

Chapter 4: Creating jobs and economic opportunity

“We need to secure jobs for today and build for tomorrow by delivering the right mix of skills, education and healthcare to create a healthy, skilled, productive workforce.”

JOHN BRUMBY, PREMIER OF VICTORIA

BUILDING ON OUR RECORD OF STRONG ECONOMIC MANAGEMENT

Creating jobs is Labor’s objective. We understand how important it is to Victorians to know they can get a well paid meaningful job when they need one, and that’s why we believe in maintaining a strong and growing economy. Of course, economic growth is not an end in itself. A strong economy means jobs for Victorians; it also means that we can invest in health and education, and address the needs of the most disadvantaged among us.

We believe that governments have an important role to play in managing our economy, especially in difficult times. In times of global economic downturn, governments must actively encourage both growth and job creation.

Thanks to Labor’s solid economic management and our decisive response to world economic events, Victoria is emerging from the Global Financial Crisis in a better position than most other economies in the world. Our Budget is in the black and we have maintained our AAA rating.

Victoria is a better place to do business than ever before: we have invested heavily in infrastructure, encouraged a skilled and healthy workforce, and reduced taxes and regulation. Since 2007 we have attracted over \$100 billion in private investment to Victoria, and most importantly, we have created 120,000 jobs.

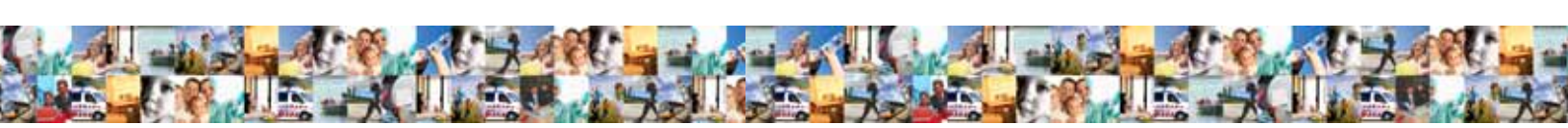
That means 120,000 more Victorians are able to look to the future with the confidence that comes with employment.

But there’s still more work to be done. We remain in a very challenging global economic environment. While Victoria leads the nation in job creation, there is no room for complacency in a rapidly developing and vulnerable global economy.

That’s why Labor will manage our State’s finances in a way that is prudent, transparent and accountable. We will publish Budgets that are clear and easy to understand. We will make sure that Victoria’s system of taxation is both fair and efficient, and we will work with the Commonwealth on national tax reform. We will address the ongoing unfair distribution of GST resources.

We will make Victoria a great place to invest, by building the right infrastructure and expanding our manufacturing industries. We will encourage Victorian businesses to export more of their goods and services, and foster a culture of innovation in our State.

We will make Victoria the best place to set up a small business, because we know that small businesses can lead the way in innovation, and create more and better jobs for Victorians. We will also work to attract more investment to our regional areas, and assist all Victorian businesses as we make the transition to a low carbon economy.



JOBS GROWTH

4.1 Labor will boost jobs growth and reduce unemployment across Victoria.

Labor recognises that stable and fair employment is a foundation for Victorians to realise their aspirations. Labor is committed to securing Victorian jobs and assisting people to enter and return to the workforce.

Labor will use whole of government measures to reduce unemployment and maximise jobs growth. Labor has a proven track record in creating the country's most successful employment programs to assist people returning to the workforce.

Labor will support work incentives and regulations designed to lift overall workforce participation rates. While we have achieved many strong outcomes in employment growth, there is still more for us to achieve.

Labor's jobs policy will assist people to adjust to future economic, social and environmental change in ways that enhances economic productivity and equitable distribution of returns. These changes include an ageing population and workforce, the threats and opportunities of climate change, increasing female participation and growing casualisation of the workforce, the impact of technology, globalisation and global financial uncertainty, the structural changes occurring within and between industry sectors and international trade patterns.

MANUFACTURING

4.2 Labor will expand the manufacturing sector in Victoria to ensure it remains a centre for manufacturing excellence in the Asia-Pacific region – skilled, innovative, export focused and environmentally responsible. Labor will support the prevention of the misuse of Tariff Concession Orders.

To boost the global competitiveness of the manufacturing industry and maximise access to export markets,

Labor will:

- Support a strong anti-dumping system that ensures that the Victorian manufacturing industry has the opportunity to compete on a level playing field by advocating the rejection of the Productivity Commission's recommendations that weaken the national system.
- Support the development of a highly skilled workforce for the sector;
- Assist businesses in the adoption of new competitive technologies;
- Help businesses to expand their engagement with global supply chains and grow networks of business contacts, and
- Develop and implement sector-specific strategies and initiatives.

AN EXPORT FOCUS

4.3 Labor will increase the State's exports of both products and services with a target to increase the value of exports to \$35 billion annually by 2015 and increase the number of exporters from Victoria.

Labor believes that in a global economy, exports are fundamental to the future growth of our local economy and the viability of our manufacturing sector. Given the size of our domestic markets we are increasingly dependant on our capacity to export goods and services to maintain overall economic wellbeing. Stronger trade links, especially in our own region, and an aggressive export support and promotion program are integral to our future prosperity.



Labor will provide support to intending and new exporters, information and training programs, up to date information on export market opportunities and overseas assistance including field advisers in key export markets.

VICTORIAN INDUSTRY PARTICIPATION POLICY

4.4 Labor will enforce Victorian Industry Participation Policy commitments.

Labor recognises that government procurement and spending on major capital works can bring considerable benefits to local suppliers. It can boost a firm's reputation locally and globally while participation in complex projects can help drive technology transfer, research and development, and adoption of world best practice and innovation.

The Victorian Industry Participation Policy (VIPP) established by Labor in 2001 ensures that where local suppliers can deliver value for money for taxpayers, government can recognise recognises the economic benefits of local procurement.

VIPP has been applied to more than \$20 billion of state government procurement activity, achieving average levels of local content of 84% and creating more than 22,500 jobs. It has led to \$480 million of import replacement – orders for local industry that would otherwise have gone overseas.

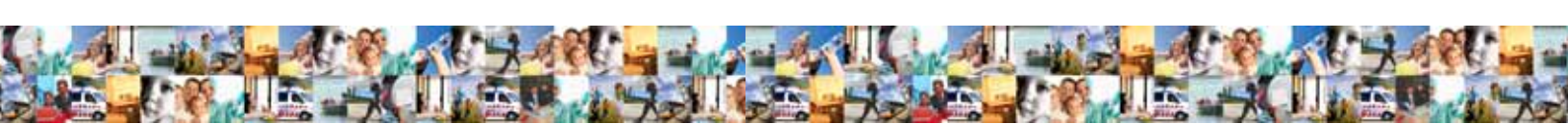
PROCUREMENT

4.5 Labor is committed to using its purchasing power to ensure that workplaces are fair and safe and ensuring integrity, consistency, value for money, fairness, transparency and accountability in the procurement process.

Labor is committed to maximising the use of local services and products for Victorian and government agencies and to having the strongest preference for local manufacturers and suppliers, consistent with our status as the leading manufacturing state.

Labor will:

- Collaborate with industry and unions to implement and improve the procurement agenda;
- Review procurement policies to ensure that contracts require compliance with Government policy, Commonwealth Fair Work Guidelines and policies and the Australian Government Procurement Statement of July 2009 – reflecting ongoing consultation and discussion with industry groups and unions;
- Ensure there is a whole of government approach across Government to contracting and tendering and that government departments and agencies comply with this policy. Companies that fail to comply may have a tender disqualified, a contract terminated (pursuant to the terms of the contract) or a fine imposed;
- Require contractors who supply goods or services (together with their sub-contractors and third parties) to the Victorian Government, to pay wages and employment conditions in accordance with all applicable collective agreements, modern award terms and legislation, including appropriate occupational health and safety standards, superannuation, and a workers' compensation framework;
- Ensure that a company supplying goods or services will make available to unions information on the location of work and actual manufacture of goods (or provision of services) including work undertaken by subcontractors so that government departments and unions can play an appropriate role in ensuring compliance;
- Require that contracting and tendering processes demand compliance by the prospective contractor with accepted industry benchmarks for workers terms and conditions;
- Promote greater opportunities for workers employed by contractors undertaking work for government to attain skills and qualifications;



- Work with industry and other state and territory governments to use ethical public procurement as an industry policy tool, also taking account of efficiency, cost effectiveness and local industry development, and
- Ensure that there is an annual review to ensure compliance with procurement policy.

Labor will promote a procurement strategy that safeguards skills and jobs, under existing international obligations, to ensure that Australian businesses can compete locally and internationally.

Labor will take into account a range of considerations when determining what constitutes good value for money, not just purchase price. Government agencies will not be forced to choose the cheapest supplier when that choice would cost taxpayers more in the long run because the products or services on offer are inferior in quality or have high ongoing costs. Agencies will also not be forced to choose the cheapest supplier when this would have detrimental social or environmental effects. Agencies will be required to consider all direct and indirect benefits and costs over the whole life of each product and service, along with the performance history of each prospective supplier.

Labor is committed to:

- Ensuring that government procurement delivers world-class public services, through fair and open procurement processes free of corruption and discrimination.
- Providing leadership on sustainability and ethical procurement practices.

Labor recognises that:

- In its role as a major purchaser of goods and services, government has a crucial role to play in fostering Australia's manufacturing, service and information industries, particularly for emerging industries or companies.
- For goods or services to be ethically sourced, suppliers must be good corporate citizens who comply with the law in all matters, most notably laws regarding taxation, trade practices, corporations, industrial relations, consumer affairs, environment and immigration.

Labor will continue to require that:

- Victorian procurement guidelines and codes reflect government policy on ethical procurement
- Principal suppliers to the Victorian Government comply with procurement policies by requiring all subcontractors involved in the principal's supply chain to the government to comply with all materially relevant laws
- Agencies should not enter into contracts with suppliers who have had a judicial decision against them (not including decisions under appeal) relating to employee entitlements and have not paid the claim.
- Agencies seek to confirm a tenderer has no such unsettled judgements by seeking a declaration on the matter from all tenderers.

To further enhance transparency, Labor in government is ensuring agencies keep records of, and make available on request, the details of any sub contractor engaged by a contractor in respect of a Victorian Government contract for procurement.

Labor is establishing coordinated procurement contracts for goods and services where appropriate. When established, government agencies must use the contracts established for those goods or services unless an exemption has been provided. Exemptions may only be provided where an agency can demonstrate a special need for alternate supply. These



arrangements will reduce duplication between agencies when meeting common procurement requirements and allow the government to use its combined purchasing power to improve value for money and open up new opportunities for business.

Labor will better coordinate government procurement and where it is sensible to do so, consider options to utilise model terms and conditions to assist business and contractors.

Labor is committed to maximising opportunities for Australian companies to compete for business by establishing a Procurement Coordinator. The Procurement Coordinator within the State Purchasing Board will review and advise on practices across government; handle and review complaints; aggregate procurement information and submit an annual report to the Government.

Labor is ensuring that SMEs are able to engage in fair competition for government business. Government officials undertaking procurement are required to ensure that procurement methods do not unfairly discriminate against SMEs.

SMALL BUSINESS

4.6 Labor is committed to providing a stable, fair and transparent business environment that allows small business to thrive and provide jobs with minimum government intervention.

Labor recognises that not all small businesses are the same, but many face the same challenges. Some of these challenges are the result of local, State and Commonwealth regulatory imposts. Labor is committed to the ongoing reduction and harmonisation of regulation to remove costs for small business and free-up revenue for reinvestment or employment.

Labor will:

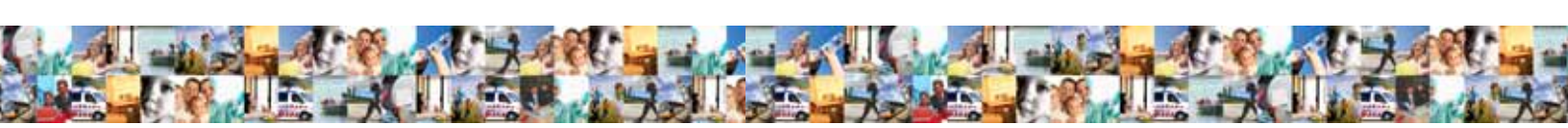
- Take a leading national role in commercial and retail legislation reform, dispute resolution reform and fair trading policies and legislation reform;
- Simplify access to government services and information for small business;
- Ensure that our small business programs and services cater for the whole life cycle of small businesses from creation to maturity and through to succession planning;
- Recognise the important role small businesses play in local communities, particularly in rural Victoria;
- Provide a strong voice on bank lending practices and other issues and
- Ensure that our small business programs and services are delivered across regional Victoria and metropolitan Victoria and are accessible to all industry sectors.

Labor recognises that Victoria's 500,000 small businesses are in different parts of the business development cycle. Some are just starting up, others are consolidating, whilst still others are close to succession. Therefore Labor will ensure that the range of information available to small businesses is relevant to the different stages of all Victorian small businesses.

FAIR PAYMENTS POLICY

4.7 Labor will extend our small business fair payments policy to local government and other State agencies to free up small business cash flow.

Labor will encourage local councils to adopt a 30 day payment commitment for all contracts below \$3 million in line with the Victorian Government's Fair Payment Policy.



INVESTMENT ATTRACTION

4.8 Labor will attract new business investment to Victoria.

The strength of Victoria's economy depends on its ability to attract increasingly mobile global investment. Since 1999, Labor has facilitated more than \$23 billion of new investment in Victoria, creating more than 58,000 jobs. This includes more than \$11.4 billion in new manufacturing investment (24,000 new jobs); \$1.7 billion in new ICT projects, and more than \$3.7 billion in food industry projects.

Labor will attract new business investment to Victoria by:

- Targeting those investors that best complement the existing strengths and skills of Victoria's workforce;
- Promoting the advantages of investing and locating in Victoria, and
- Providing investment support where proposals deliver jobs and tangible economic benefits to Victoria.

ENCOURAGING INNOVATION

4.9 Labor recognises that innovation is a major driving force for economic growth, productivity and competitiveness in developed economies.

Innovation transforms good ideas into thriving industries and rewarding jobs, in turn lifting productivity and creating a healthier and more sustainable community. It is the key to our response to several significant challenges facing Victoria and the international community – climate change, drought, energy, security and an ageing population.

Supporting and encouraging further innovation will drive growth across our entire economy ensuring a healthy, sustainable, and productive future for all Victorians.

Labor will foster a culture of innovation in the Victorian economy by:

- Providing incentives for business innovation;
- Building science and technology infrastructure that enables innovation;
- Developing skills for the innovation economy to fill local and state wide needs;
- Creating a better regulatory environment for innovation;
- Building Victoria's information communication technology sector and workforce;
- Securing new investment and jobs for regional Victoria, and
- Forging better connections and collaborations.

INFRASTRUCTURE

DELIVERING INFRASTRUCTURE

4.10 Labor will underpin our strong economy by building world-class infrastructure to improve the delivery of key services, liveability and benefit to all Victorians.

Labor has increased infrastructure spending by over 800 percent since 1999 delivering vital infrastructure across Victoria, including new hospitals and schools, a state-wide water grid, restoring regional rail, modernising our arterial road network and undertaking the modernisation of Victorian schools and landmark sporting and cultural facilities.



The next stage in building critical infrastructure will see Labor deliver on initiatives outlined in the Victorian Water Plan, Transport Plan and the Schools Plan.

In response to the Global Financial Crisis, the advance planning on infrastructure enabled significant investment in infrastructure projects, securing jobs in the short term and supporting economic growth and jobs resulting in Victoria coming through the financial crisis better than the rest of Australia.

INFRASTRUCTURE DEVELOPMENT & FINANCING

4.11 Labor will ensure that infrastructure projects are structured to promote competitive bids and provide opportunities for participation by a broad range of investors and service suppliers.

Labor believes that reform of infrastructure provision has come a long way in Victoria but requires continuous refinement to deliver the best result for taxpayers.

Government has a key role to play in infrastructure financing and delivery including to:

- Provide for the forward planning of projects to meet future infrastructure need;
- Conduct competitive tendering processes that meet strict probity requirements, and
- Provide a framework for superannuation funds to make long-term investments.

Labor recognises the legitimate role of Public Private Partnerships in financing infrastructure and will use them only where they provide demonstrable value for money to taxpayers. However, it will ensure actual delivery of essential services, particularly in human service areas – health, education, community services, emergency services and prisons – remain under public control.

Labor will:

- Structure tenders for Public Private Partnerships to ensure that the benefits of competition are realised in the interests of Victorian taxpayers;
- Ensure that industrial relations arrangements are appropriate and consistent with VIPP;
- Create publicly owned and operated infrastructure while opposing the further privatisation of essential public services, and
- Ensure that all Partnerships Victoria projects deliver quality infrastructure to all Victorians with higher standards of service and value for money for Victorian families.

Labor has enshrined the public ownership of water in the Victorian Constitution.


MAJOR INFRASTRUCTURE INVESTMENT

4.12 Labor will ensure transparent disclosure and accountability of delivery and financial arrangements for all major infrastructure projects.

The annual *Budget Information Paper* on the Government's public sector asset investment program reports progress on all asset investments with a total estimated value of \$240,000 or more across the public sector. Labor recognizes that availability of affordable housing is a key economic driver in regional cities and rural communities.

Labor will ensure that:

- The highest standards of transparency apply to all Partnerships Victoria projects, by publishing



project summaries that include contract summaries and value for money and public interest statements and requiring Auditor-General reviews of all major projects;

- Partnerships Victoria projects are undertaken only where they demonstrate real value for money to Victorian taxpayers, public control of assets is maintained, and
- The relation of “step in” rights should the public interest or standard of service delivery be at risk.

GROWING REGIONAL & RURAL ECONOMIES

Since 1999 population in regional Victoria has increased by more than 110,000 people. Victoria in Future projections released in early 2009 project that an additional 325,000 people will live in regional Victoria by 2026. Regional building approvals continue to grow strongly, with the value of building activity reaching \$3.77 billion in the 12 months to July 2009.

The regional unemployment rate has fallen to 5.5 per cent (in the quarter ending July 2009), a fall of 2.1 per cent less than the days of when the Coalition were in government.

- Labor will continue to ensure that population growth and economic opportunity is shared equitably between metropolitan and regional and rural Victoria

GROWING THE WHOLE STATE

4.13 Labor will work to create an economic climate that encourages investment and jobs growth to be shared across the whole of the State.

Labor believes in growing the whole state and ensuring that Regional and Rural Victoria shares in the success and prosperity of the Victorian economy. Labor is proud of its role in reversing the decline in regional Victoria.

Labor is making regional Victoria a leading choice for investors, facilitating more than \$11.26 billion in new investment in regional and rural Victoria since 1999. However, we recognise there is more to be done to secure sustainable, long-term economic growth for regional Victoria to overcome the challenges posed by long term drought and climate change.

Labor will assist local government, businesses and communities to market and promote regional and rural Victoria to Australia and the world and actively encourage decentralisation.

BUILDING OUR REGIONAL ECONOMIES

4.14 Labor will drive more jobs, investments and opportunities in regional Victoria and assist local communities to address new challenges and take advantage of new opportunities.

Labor has targeted new investment in regional industries with natural advantages, including food, manufacturing and earth resources and energy. Our focus has been to attract investment by making these industries stronger and more internationally competitive.

To boost investment and jobs in regional Victoria, Labor will:

- Build the capacity of local government and regional development bodies across Victoria to respond to investment opportunities and business needs;
- Support vital regional industries through industry support packages, to ensure food production, manufacturing, forest products, and resources and energy are more internationally competitive



and export focused.;

- Provide support for “buy locally” campaigns to encourage businesses and organisations to source and purchase products from their local communities;
- Improve the ability of regional firms to participate in government infrastructure investment through the industry capability network which will match local businesses with government projects;
- Increase export opportunities by funding “Regional Inward Buyer” missions and support export seminars for smaller businesses, and
- Take up opportunities for the decentralisation of State Government activities to boost public sector jobs in regional Victoria.

REGIONAL INFRASTRUCTURE

4.15 Labor will develop infrastructure in regional and rural Victoria with investment from public and private sources – including the Regional Infrastructure Development Fund.

The Regional Infrastructure Development Fund (RIDF) was the first piece of legislation enacted when Labor came to government. This \$611 million Government investment has contributed towards 264 capital works projects leveraging more than \$1.36 billion in new infrastructure investment. RIDF has made a major contribution to economic growth in regional Victoria, from small towns to large regional centres.

Labor will extend the RIDF and work with Councils and the private sector to attract new investment by providing critical infrastructure needs – with dedicated funds targeting small towns.

RURAL PROOFING JOBS POLICY

HELPING SMALL TOWNS

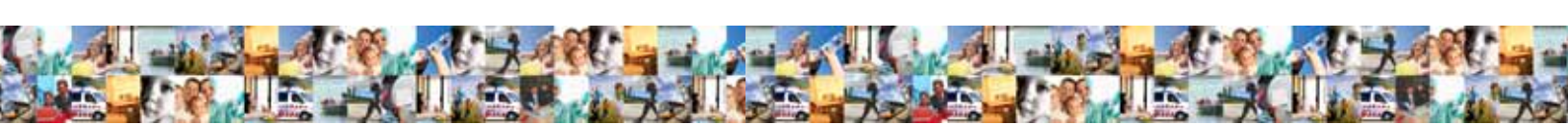
4.16 Labor will provide targeted assistance to small towns, rural communities and smaller regional cities facing major demographic and economic change to develop new strategies for future growth and a broadening of their economic base to create new jobs and opportunities.

Labor recognises the difficulty faced by small rural communities in sharing in the overall picture of regional growth – particularly where the local agricultural activities or traditional industries are experiencing change and prolonged drought.

A major theme in the Government’s two key strategies *Future Farming* and the *Blueprint for Regional Growth* are the challenges faced by small towns and rural communities.

To address these challenges, Labor will:

- Provide planning and social support to towns to develop new strategies for their future;
- Assist farmers to develop new products and markets to replace previous markets which have dried up or become uncompetitive;
- Recognise the long term impacts of climate change and the social consequences for towns in areas with serious long term reduction in rainfall, and
- Provide dedicated funds for small town development to implement new ideas.



FINANCIAL MANAGEMENT

AAA CREDIT RATING

4.17 Labor will ensure prudent management of net debt and liabilities.

Labor has a proud record of securing and maintaining a AAA credit rating for Victoria for the last decade from both Standard & Poor's and Moody's Investment Services.

Labor recognises that today's surplus finances tomorrow's infrastructure and has demonstrated the importance of investing at a level in step with the Government's capacity to service its debt.

Labor has maintained net debt at prudent levels and has restricted operating expenditure to finance the right investments in modernising schools, expanding our health system, building communities, securing our water supplies and improving our roads and railways.

OPERATING SURPLUS

4.18 Labor will maintain a substantial operating surplus.

A strong and secure financial base is an essential foundation for Victoria's long-term economic, social and environmental health. For this reason, Labor is committed to maintaining a budget operating surplus of at least \$100 million. Labor's proven responsible financial management will provide the basis for the fair allocation of resources among all Victorians.

PUBLIC SPENDING

4.19 Labor will closely manage expenditure to avoid waste and achieve improved services to Victorians.

Strong fiscal management is integral to Labor's economic performance.

Labor will:

- Tightly manage budgets with existing expenditure and new proposals assessed against relevant national benchmarks with benefits carefully evaluated;
- Deliver programs that demonstrate clear outcomes that meet community needs, and
- Ensure that new proposals fit within Labor's responsible fiscal framework including maintaining a budget surplus.

BUDGET INFORMATION

4.20 Labor will publish budgets that are clear, detailed, easy to understand and easy to compare year by year and readily available on the Internet.

State budgets should provide Victorians with clear information about how the State's money is being spent. Labor will produce budgets that:

- Allow straightforward reconciliation of estimates with budget outcomes;
- Allow measures and outcomes from each year to be compared easily;
- Contain transparent performance and output measures;
- Are written in plain English, and



- Allow readers to understand the application of different accounting systems to state finances.

Labor will publish regular budget updates and monitor public and private sector accounting trends for opportunities to make the presentation of the budget simpler and more informative.

TAXATION POLICY

COMPETITIVE TAXES & CHARGES

4.21 Labor will ensure that Victoria's taxes and charges are fair, efficient and competitive with other States.

Labor supports progressive forms of taxation that equitably tax individuals and businesses. Labor will ensure taxes and charges on Victorian businesses and households are both competitive and fair.

A sensible, broad-based and competitive tax base means jobs today and growth in the future.

Labor will work with the Commonwealth Government and other States to achieve genuine reform towards a simpler and more efficient tax mix providing Victorians with the best opportunity to grow the economy while maintaining security of revenue to provide services.

Labor will look at reform proposals and be guided by principles of efficiency, simplicity, equity, sustainability and transparency in developing taxation policy and give priority to:

- Reducing taxes that discourage business from growing and providing more jobs;
- Protecting tax base and reduce vertical fiscal imbalance that currently unduly favours the Commonwealth
- Further rebalance Victoria's taxation system to make it fairer, more efficient, more competitive and more environmentally responsive, and
- Reducing the compliance and paperwork burden on all households, businesses, and on small businesses in particular.

DISTRIBUTION OF THE GST

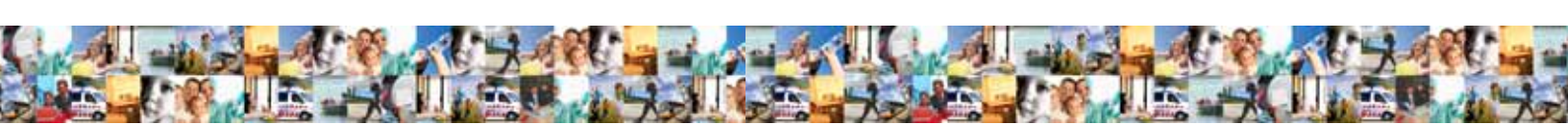
4.22 Labor will seek further reform of the current distribution of GST revenue to Victoria.

Labor supports the principle of equalisation and redistribution of GST to those states with a narrow economic base. However, states with a substantial financial capacity should, at the minimum, be able to stand on their own while supporting those states in need of assistance.

Labor will fight for a fairer share of tax. It will pursue equalisation and redistribution of GST so that calculations truly reflect contemporary rather than historic measures of capacity. For every \$1 Victoria raises in GST it receives only 93 cents back.

While Victorian Labor acknowledges the advances that have been made to this end under the Rudd Government, Victoria has, for more than 100 years, shouldered an enormous fiscal subsidy burden and remains a 'donor' state supporting others. This reduces Victoria's capacity to deliver services and invest in additional infrastructure. Victoria has been forced to "do more with less".

Labor will also support the principle that reform undertaken by the State to achieve greater taxation efficiency and competitiveness should be genuinely rewarded when it comes to the distribution of GST revenue.



TAXATION REFORM

4.23 Labor will pursue fair taxation reform that addresses the imbalance of spending and taxing responsibilities between the Commonwealth and the States.

The Commonwealth collects over 85 per cent of taxes and has access to the largest, broadest and fastest growing taxes. However, the States are responsible for delivering services such as education, health care, infrastructure, police and emergency services, and a range of other areas, which combine to form 43 per cent of government expenditure.

This revenue-expenditure gap results in confused accountability, blame shifting and inefficient churn of tax revenues between levels of government. It reduces the flexibility for States to respond to community needs, plan future investment and respond to shocks and crises.

This imbalance stands in the way of significant reform to State taxation. Labor is committed to pursuing reform, in conjunction with the Commonwealth that addresses the imbalance of spending and taxing responsibilities.

REGULATORY REFORM

4.24 Labor will further reduce red tape and regulation by repealing redundant legislation, reviewing regulations and reducing the number of regulators that business has to deal with

Since 2000, the number of regulators in Victoria has been cut by a third, the number of Acts cuts by 20% and the administrative burden of regulations on business cut by 15%. The Victorian Competition and Efficiency Commission (VCEC) was established as an independent body to undertake independent reviews of regulation and promote sweeping reforms.

Labor will build on these reforms with a target of cutting the regulatory burden from 2007 levels by 25% by 2012, generating an annual cost saving of over \$250 million.

PROMOTING TOURISM

TOURISM MARKETING

4.25 Labor will develop tourism through an aggressive approach to marketing and the staging of major events.

Tourism contributes more than \$15 billion to Victoria's economy. With effective support from government, it could generate an economic benefit of \$18 billion by 2016, employing 225,000 Victorians and accounting for 8% of Gross State Product.

To assist the industry in developing this potential.

Labor will:

- Aggressively market Melbourne and regional Victoria's natural attractions, heritage and cultural assets to ensure all Victorians get their fair share of tourism benefits;
- Strengthen strategic airline partnerships to build the tourism industry and create jobs, especially in regional Victoria, and
- Continue to deliver on the 10 Year Tourism and Major Events Strategy, with an innovative and directed approach to tourism opportunities.



MAJOR EVENTS

4.26 Labor will seek to broaden the range of major events in Victoria, ensuring a year round calendar of events with the staging of a mixture of sporting, cultural and regional events.

Victoria is the place to be for events in Australia and Melbourne is known as the Events Capital of Australia. Labor will allocate resources to increase the economic benefit of both major events and business events by increasing visitation, length of stay and yield.

Labor will focus on attracting more events to regional Victoria, recognising the enormous benefits they bring to regional Communities by building on the successes of events including the Rip Curl Pro, Jayco Herald Sun Tour and the Queenscliff Music Festival.

BUILDING JOBS THROUGH REGIONAL TOURISM

4.27 Labor will build regional tourism through an aggressive approach to marketing with a focus on key destinations and attractions.

Victoria has recorded strong growth in international visitation with 30% of all international visitors to Australia coming to our state. Tourism in regional Victoria has also grown and Labor is committed to growing it even further

Labor is committed to assisting regional communities to further develop their potential as tourism destinations, by building on the successful marketing initiatives undertaken by Regional Campaign Committees.

Labor will work with our regional tourism industry to create a strong foundation for industry growth, while supporting thousands of tourism businesses and job across regional Victoria.

Labor will invest in regional tourism campaigns for provincial Victoria, raise awareness of unique tourism experiences, enhance food and wine based tourism, and boost tourism skills and service standards.

BUSINESS TOURISM

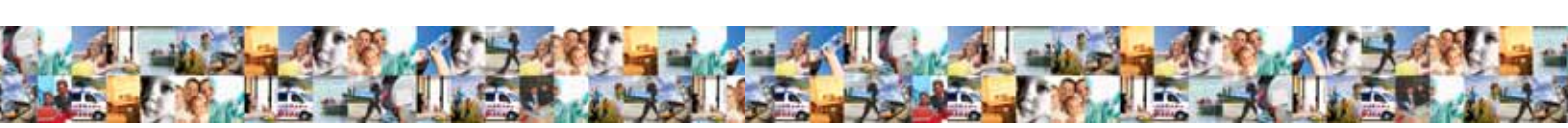
4.28 Labor will retain our reputation as of one of the world's top destinations for conventions, securing our future in the innovative business tourism market.

Labor has doubled funding to aggressively pursue more conferences for Victoria for the recently built Australia's most advanced fully integrated Convention Exhibition Centre.

The business tourism sector is worth \$1.2 billion annually to our state and generates 22,000 jobs. This achievement was pivotal to the growth of Victoria's business events sector. Labor will continue to promote Victoria and Victorian business capability.

Labor will:

- Attract international conventions and business events for the Melbourne Convention and Exhibition Centre, Australia's most advanced and only six star rated convention centre;
- Develop Melbourne and Victoria's reputation as a centre for innovation and the key centre for creative industries in Australia, and
- Remain committed to a strong future for this high - value added sector of our tourism and events industry, because international convention delegates spend more per day than any other visitor.



CLIMATE ACTION & THE ECONOMY

4.29 Labor will assist all sections of the community in the transition to a low carbon economy

Labor is committed to:

- Target industry assistance to low carbon supply chain industries to promote future economic growth and sustainable jobs;
- Secure new jobs and assist affected workers through targeted investments in re-training;
- Support the economic development of communities with a concentration of carbon-reliant industries in the transition to a low carbon economy;
- Use funds from any future national carbon trading scheme to assist households and avoid an unfair and regressive distribution of the costs of climate change;
- Make public investment in emerging technologies to lower emissions, and
- Assist the transition of high pollution industries to a low carbon economy, by advocating for an orderly transition and assisting high pollution industries to become more energy efficient and reduce emissions.

SUPPORT FOR FINANCIAL SERVICES

4.30 Labor will strongly support the financial services industry in Victoria to create jobs and generate investment in local industry and innovation.

Labor recognises that a healthy and vibrant financial services sector is essential to underpinning a strong economy that secures Victorian jobs.

The global economic recession was caused by a crisis across the financial sector that resulted in the failure of major global financial institutions and substantial job losses. By contrast, the Australian financial system has weathered the storm well and the Victorian financial sector is well positioned to benefit from the global economic recovery.

Labor is committed to protecting and enhancing the efficiency, integrity and transparency of the financial services industry. We will review the performance and operation of the industry in Victoria, including the impact of advanced technologies, and seek to work with the Federal government to further develop the industry and ensure that consumer interests are protected. Labor will refresh the financial industry strategy by undertaking broad consultation including business, union and consumer representatives.

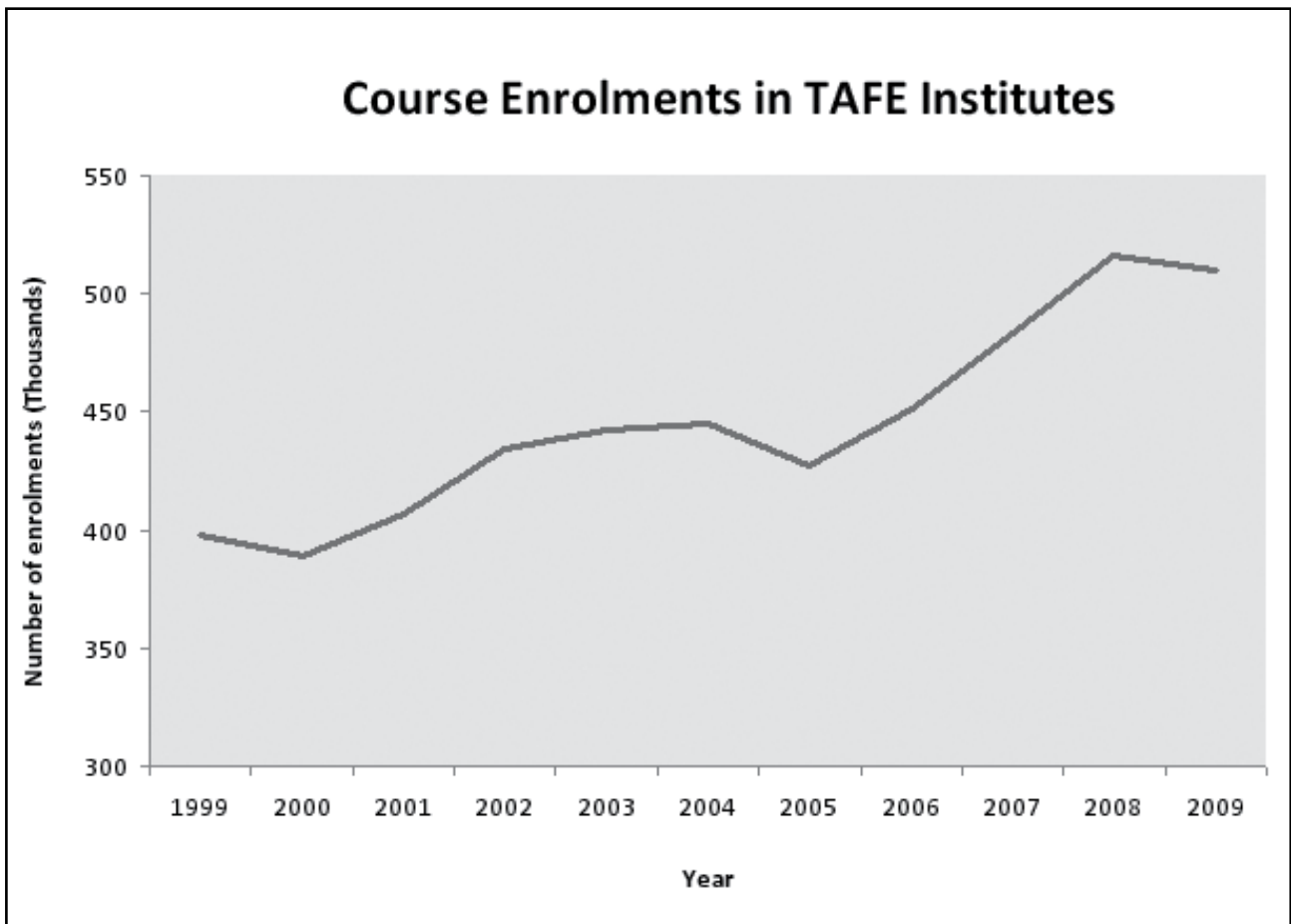
Labor is committed to developing the Victorian financial sector by:

- Building on our existing strengths as a recognised centre of excellence in funds management and insurance services;
- Promoting Victoria's liveability and competitive business environment to attract new financial services businesses to Victoria; and
- Continuing to invest in the skills and infrastructure needed to support a growing financial services sector.



INFORMATION, COMMUNICATIONS & TECHNOLOGY

4.31 Labor will ensure that Victoria's ICT service sector continues to grow and that the sector has the capacity to remain a major contributor to employment and GSP. Labor will work with stakeholders to continue to develop practical initiatives that focus on workforce development and work organisation, retention and tertiary education programs for the sector and continue a program of round tables.



Source: Skills Victoria Training System 2009