

The Hon Martin Pakula MP Minister for Industry Support and Recovery

Public Accounts and Estimates Committee

03 December 2020



State of the sector

The economic impact of the pandemic is likely to be the biggest in nearly a century with Gross State Product expected to decline by 4.0% in 2020-21.

- > Victoria's industries, regions and workers have been significantly impacted by the COVID-19 pandemic
- > Industry investment and job creation has continued with a focus on PPE, onshoring, reinvestment and supply chain resilience
- > With the easing of restrictions, many businesses are reopening in COVIDSafe ways
- > The Victorian Government will focus on boosting investment as well as supporting new and innovative growth areas

Our achievements

The Victorian Government has supported businesses and workers to survive and adapt through COVID-19, with a particular focus on the hospitality industry which has been one of the hardest hit sectors

- **Business Support Fund – supporting more than 129,000 small and medium-sized businesses through COVID-19**
 - \$795 million from BSF1
 - \$980 million from BSFe
 - \$822 million from BSF3
- **COVID-19 Worker Support Programs – supporting Victorians**
 - \$450 Test Isolation Payment – paid over 114,000 claims
 - \$1,500 COVID-19 Worker Support Payment – the Commonwealth and Victorian Government have paid over 13,500 claims

Our achievements

The Victorian Government has supported businesses and workers to survive and adapt through COVID-19, with a particular focus on the hospitality industry which has been one of the hardest hit sectors

- **Hospitality Programs**
 - \$251 million Licensed Hospitality Venue Fund
 - \$100 million Melbourne City Recovery Fund
 - \$87.5 million Outdoor Eating and Entertainment Package
 - \$10 million for CBD hospitality businesses
 - \$30 million Hospitality Business Grant Program
 - Night-time Economy Business Support Initiative

This budget – Key Initiatives

Initiatives announced as part of the Budget will stimulate the economy and boost jobs to help the Victorian economy recover and thrive

- **Supporting Victorian industry** - \$135.6 million over three years to drive economic stimulus and recovery; and boost jobs, innovation, trade and investment
 - > \$20 million Australian MedTech Manufacturing Centre – a new hub to put Victoria at the forefront of medical technology, innovation and design
 - > \$60 million Manufacturing and Industry Development Fund – backing businesses that make medical products, medicines and other key industries like food manufacturing – ensuring that Victorian manufacturing has a proud future

This budget – Key Initiatives

Initiatives announced as part of the Budget will stimulate the economy and boost jobs to help the Victorian economy recover and thrive

- **Supporting Victorian industry - \$135.6 million (cont.)**
 - > \$40 million Industry Recovery and Growth Fund – to attract more investment and create jobs in key areas like manufacturing, clean energy, digital technology, regional tourism and many others
 - > Local Jobs First - \$9.6 million to boost employment through government procurement and the Office of the Local Jobs First Commissioner
 - > Defence Industries - \$6 million to help businesses attract new defence manufacturing and industry contracts
- Breakthrough Victoria Fund - \$2 billion to drive research and development, adoption and commercialisation