

Victorian Labor's Plan for Jobs and Growth

November 2012

On Thursday 21 November 2012, Victorian Leader of the Opposition the Hon. Daniel Andrews MP released Victorian Labor's Plan for Jobs and Growth (the Plan).

The Plan recognises that state governments play an important role in creating jobs and generating economic growth. The Plan outlines the policy initiatives a Victorian Labor Government would implement to secure jobs and growth in Victoria, should they be elected at the next state election. The next Victorian state election is scheduled for 29 November 2014.

The Plan is available in full [here](#) (PDF). Mr. Andrews' press release is available [here](#).

Victorian Labor's Plan for Jobs and Growth

The Plan outlines 67 policy initiatives across six key priority areas. The six priority areas are:

- 1. Investing in the skills of Victorians:** This priority recognises that Victoria's strength has always been the creativity, skills and diversity of its people. The centerpiece of any plan to secure Victoria's economic future must be a strategy to invest in the skills and training of the Victorian people, including through investing in TAFEs.
- 2. Investing in infrastructure:** Investing in well-planned infrastructure in interface and regional communities and resolving long-term capacity constraints facing ports will make the Victorian economy more competitive.
- 3. Creating a competitive environment for business:** A state government can improve the competitive environment for business by cutting state government taxes and charges and reducing the regulatory burden.
- 4. Attracting investment to our state, growing our exports and preparing Victorian businesses for the Digital Economy:** Connecting Victorian businesses to rapidly growing markets in the region is a tangible function that the state government can provide. State government can support efforts to promote Victorian businesses in international markets, as well as preparing for the opportunities that the National Broadband Network will bring to Victoria.
- 5. Supporting our regional economies:** Victoria's vibrant regions are a key economic strength. Regional communities want to work in partnership with state and federal governments to build on what was achieved between 1999 and 2010.
- 6. Buying locally:** The Victorian Government is the largest purchaser of goods and services in the state. Government spending should provide an opportunity for competitive and innovative local businesses.

In releasing the Plan, Mr. Andrews identified the following policy initiatives as the highlights of the Plan:

- funding TAFEs and cracking down on unscrupulous training providers;
- establishing Infrastructure Victoria to plan the State's infrastructure priorities;
- establishing Projects Victoria to deliver critical major projects;
- determining the viability of Bay West as the location for Victoria's future container port;
- protecting WorkCover from government plunder;
- establishing robust regulatory burden reduction measures;
- supporting Victorian businesses seeking to tap into the resources boom;
- protecting Melbourne Airport's curfew-free status from inappropriate development;
- supporting Victorian regional councils seeking to develop crucial infrastructure; and
- ensuring the Victorian Government's procurement processes support local jobs and businesses.

Funding

The Plan outlines budget savings of \$8.07 million in the financial year 2015-16, which would be the first Budget year of an incoming Victorian Labor Government, should they be elected at 2014 state election. These savings will be achieved through:

- reducing the number of executives in key departments: \$3.2 million;
- reducing legal expenses in key departments: \$4.1 million; and
- reducing entertainment expenses in key departments: \$0.776 million.

The expenditure associated with the new initiatives outlined in the Plan will be \$6.95 million in 2015-16. This will include:

- Labour Market Program for the Long-Term Unemployed: \$2.0 million;
- China and India Scholarship Program: \$1.0 million;
- Reinstating the position of Commissioner in the Frankfurt VGBO: \$0.45 million;
- Support for initiatives to tap into the resources boom: \$1.0 million;
- Support for Regional Planning: \$1.5 million; and
- Horticultural Research Foundation: \$1.0 million.

Funding to support TAFEs to meet their Community Service Obligations will be derived as follows:

- Funding will firstly be derived from resources within the existing training budget that will become available following the more extensive and rigorous auditing of training providers, include the capacity to close down unscrupulous operators currently roting the system.
- Additional funding required will be the first call on any projected Budget surplus and contingencies following the provision of a minimum \$100 million operating surplus.

The financing of Infrastructure Victoria will be treated separately from other initiatives. While over time it is expected that Infrastructure Victoria will deliver significant savings through improved project planning, those savings will not be realised immediately.

The cost for the establishment and operation of Infrastructure Victoria is estimated to be \$11 million in 2015-16. This will be funded through the allocation of \$11 million from output contingencies. The 2012-



13 Victorian Budget identifies contingency provisions for expenses that have not been determined at the time of the budget's preparation. One of the purposes of contingency provisions is to fund new initiatives released in future budgets. The output contingencies identified in the 2012-13 Budget for 2015-16 were \$2.1323 billion.

Projects Victoria will be funded in the same way that Major Projects Victoria (which will be absorbed by it) is currently funded through cost recovery charges on client departments and agencies.

Consultation

In April 2012 Victorian Labor announced their intention to develop the Plan, and commenced a consultation process. The consultation process involved both industry specific consultations in the areas of tourism, services, and building and construction, as well as public consultation.

Public forums on the development of the Plan were held in 16 locations across Victoria:

- Ballarat
- Bendigo
- Broadmeadows
- Dandenong
- Derrimut
- Eltham
- Geelong
- Gippsland
- Horsham
- Cheltenham
- Mansfield
- Mildura
- Narre Warren South
- Werribee
- Williamstown
- Wodonga