

John Brumby

Public Accounts & Estimates Committee

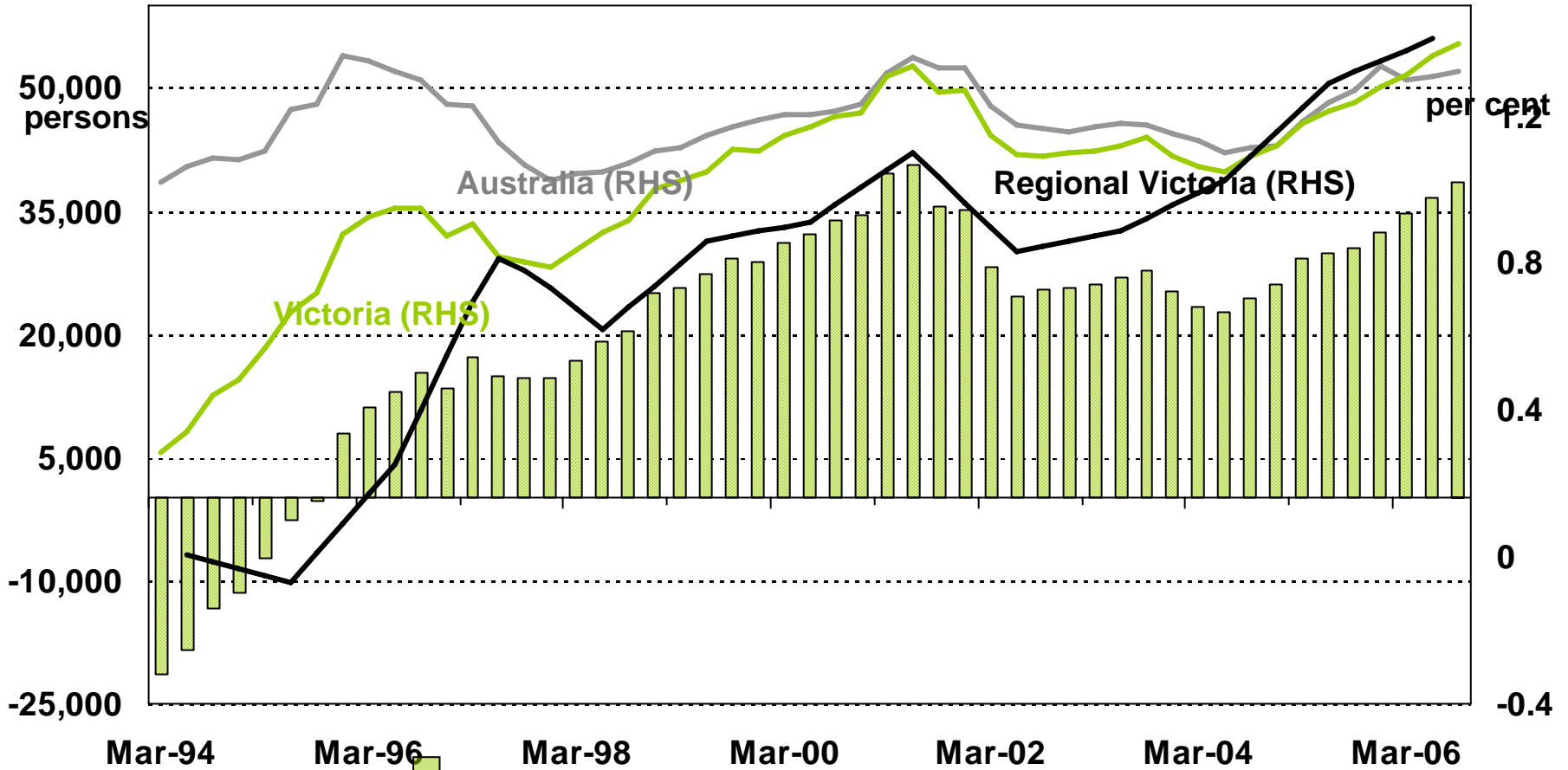
2007- 08 Budget Estimates Hearing

Minister for Regional & Rural Development
Minister for Innovation

STRONG ECONOMIC PERFORMANCE IN PROVINCIAL VICTORIA

- Since October 1999, record numbers of jobs, investment and population growth created in provincial Victoria.
 - 120,000+ new jobs created
 - Employment at record levels with almost 680,000 people in work
 - Population growth rates at 17 year high surpassing target at 1.4%
 - 406 projects facilitated with total new investment of \$8.1 billion
 - Regional building approvals reaching \$4 billion for the year to February 2007 – almost doubling over the past seven years.

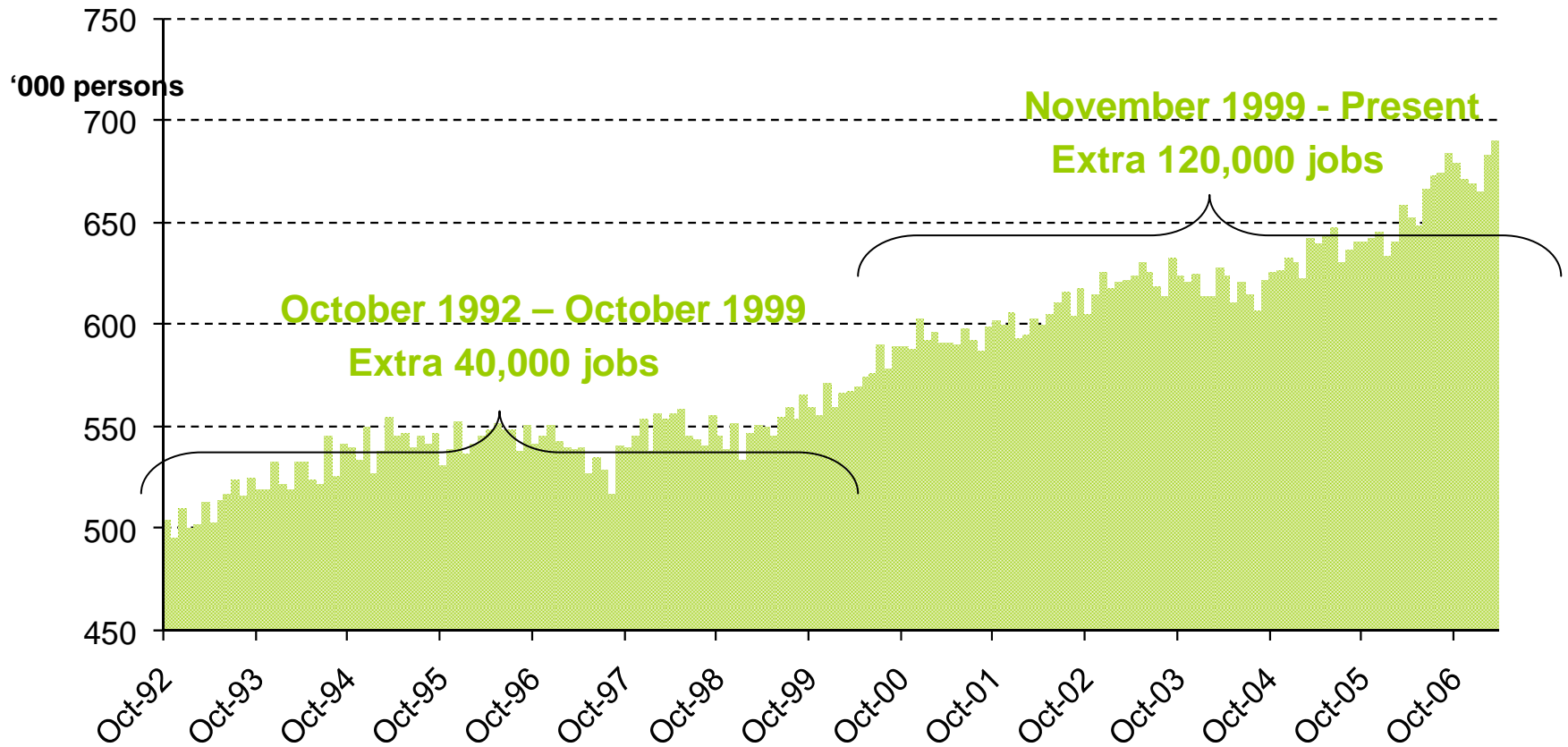
People are coming to Victoria



Net interstate and overseas migration yearly total (LHS)

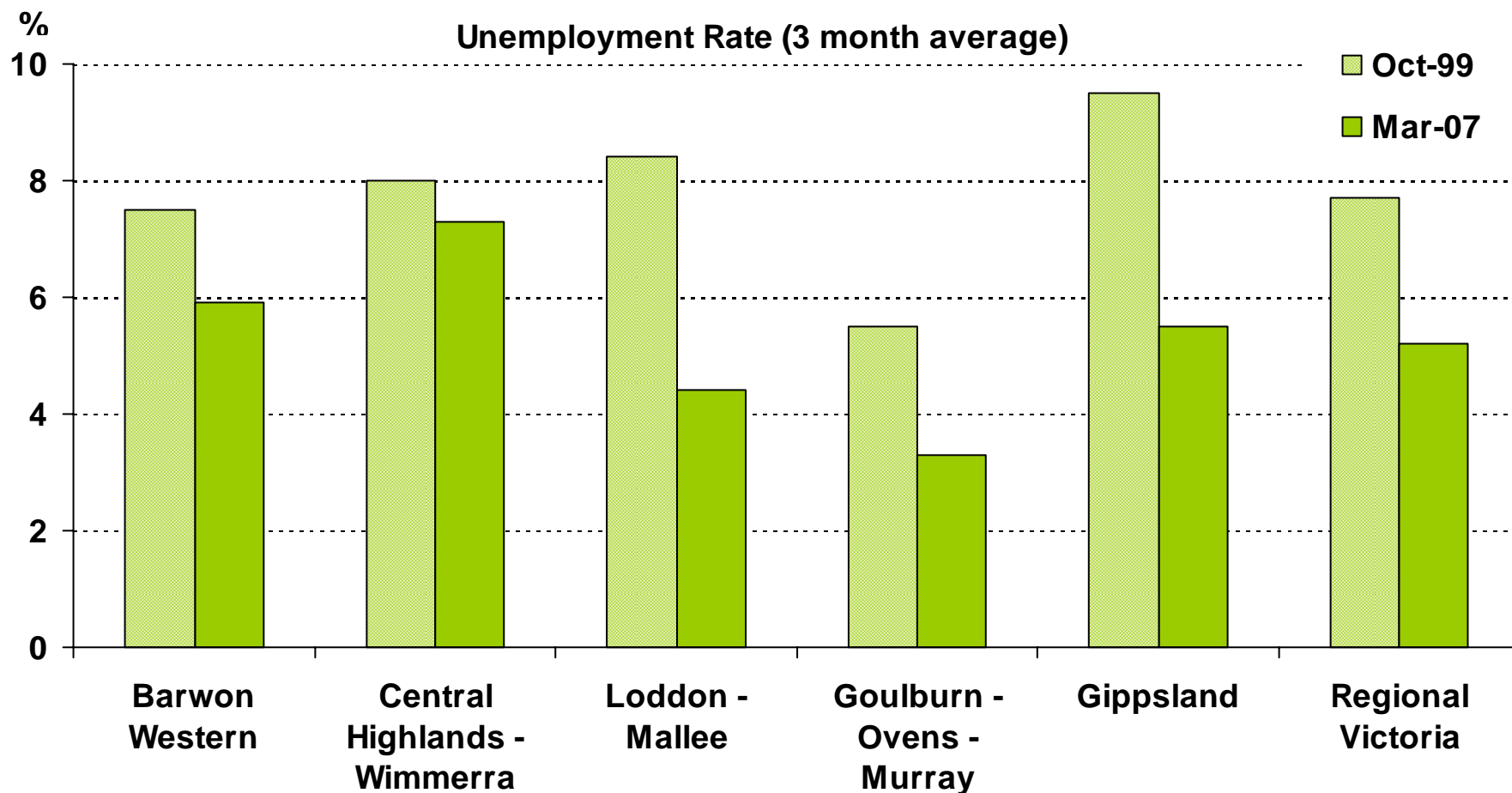
Source: Australian Bureau of Statistics

Strong regional jobs growth



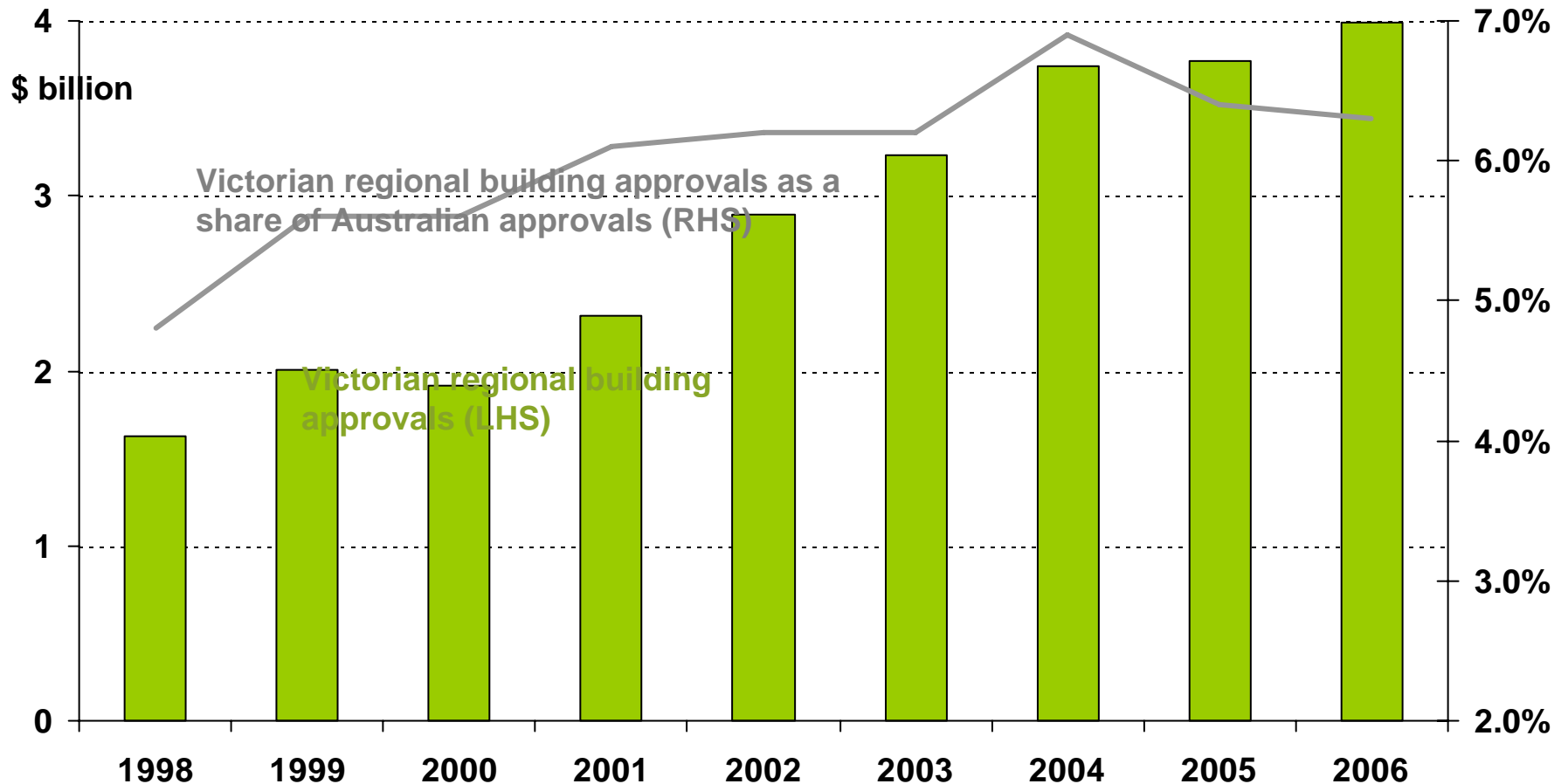
Source: Australian Bureau of Statistics

Lower unemployment rates



Source: Australian Bureau of Statistics

Regional building approvals more than doubled

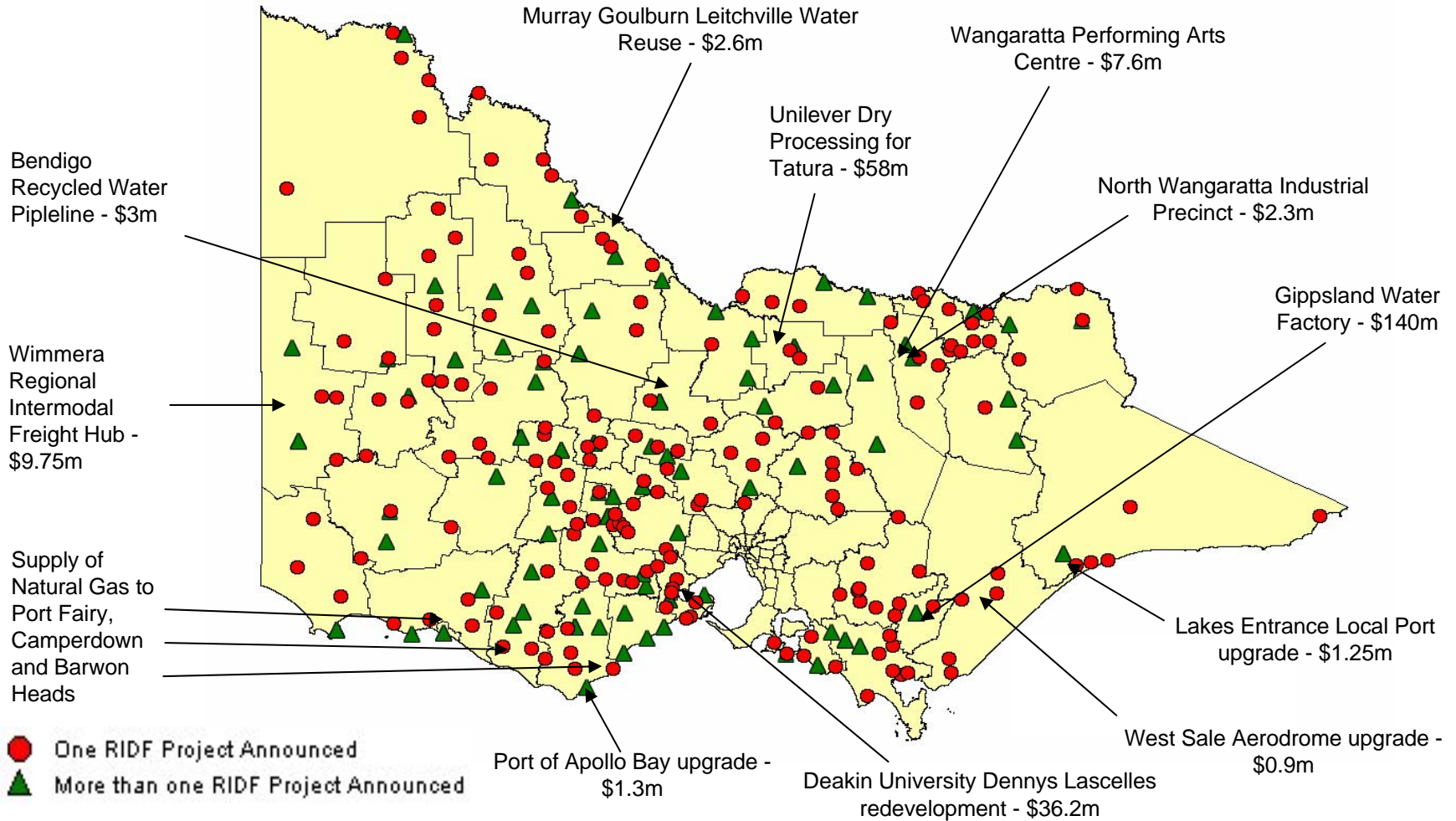


Source: Building Commission, Australian Bureau of Statistics

Regional Infrastructure Development Fund (RIDF) Projects

As at April 2007 the RIDF has contributed over \$353 million to 143 projects.

The total value of these projects is estimated to be more than \$982 million.



Regional Development Achievements 2006-07

New RIDF sub-programs

- Water for Industry \$10 million
 - Highlight - Energy Brix and Australian Paper up to 6.7GL pa
- Regional Industry Investment Program
 - Highlight – Unilever Tatura 134 Jobs, \$58 million investment
- Biofuels Infrastructure Grants
 - Highlight – Announced in April 2007

Next RIDF sub-program focus:

- Regional Aviation Fund - \$5 million
- Local Roads to Markets - \$5 million
- Rural Showground Infrastructure Renewal - \$4 million
- On Farm Energy Grants - \$4 million

Regional Development Achievements 2006-07

- Moving Forward - \$502 million Provincial Statement
- 70 initiatives driving employment, population and investment growth. Includes:
 - an extra \$200 million over five years to the Regional Infrastructure Development Fund
 - a new \$100 million Provincial Victoria Growth Fund
 - and a series of other key industry, skills, tourism and regional transport initiatives.
- **All 70 initiatives have started implementation.**

Moving Forward

Provincial Victoria Growth Fund Highlights 2006/07: Community Regional Industry Skills Program (CRISP).

- Extra \$5.5 million has funded 37 new projects worth \$3.7m (eg Excelior, AAMI, Flavorite)
- Provincial Victoria Sponsorship for Local Events:
 - 80 projects worth \$1.45 million (eg Stawell Gift)
- Road Map for the Biofuels Industry launched in April (Driving Growth)
 - Plus a new \$5 million Biofuels Infrastructure Grants (BIG) program.
- Geelong Cultural Precinct Feasibility completed.
 - Masterplan project under way.
- New *Make Your Business Happen in Provincial Victoria* campaign launched in August 2006
 - Promotes the opportunities to relocate or expand a business in provincial Victoria.

Moving Forward

Provincial Victoria Growth Fund Highlights 2006/07:

Planning for Growth:

- \$500,000 for Wimmera Regional Growth Strategy, other strategic regional plan proposals under development.
- 18 other planning projects worth over \$500,000, such as the Moe Activity Centre Plan
- Strong partnerships established with local government.
- Small Towns Program well advanced, led by MAV with all 38 rural councils coming together as Rural Councils Victoria.
- New Investment Partnership Program
 - Wimmera Mallee Pipeline projects
- Skills Summit held in Bendigo October 2006.

Regional Development Achievements 2006-07

Ministerial Bushfire Recovery Taskforce

- In March 2007, the Victorian Government released a \$138 million package of initiatives for environmental, community and business recovery in bushfire affected regions.

Ministerial Drought Taskforce

- The Taskforce development a \$157 million package of drought response initiatives.
- A state of the region report for the Wimmera Southern Mallee region resulted in an increase of \$3 million .

Innovation – Achievements 2006/2007

- STI Initiatives - significant net positive contribution to the State.
 - Second round cumulative economic impact analysis forecast 2000-2014:
 - Real Gross State Product will be \$3.9 billion higher
 - Real investment in Victoria will be \$1.2 billion higher
 - Real private consumption in Victoria will be \$1.2 billion higher
 - Overall increase in employment of about 1700 jobs.
- Biotechnology
 - On track to reach goal of top five locations in the world
- Healthy Futures
 - Delivery of all projects on track
 - Howard Florey now achieving critical mass in neuroscience
- Stem Cell Research
 - World Class Stem cell capability in Victoria
 - First Australian state to introduce legislation to allow SCNT
- Australian Synchrotron
 - On time and on budget to begin full operations in July

Film and TV - Achievements 2006/2007

- Film and Television moved to the Innovation portfolio
 - Better links to innovation and industry development
- Major successes this year in attracting projects
 - TV Mini Series *Pacific*
 - estimated to generate \$180 million to the Victorian Economy
 - and up to 4000 job opportunities
 - *Ghost Rider* has given Melbourne fantastic profile as a film destination
 - created 1,715 job opportunities and
 - box office is \$208 million to date
 - Neither would have been possible without the Studios at Docklands
- Continuing to focus on both international and local productions
 - Productions made in Melbourne last year include *Romulus*, *My Father*, *The Home Song Stories*, *Noise* and *Rogue*