

## **The Hon Martin Pakula MP**

Minister for Jobs, Innovation and Trade

Minister for Tourism, Sport and Major Events

Minister for Racing

Minister for the Coordination of Jobs, Precincts and Regions –  
COVID 19

Public Accounts and Estimates Committee

Inquiry into the Victorian Government's response to the COVID-19  
Pandemic

13 May 2020

# Economic impacts of COVID-19

Department of Treasury and Finance estimates:

- GSP could be 14 per cent lower in the June and September quarters, and there could be fall in real GSP of 6.75% for calendar year 2020
- Unemployment could rise to about 11 per cent with job losses peaking at 270,000 in the September quarter
- Property prices could decline by up to 9 per cent from March to December 2020

Source: Department of Treasury and Finance, *Coronavirus Economic Outlook*, April 2020  
<https://www.dtf.vic.gov.au/economic-and-financial-updates/coronavirus-economic-outlook>



## Impacts of COVID-19 on industry

- **Exports:** Victorian exports are forecast to fall by \$16.4 billion in 2020
- **International education:** Victorian international education exports are estimated to decrease by \$5.8 billion in 2020
- **Aviation:** There has been a 98 per cent decline year-on-year of international and domestic passengers at Melbourne Airport
- **Tourism:** Visitor expenditure is estimated to fall by \$23.3 billion in 2020 (down 72% from 2019)
- **Creative:** Lost or foregone revenues from live musical and arts performances is estimated to exceed \$330 million
- **Sport:** Revenue from the professional sports estimated to fall by \$1.1 billion over six months.

# COVID-19 response: Government initiatives

## Securing medical equipment and PPE

- A Government taskforce is working with local manufacturers to ensure that PPE is readily available across the State's health sector.

## \$500 million Business Support Fund

- Support for the hardest hit sectors, including hospitality, tourism, accommodation, arts and entertainment, and retail
- Over 53,000 applications received, of which 21,373 businesses have been approved for payment

## COVID-19 response: Government initiatives (continued)

### **\$500 million Working for Victoria Fund**

- Helping to employ workers who have lost their jobs in short-term or casual roles
- Includes \$50 million for an Agriculture Workforce Plan
- Over 2,800 Victorians placed in jobs as at 11 May 2020

### **\$45 million International Student Emergency Relief Fund**

- Single cash payments of up to \$1,100 to support international students
- Crisis accommodation for vulnerable international students with up to 150 rooms available.



# COVID-19 response: Government initiatives (continued)

## Victorian Government's Hotel Package

- Accommodating returned travellers to slow the spread of COVID-19
- Providing accommodation to hospital workers and paramedics
- Over 9,000 international arrivals and 99 healthcare workers accommodated so far

## Commercial Tenancy Relief Scheme

- Six-month moratorium on evictions for the non-payment of rent for small businesses with less than \$50 million turnover that participate in JobKeeper
- Free mediation services for commercial tenants and landlords

## Victoria Together

- Online portal showcasing digital content from across the state.

## But there's more to get on with...

- We are developing economic recovery initiatives to support economic growth, employment and investment opportunities beyond the health crisis. Priority initiatives include:
  - Recovery plans for visitor economy, creative industries and international education
  - Supports for businesses to upskill workers
  - Support for local chambers and key industry bodies to assist businesses to thrive
- *Return to play* for professional, community and individual sport.
- Continue engagement with Regional and Metropolitan Partnerships to get the recovery started in local communities.