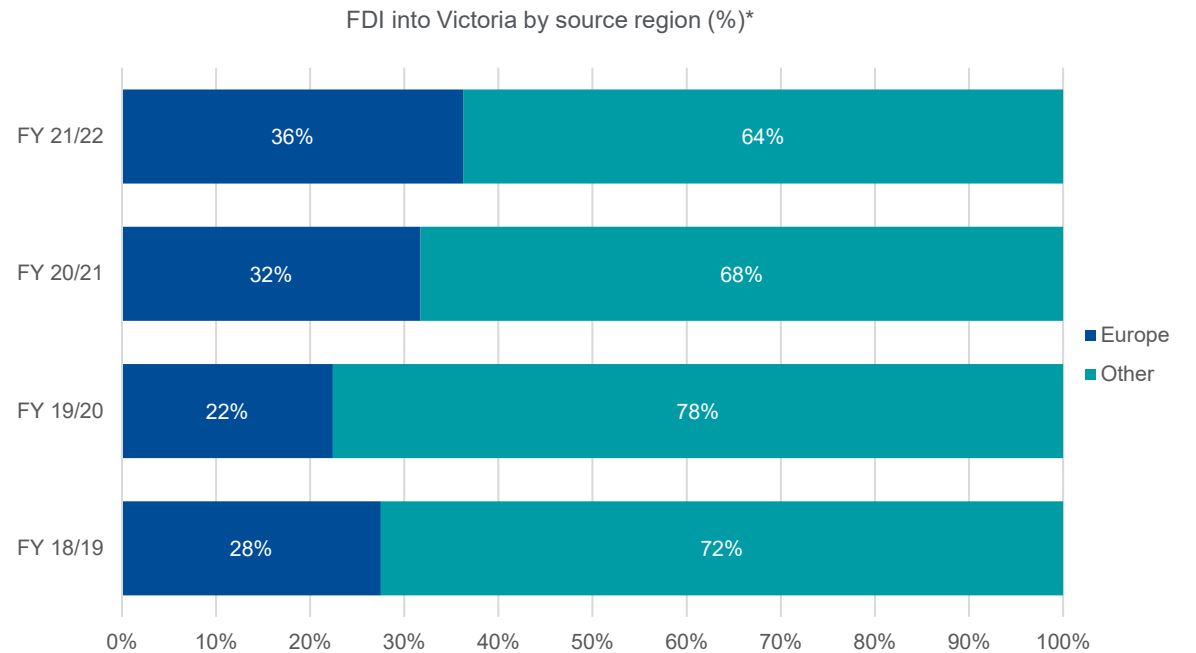
Victorian exports grew by 8% in 2022



Source: ABS Balance of Payments, extracted May 2023

Investment

In 21-22 Victoria secured almost \$600m in Foreign Direct Investment, with a growing share of investments from Europe



*Source: FDI Markets Data, extracted February 2023

Support for Victorian exporters and the international education sector

The Portfolio has been supporting Victorian exporters and the international education sector by:

- Continuing the Government's Trade Mission Program
- Establishing a new trade and investment office in Paris
- Supporting the continuation of key trade facilities that strengthen international efforts
- Launching Victoria's International Education Recovery Plan 2025 in September 2022

Key achievements include:



39 inbound and outbound **trade missions** supporting over 490 businesses



Provided over **860** 1:1 trade facilitation services through Victoria-based trade experts in conjunction with the VGTI network



Engaging with and supporting **6,300** students through the Study Melbourne Hub Victoria and Study Melbourne Programs



Enhancing the International Student Travel Pass by providing 3-, 6- and 12-month passes, and state-wide travel at **50%** discount for eligible students



Expanding the Global Education Network to **19** locations worldwide



Distributing nearly **5,000** welcome packs to returning students



Delivering **3** inbound and outbound education missions, with **8** missions planned for 2023-24

Strategic investments and alternative access to finance initiatives

Strategic investments



Keywords Studios

Renowned global games development company from Ireland is redoubling its investment in Victoria, establishing its first Centre of Excellence for autonomous testing and quality assurance in Melbourne.



UST

A leading digital technology company has relocated its ANZ Headquarters from Sydney to Carlton and launched a new Innovation Lab at the University of Melbourne's Melbourne Connect tech hub, creating 250 jobs.



Ørsted

A global leader in offshore wind power production from Denmark is expanding into Australia, choosing Victoria for its Australian HQ

Alternative access to finance



Venture Growth Fund

The 2020-21 Budget committed more than \$25 million to create the Venture Growth Fund, contributing to the State's economic development agenda.



R&D Cash Flow Loans

The R&D Cash Flow Loans Initiative is also addressing long term growth for the State, by providing \$50 million in low interest loans to Victorian SMEs since June 2021.



Equity Investment Attraction Fund

The 2022-23 Budget committed \$20 million to establish the Equity Investment Attraction Fund to attract high growth start-ups to Victoria.

MARKET SPOTLIGHT

Victoria's international success is evident in its relationship with Singapore

#5

Victoria's fifth most valuable goods export market in FY2021-22

\$1.5b

Value of Victorian goods exports to Singapore in FY2021-22

Significant increase in claimed investments in Cleantech, Healthtech and Artificial Intelligence (AI)

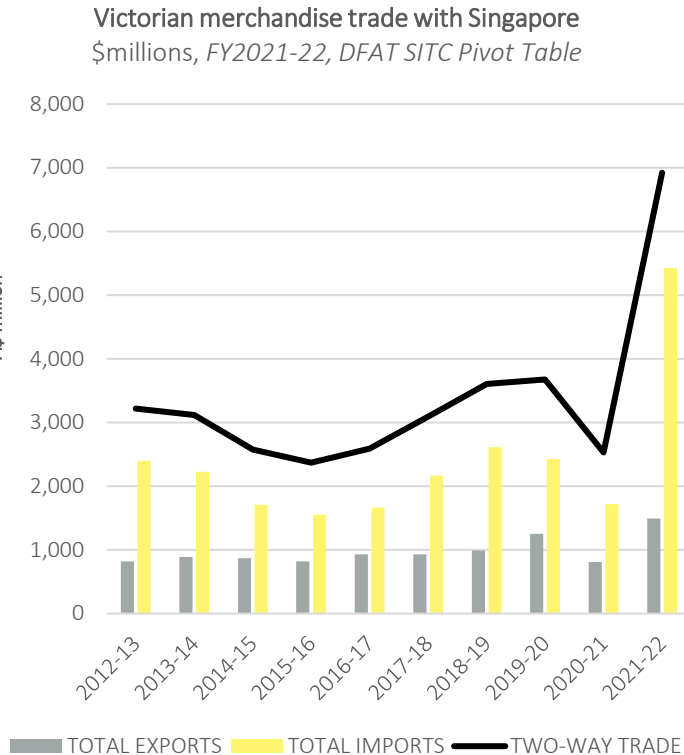
Recent investments:

- ❖ **Oncoshot** - Connecting oncology clinical trials and patients.
- ❖ **Green Li-ion** - Clean Energy Manufacturer of Lithium-ion battery rejuvenation unit, based at Deakin Manufatures Precinct in Waurn Ponds.

Highlights of the Minister's visit to Singapore:

- ❖ **Announcement of Seventh Sense Investment** - Deeptech AI company specialising in facial recognition and imaging, announced during the trip to Singapore.
- ❖ **Progression of SunGreen H2's R&D Hub** - Clean Energy Manufacturer of Hydrogen Electrolyser Unit. Based in Clayton and conducting research at the Melbourne Nano-Fabrication facility.

Announcement of the first equity investment project - Seventh Sense



Top traded goods (Non-Confidential)
Financial Year 2021-22, DFAT SITC Pivot Table

Victorian Goods Exports to Singapore



Victorian Imports from Singapore



138,000 overnight visitors from Singapore in 2019

\$5.4b

Value of Victorian goods imports from Singapore in FY2021-22

Key initiatives in the 2023-24 Budget

- **\$12 million** over 2 years to support Victoria's **Trade Missions and Trade Mission Enablers**, to continue building the resilience of Victorian exporters, diversify and grow export markets and accelerate the contribution of exports to the state's economy.
- A **\$20 million** over 2 years boost to the **International Investment Attraction Fund**, to attract global firms into Victoria, create local jobs and introduce new skills and capabilities to boost productivity across the Victorian economy.

Victoria continues to deliver on its Trade and Investment targets

Victoria exceeded its 2021-22 Trade and Investment targets...

Export Sales

\$627M

\$550M Target

Clients engaged

3,706

2,000 Target

Client
satisfaction**92%**

90% Target

FDI Jobs

**3,721** FTE direct jobs from FDI**298%** of the 1,250 target**↑ 260** on 2020-21Co's in Wine
Initiatives**65**

60 Target

Agri-food
interactions**312**

250 Target

Website visits

137,004

100,000 Target

FDI Wage Exp

**\$431m** wage exp from FDI**392%** of the \$110m target**↑ \$133m** on 2020-21

FDI Innovation Exp*

**\$596m** innovation exp from FDI***993%** of the \$60m targetProp. of Int.
Students**31.7%**

30% Target

Int. Student
Satisfaction**94%**

75% Target

* IV projects have not been amortised in 2021-22 therefore Innovation Expenditure measure is not comparable with the amortised Innovation Expenditure outcome reported in the previous year.

... and is on track to
achieve its targets for
2022-23