

DEPARTMENT OF INNOVATION, INDUSTRY AND REGIONAL DEVELOPMENT

Departmental mission statement

The Department of Innovation, Industry and Regional Development (DIIRD) is the Victorian Government's lead agency for economic and regional development. The Department develops and implements a diverse range of programs, initiatives and projects designed to attract and facilitate investment, encourage exports and industries, foster skills, stimulate innovation, and promote Victoria nationally and internationally.

Significant challenges facing the Department in the medium term

The global economic slowdown presents a significant challenge for DIIRD. Developing appropriate responses to maximise employment and investment opportunities through the current economic climate is a key imperative for the Department. There still remains however, a number of longer-term economic and environmental challenges that the Department, working with its stakeholders will need to address. These include an ageing workforce, international market and competitive pressures and social and technological change.

Major policy decisions and directions

The Department works closely with business, other government agencies and the community to deliver key elements of the *Growing Victoria Together* vision and to achieve the Government's major economic development goals of increased investment, exports and high quality jobs. The Department has lead responsibility for the implementation of major policy statements including 'Innovation: Victoria's Future' Innovation Statement, 'Building Our Industries for the Future' Victorian Industry Manufacturing Statement 'Securing Jobs For Your Future – Skills for Victoria' Skills Statement the '10 Year Tourism and Events Industry Strategy', 'Moving Forward' Provincial Victoria Statement, and 'Time to Thrive: Supporting the changing face of Victorian small businesses' Small Business Statement contributes to the implementation of many other significant policy statements.

Ministerial portfolios

The Department supports the ministerial portfolios of Industry and Trade, Information and Communication Technology, Industrial Relations, Regional and Rural Development, Skills and Workforce Participation, Tourism and Major Events, Financial Services, Small Business, Major Projects and Innovation.

Changes to the output structure

The Department's 2009-10 output structure has changed due to machinery of government changes outlined in the table below.

2009-10 Outputs	Reason	2008-09 Outputs
Major Projects	Machinery of government	Transferred from Department of Transport

On 30 April 2008 new administrative arrangements came into effect through the *Administrative Arrangements Order No. 199 of 2008*. As part of this, Major Projects Victoria was transferred to the Department of Innovation, Industry and Regional Development. Due to the timing of the change, this machinery of government change was not reflected in the 2008-09 Budget Papers. The transfer of Major Projects has now been incorporated into the output structure.

Discontinued performance measures are detailed in Appendix C of this budget paper.

The following table summarises the total output cost. It has been prepared on the basis of the Department's 2009-10 output structure and therefore allocations may differ from the Department's previously published budget.

Table 3.3: Output summary

	(\$ million)			
	2008-09 Budget ^(a)	2008-09 Revised ^(a)	2009-10 Budget	Variation ^(b) %
Industries and Innovation ^(c)	226.1	214.0	312.4	38.2
Investment and Trade ^(d)	79.4	90.7	90.2	13.6
Regional Development ^(e)	90.1	102.0	154.1	71.0
Skills and Workforce ^(f)	1 690.1	1 830.1	1 864.8	10.3
Marketing Victoria ^(g)	79.4	86.1	75.2	-5.3
Major Projects ^(h)	10.4	25.9	9.3	-10.6
Total	2 175.5	2 348.8	2 506.0	15.2

Source: Department of Innovation, Industry and Regional Development

Notes:

- (a) Both the 2008-09 Budget and 2008-09 Revised columns reflect the 2009-10 Output structure, adjusted on a comparative basis for machinery of government changes and other output structure changes. As such, they incorporate changes made to the Department's output structure in 2009-10, restated for comparative purposes, and will differ from Budget Paper No. 4, Chapter 3, Departmental Financial Statements.
- (b) Variation between 2008-09 Budget and 2009-10 Budget.
- (c) Variance between the 2008-09 to 2009-10 Target is the difference in the annual funding for the Victorian Innovation Strategy initiatives, additional funding provided for the 'Skills for Growth Small Business' initiatives and additional funding provided for the Industry Transition Fund.
- (d) Variance between the 2008-09 Budget and 2009-10 Target is due to additional funding provided for the Building our Industries initiatives, the new Commissioners in Victorian Government Business Offices, the Rail Management Taskforce, as well as the impact of the estimated carryover of funding from 2008-09 to 2009-10.
- (e) Variance between the 2008-09 Budget and 2009-10 Target is the difference in the annual funding under the Regional Infrastructure Development Fund, the Provincial Victoria Growth fund and the additional funding for Victorian Transport Plan initiatives, the Industry Transition Fund and the transfer of funding from capital for the Geelong Future Cities Master Plan.
- (f) Variance between the 2008-09 Budget and 2009-10 Target reflects additional funding under the Skills Reform Package, Purchased Places, Fee Waivers for Job Seekers, Skills to Transition Program, New Workforce Partnerships and additional fee for service revenue for TAFE.
- (g) Variance between the 2008-09 Budget and 2009-10 Target reflects the transfer for major events funding to the Department of Planning and Community Development, which is partly offset by additional funding for Bushfire Recovery.
- (h) Variance between the 2008-09 to 2009-10 Target reflects the inclusion of an estimated carryover included in 2008-09 Target.

The following section provides details of the outputs to be provided to Government, including performance measures and costs for each output. Total expenditure for departments can be found in Budget Paper No. 4, Chapter 3, *Departmental Financial Statements*.

Industries and Innovation

Industries and Innovation outputs drive sustainable and enduring economic growth in industries across Victoria through programs and initiatives that support research, innovation and commercialisation and a thriving small business sector.

These outputs make a significant contribution to the following key government outcomes:

- more quality jobs and thriving, innovative industries across Victoria;
- growing and linking all of Victoria;
- high quality education and training for lifelong learning; and
- a fairer society that reduces disadvantage and respects diversity.

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
---	--------------------	-------------------	--------------------------------	-------------------	-------------------

Sector Development

Facilitates the growth and sustainability of Victorian industries through specialised sector engagement.

Quantity

Additional employment from production supported by Film Victoria ^(a)	number of FTE	2 340	2 340	2 340	6 147
Companies assisted in the financial services sector	number	40	40	40	41
Value of film, television and new media production supported by Film Victoria production ^(a)	\$ million	78	78	78	204.9

Quality

Percentage of companies that intend to implement new best practice tools and methodologies as a result of participating in the Innovation Insights program ^(b)	per cent	90	nm	nm	nm
---	----------	----	----	----	----

Cost

Total output cost ^(c)	\$ million	66.3	39.7	33.1	32.8
----------------------------------	------------	------	------	------	------

Small Business

Provides business information and advisory and referral services that contribute to the growth and development of small and medium sized enterprises across Victoria.

Quantity

Agencies participating in World Class Service initiative ^(d)	number	200	140	140	120
Business interactions (call, web, in person) ^(d)	number	260 000	220 000	180 000	200 539
Registration for online services ^(d)	number	60 000	50 000	50 000	28 181

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
Skills for Growth – businesses assisted ^(e)	number	1 500	nm	nm	nm
Skills for Growth – training placements ^(e)	number	15 000	nm	nm	nm
<i>Quality</i>					
Client satisfaction of small business information, referral, mentoring service and business programs ^(f)	per cent	90	90	90	89
Victorian Small Business Commissioner – client satisfaction with mediation service	per cent	80	80	80	81
Victorian Small Business Commissioner – proportion of business disputes successfully mediated by the Commissioner ^(g)	per cent	75	79	60	81
<i>Cost</i>					
Total output cost ^(h)	\$ million	40.5	28.1	24.1	27.8

Innovation

Facilitates and supports innovation through access to information and building capacity to make effective use of new practices and technologies.

<i>Quantity</i>					
Average monthly number of visits to Victoria Online ⁽ⁱ⁾	number	150 000	nm	nm	nm
Design Sector Initiative: Business immersions completed ⁽ⁱ⁾	number	6	nm	nm	nm
Design Sector Initiative: People participating in lectures, seminars and workshops ^(k)	number	4 000	4 000	2 400	2 418
Information Victoria public contact per contact officer per day	number	41	41	41	38
<i>Quality</i>					
Customer satisfaction with information services from Information Victoria ^(l)	per cent	90	nm	nm	nm
<i>Timeliness</i>					
Timely provision of public information	per cent	95	95	95	95
<i>Cost</i>					
Total output cost ^(m)	\$ million	20.2	33.1	39.1	80.9

Major Outputs/Deliverables Performance Measures	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
Science and Technology					
Facilitates growth and sustainability of Victoria's science and technology sector through the development and advanced use of new, emerging and transformative technologies.					
<i>Quantity</i>					
Biotechnology projects and programs underway ⁽ⁿ⁾	number	15	13	11	nm
ICT projects and programs underway ^(o)	number	40	27	27	27
New contracts established for the Technology Commercialisation program ^(p)	number	4	nm	nm	nm
Operational Infrastructure Support grants under management	number	13	13	13	nm
Science projects and programs underway ^(q)	number	7	nm	nm	nm
Small/medium enterprise (SME) research and development feasibility studies or contracts underway ^(r)	number	4	nm	nm	nm
<i>Quality</i>					
Percentage of funded science projects that are industry led or contain an industry partner as a founding consortium member ^(q)	per cent	60	nm	nm	nm
<i>Cost</i>					
Total output cost ^(s)	\$ million	177.4	105.9	124.7	132.0

Strategic Policy

Provides research, analysis and advice on issues of strategic importance to Victoria's economic development as well as ministerial and government services.

<i>Quantity</i>					
ICT policy reviews underway	number	3	3	3	2
Number of major research and evaluation projects completed ^(t)	number	12	12	12	8
<i>Quality</i>					
Service provision rating ^(u)	per cent	80	80	80	87
<i>Cost</i>					
Total output cost ^(v)	\$ million	8.0	7.2	5.1	6.9

Source: Department of Innovation, Industry and Regional Development

Notes:

- (a) The 2007-08 Actual reflects the large scale productions of 'The Pacific' and 'Knowing' commenced in the second and third quarters of 2007-08.
- (b) New measure to replace the Companies participating in the Innovation Insights Visits Program.

Notes (continued):

- (c) *Variance between the 2008-09 to 2009-10 Target reflects additional funding received for the Industry Transition Fund and estimated carryover of funding.*
- (d) *Increase in 2009-10 Target is consistent with phasing and the implementation plan.*
- (e) *Part of the Skills Reform package, 'Skills for Growth' is a new program administered by Small Business and Skills Victoria.*
- (f) *The 2009-10 performance measure is the same as the 2008-09 measure except for the deletion of the word 'or', and the inclusion of the words 'and business programs'. The inclusion of these words has no material impact on the meaning or methodology of this measure.*
- (g) *Increase in target reflects the increase in demand for dispute resolution.*
- (h) *Variance between the 2008-09 and 2009-10 Target reflects additional funding received under the Skills for Growth for Small Business initiatives.*
- (i) *New performance measure to replace the 2008-09 measure Victoria Online-Increase in usage. The new measure is consistent with measures relating to websites and is indicative of the services provided.*
- (j) *New, more meaningful measure to replace the 'Design Sector Initiative: Case studies completed'.*
- (k) *Increase in target reflects the increase in demand and consolidation of the discontinued measure Design Sector Initiative: Lectures, seminars and workshops held.*
- (l) *This new performance measure replaces the discontinued measure 'Develop information resource products, standards and guidelines in response to identified government requirements'. This improved measure serves to guide continuous improvement of the services provided.*
- (m) *Variance between the 2008-09 and 2009-10 Target reflects the transfer of some 'ICT Victorian Innovation Strategy' initiatives to the 'Science and Technology' output.*
- (n) *Increase in target reflects the additional programs to be undertaken as a result of the 'Biotech Bridges initiative under Innovation: Victoria's Future'.*
- (o) *Increase in target reflects additional projects to be undertaken as a result of the 'Technology: ICT Capability' initiative under 'Innovation: Victoria's Future' and integration of the of the discontinued measure Development of whole of government information and service access strategic directions relating to improvements in service performance and greater public participation.*
- (p) *This new performance measure provides information on the Technology Commercialisation program under 'Innovation: Victoria's Future'.*
- (q) *This new performance measure provides information on the Victorian Science Agenda (VSA) initiative under 'Innovation: Victoria's Future'.*
- (r) *This new performance measure provides information on the Boosting Highly Innovative SME's initiative under 'Innovation: Victoria's Future'.*
- (s) *Variance between the 2008-09 to 2009-10 Target reflects variation in annual funding for the Victorian Innovation Statement initiatives, and the transfer of some ICT initiatives from the Innovation output.*
- (t) *The 2008-09 increase in target reflects the additional evaluation activity that was to be undertaken.*
- (u) *The 2007-08 Actual reflects the satisfaction level of policy advice provided to Ministers.*
- (v) *Variance between the 2008-09 to 2009-10 Target reflects the establishment of a new division (Economic Infrastructure).*

Investment and Trade

Investment and Trade outputs position Victoria as a world class investment location and optimise trade opportunities through investment attraction and facilitation services and export development initiatives and assistance.

These outputs make a significant contribution to the following key government outcomes:

- more quality jobs and thriving, innovative industries across Victoria; and
- growing and linking all of Victoria.

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
---	--------------------	-------------------	--------------------------------	-------------------	-------------------

Investment Attraction and Facilitation

Provides investment and facilitation services to attract new international investment and encourage additional investment by companies already operating in Victoria.

<i>Quantity</i>					
ICT Investment projects under development	number	25	25	25	26
Investment projects under development ^(a)	number	250	290	250	270
Jobs derived from investments facilitated ^(b)	number	5 000	2 800	5 000	8 212
New investments facilitated ^(c)	\$ million	1 600	2 500	1 600	3 254
New investments facilitated in financial/shared services ^(d)	number	5	2	5	6
<i>Cost</i>					
Total output cost ^(e)	\$ million	71.8	79.9	67.8	36

Exports

Promotes and facilitates export opportunities for Victorian businesses particularly small and medium sized enterprises.

<i>Quantity</i>					
Companies provided with export assistance ^(f)	number	4 050	3 250	3 250	3 481
Exports facilitated and imports replaced ^(g)	\$ million	739	620	739	2150
ICT companies provided with export promotion ^(h)	number	200	200	200	224
ICT Trade Fairs and Missions supported ⁽ⁱ⁾	number	6	5	6	7
Trade fairs and missions supported	number	29	29	29	38

Major Outputs/Deliverables Performance Measures	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
<i>Quality</i>					
Client satisfaction with export assistance offered	per cent	80	80	80	85
<i>Cost</i>					
Total output cost ⁽ⁱ⁾	\$ million	18.4	10.8	11.6	10.3

Source: Department of Innovation, Industry and Regional Development

Notes:

- (a) The 2008-09 Expected Outcome captures both confirmed and potential projects.
- (b) The 2008-09 Expected Outcome is due to the effects of the economic downturn. The 2007-08 Actual reflects long lead times associated with some projects, and the volatility in the investment attraction and facilitation market.
- (c) The 2008-09 Expected Outcome is due to the amortisation of certain large investment projects. The 2007-08 Actual reflects long lead times associated with some projects, and the volatility in the investment attraction and facilitation market.
- (d) This measure has been transferred from the Sector Development output. The 2008-09 Expected Outcome is due to the Global Financial Crisis and the effects of the economic downturn.
- (e) Variance between the 2008-09 to 2009-10 Target reflects additional funding for the new Commissioners in Victorian Government Business Offices, the Rail Management Taskforce and carryover of funding into 2009-10.
- (f) The 2009-10 Target has been increased to reflect consolidation of the discontinued performance measure 'Number of firms participating in individual export specific programs'.
- (g) The 2008-09 Expected Outcome is due to the effects of the economic downturn. The 2007-08 Actual encompasses a broader range of export programs that are being undertaken and reflects improved data collection methods.
- (h) The 2007-08 Actual reflects the expansion of the Program during the year to meet increased demand.
- (i) The 2008-09 Expected Outcome is based on target less one planned Information and Communication Technology (ICT) mission, which was cancelled due to the terrorist attacks in Mumbai, India.
- (j) Variance between the 2008-09 and 2009-10 Target reflects variation in annual funding for the World Expo Shanghai, transfer of part funding of the Victorian Government Business Office Network from the Investment Attraction and Facilitation output and carryover of funding into 2009-10.

Regional Development

Regional Development outputs support the sustained economic and industry development of provincial Victoria. Regional Development Victoria (RDV) takes a leading role in the delivery of these outputs.

These outputs make a significant contribution to the following key government outcomes:

- more quality jobs and thriving, innovative industries across Victoria;
- growing and linking all of Victoria; and
- building friendly, confident and safe communities.

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
---	--------------------	-------------------	--------------------------------	-------------------	-------------------

Regional Infrastructure Development

Supports infrastructure development in regional Victoria.

<i>Quantity</i>					
RIDF projects funded (excluding Small Towns Development Fund) ^(a)	number	20	42	15	55
Small Towns Development Fund projects funded	number	60	60	60	73
<i>Quality</i>					
RIDF Committee recommendations accepted by ministers	per cent	90	90	90	100
<i>Timeliness</i>					
Advice to RIDF applicants – after receipt of applications	days	90	90	90	90
<i>Cost</i>					
Total output cost ^(b)	\$ million	84.6	51.2	41.4	53.8

Regional Economic Development, Investment and Promotion

Facilitates economic growth and revitalisation of regional cities and towns.

<i>Quantity</i>					
Companies in regional Victoria provided with assistance for growth opportunities	number	160	160	160	166
Jobs created in regional Victoria ^(c)	number	1 000	1 200	1 000	2 766
New exports facilitated in regional Victoria	\$ million	150	150	150	699
New investment facilitated in regional Victoria ^(d)	\$ million	750	1 045	750	750
Projects to support councils plan for growth and change ^(e)	number	20	25	25	32
Projects to support growth in Victorian food industry	number	25	25	25	nm

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
Provincial Economic Partnerships – projects supported ^(f)	number	15	25	25	43
Provincial events held with RDV support	number	55	55	55	68
<i>Quality</i>					
Participant satisfaction with Provincial leadership programs ^(g)	per cent	75	nm	nm	nm
<i>Cost</i>					
Total output cost ^(h)	\$ million	69.5	50.8	48.7	44.2

Source: Department of Innovation, Industry and Regional Development

Notes:

- (a) Increase in target reflects an increase in funding provided for 2009-10. The 2008-09 Expected Outcome and the 2007-08 Actual reflects a large number of smaller projects approved under the Local Roads to Markets Program.
- (b) Variance between the 2008-09 to 2009-10 Target reflects variation in annual funding under the Regional Infrastructure Development Fund, additional funding for the Victorian Transport Plan initiatives and the transfer of funding from capital for the Geelong Future Cities Master Plan.
- (c) The 2008-09 Expected Outcome and 2007-08 Actual includes a small number of large projects.
- (d) The 2008-09 Estimated Outcome includes a small number of large projects.
- (e) Decrease in target reflects planned reduction in funding provided for the Planning for Growth and Planning for Change programs.
- (f) Decrease in target reflects planned reduction in funding provided for the Provincial Economic Partnerships.
- (g) New, more relevant measure replacing the Delivery of Leadership Programs in Provincial Victoria.
- (h) Variance between the 2008-09 and 2009-10 Target relates to variation in annual funding under the Provincial Victoria Growth Fund and additional funding for the Industry Transition Fund.

Skills and Workforce

Skills and Workforce outputs respond to the labour and skills needs of industry through the planning and purchasing of vocational education and training services and the provision of targeted employment initiatives and facilitate cooperative, flexible and productive workplaces.

These outputs make a significant contribution to the following key government outcomes:

- more quality jobs and thriving, innovative industries across Victoria;
- growing and linking all of Victoria;
- high quality education and training for lifelong learning; and
- a fairer society that reduces disadvantage and respects diversity.

Major Outputs/Deliverables Performance Measures	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
--	--------------------	-------------------	--------------------------------	-------------------	-------------------

Skills

Provides planning and purchasing of vocational education and training services from TAFE institutions and private registered training organisations and builds the capability and competitiveness of the vocational education and training system in Victoria to ensure and enhance the quality of services.

Quantity

Annual government funded module enrolments ^(a)	number (million)	2.56	2.61	2.3	2.48
Audit of contract compliance by registered training organisations and other State Training Systems organisations	number	175	175	175	176
Government funded student contact hours of training and further education provided ^(a)	number (million)	80	86.9	78.5	82.7
Number of apprenticeship/traineeship commencements by new employees ^(b)	number	56 000	50 000	56 000	57 991
Number of apprenticeships/trainees completion who qualify for the completion bonus ^(c)	number	14 000	14 000	15 000	16 057
Number of government funded course enrolments in Skills Deepening qualifications ^(d)	number	55 800	nm	nm	nm
Number of individuals assisted through <i>Skill Up</i> ^(e)	number	1 000	5 000	1 000	2 374
Quality					
Participation rate of 15-24 year olds in training and further education in Victoria: all Victoria ^(f)	per cent	25.1	nm	nm	nm

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
Participation rate of 25-64 year olds in training and further education in Victoria: all Victoria ^(g)	per cent	9.2	nm	nm	nm
Percentage of VET graduates who rate quality of training as four or more out of five ^(h)	per cent	88	88.1	87	88.9
Successful training completions as measured by module load pass rate	per cent	77.5	77.8	77.5	76.8
VET graduates in employment six months following graduation ⁽ⁱ⁾	per cent	81	81.8	81	81.6
<i>Cost</i>					
Total output cost ^{(j)(k)}	\$ million	1 829.1	1 796.7 ^(l)	1 659.9	1 608

Industrial Relations

Advocates for and delivers programs aimed at establishing fair, cooperative and dynamic work environments in Victoria in private and public organisations.

Quantity

Respond to general workplace enquiries	number	15 000	14 500	15 000	17 596
--	--------	--------	--------	--------	--------

Quality

Client satisfaction with services provided to facilitate innovative and high performing workplaces and major investment projects ^(m)	per cent	90	90	90	90
Client satisfaction with the programs and activities delivered under the Working Families agenda ⁽ⁿ⁾	per cent	90	90	80	90
Victoria represented in major industrial relations cases and inquiries in accordance with Government policy	per cent	100	100	100	100

Cost

Total output cost ^(o)	\$ million	8.6	11.8	11.7	12.1
----------------------------------	------------	-----	------	------	------

Workforce Participation

Provides programs that respond to labour and skills needs of industry which link disadvantaged job seekers with jobs and utilise skilled migration to meet Victoria's skills requirements.

Quantity

Global Skills for Victoria – average number of visits per month to the Live in Victoria website ^(p)	number	60 000-65 00	60 000-70 000	60 000-70 00	69 399
		0		0	

Major Outputs/Deliverables Performance Measures	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
Government Youth Employment Scheme – apprenticeships and traineeships commenced ^(a)	number	450-550	450-550	450-550	682
New Workforce Partnerships – jobseekers who achieve sustainable employment outcomes (minimum of 16 weeks) ^(b)	number	550-650	0	350-450	nm
Number of people assisted by Returning to Earning Program	number	2 500-3 500	2 500- 3 500	2 500-3 500	2 950
<i>Quality</i>					
Client satisfaction with targeted employment initiatives	per cent	80	80	80	nm
Global Skills for Victoria – client satisfaction with services provided	per cent	85	85	85	90
<i>Timeliness</i>					
Global Skills for Victoria – average processing time for state sponsorship applications	working days	25-30	25-30	25-30	23
<i>Cost</i>					
Total output cost ^(s)	\$ million	27.1	21.6	18.5	26.3

Source: Department of Innovation, Industry and Regional Development

Notes:

- (a) Increase in target is based on an estimated increase in modules due to the release of the Skills Statement 'Securing Jobs for your Future'.
- (b) Increase in target is based on an estimated increase in student contact hours of training due to the release of the Skills Statement 'Securing Jobs for your Future'. The 2008-09 Expected Outcome is due to the impact of the economic downturn which has resulted in a decrease in the number of apprentice/trainee commencements.
- (c) Decrease in target and the 2008-09 Expected Outcome reflects the softening of the labour market and the impact on apprentices/trainees completions.
- (d) New measure reflects the impact of skills reform including demand driven funding and the new Skills for Growth program.
- (e) The 2008-09 Expected Outcome is based on a change in definition which is now broader. Expectations are that the final outcome for the year will be higher than expected.
- (f) New measure replaces the Government funded student contact hours of training and further education provided to 15-19 year olds and participation rate of 15-19 year olds in training and further education in Victoria: all Victoria.
- (g) New measure replaces the Persons aged 15-64 participating in TAFE programs as proportion of population.
- (h) Change in terminology, the word 'TAFE' has been replaced with 'VET' to reflect overall program and targets. This measures the same activity as the performance measure in 2008-09.
- (i) Change in terminology, the word 'TAFE' has been replaced with 'VET' to reflect overall program and targets. This measures the same activity as the performance measure in 2008-09, however more accurately represents what the indicator measures.
- (j) \$14.4 million of the outputs for that part of Skills Reform package relating to the Skills for Growth program, which is administered by Small Business and Skills Victoria, are listed under Small Business (Businesses Assisted and Training Placements measures).

Notes (continued):

- (k) Variance between the 2008-09 and 2009-10 Target reflects additional funding under Skills Reform Package, Purchased Places, Fee Waivers for the Job Seekers, Skills to Transition Program, and additional fee for service revenue for TAFE.*
- (l) The variance between the 2008-09 Target and the 2008-09 Expected Outcome relates to additional funding for the Skills Reform initiative, as well as additional funding for income contingent loans as well as a difference in estimated and actual carryover and additional TAFE fee for service revenue.*
- (m) The 2009-10 performance measure is the same as the 2008-09 measure except for the replacement of the words 'activities designed to facilitate high performing and innovative workplaces and with investment facilitations services' with 'services provided to facilitate innovative and high performing workplaces and major investment projects. This measures the same activity as the performance measure in 2008-09, however more accurately represents what the indicator measures.*
- (n) The 2009-10 performance measure is the same as the 2008-09 measure except for the replacement of the words 'activities arising from' with 'programs and activities delivered under'. This measures the same activity as the performance measure in 2008-09, however more accurately represents what the indicator measures.*
- (o) Variance between the 2008-09 and 2009-10 Target relates to the cessation of funding for the Victorian Workplace Rights Advocate.*
- (p) The 2009-10 performance measure is the same as the 2008-09 measure except for the removal of the word 'unique'. The methodology (Google Analytics) is a standard use across Victorian Government websites, and provides a more reliable basis for measuring website success. The new measure is the monthly average, of the annual number of visits to the website as at the end of quarter 4. This annual figure will address seasonal variations. The reduced target reflects the uncertain impact of the global economic conditions on migration intentions.*
- (q) The 2007-08 Actual reflects the lag time in reporting of apprenticeship and traineeship outcomes.*
- (r) The Expected Outcome reflects the lag time in reporting of outcomes. New Workforce Partnerships has 29 projects now in place that will deliver the target outcomes during 2009-10 rather than the original 2008-09 period. These projects are contracted to realise job placements before November 2009, leading to the achievement of the original overall target of 350-450 16-week employment outcomes during 2009-10. The 2009-10 Target has also been increased by 200 to reflect new funding.*
- (s) Variance between the 2008-09 to 2009-10 Target relates mainly to the additional funding for New Workforce Partnerships and carryover of funding into 2009-10.*

Marketing Victoria

Marketing Victoria outputs promote Victoria both nationally and internationally as a great place to live, work, invest, visit and learn by positioning Victoria as a distinct, competitive and fair business environment, exporter and tourist destination.

These outputs make a significant contribution to the following key government outcomes:

- more quality jobs and thriving, innovative industries across Victoria; and
- growing and linking all of Victoria.

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
Tourism					
Facilitates employment and longer term economic benefits of tourism to Victoria by developing and marketing the state as a competitive tourist destination for both domestic and international tourists.					
<i>Quantity</i>					
Investment projects facilitated	\$ million	250-300	250-300	250-300	301
Number of visitors (international) ^(a)	number (million)	1.4-1.6	1.4	1.5-1.8	1.5
Visitor expenditure (domestic)	\$ billion	12-13	12.3	12-13	12.1
Visitor expenditure (international) ^(b)	\$ billion	3.0-3.5	3.2	3.2-3.6	3.2
Visitor expenditure in regional Victoria (domestic)	billion	5.8-6.3	6	5.8-6.3	6
Visitor expenditure in regional Victoria (international)	million	230-280	257	230-280	260
Visitvictoria.com annual visits to site ^(c)	number (‘000)	6 500	6 000- 6 500	5 400	5 166
<i>Quality</i>					
Victoria's share of domestic tourism advertising awareness among target markets: intrastate ^(d)	per cent	16-21	nm	nm	nm
Victoria's share of domestic tourism advertising awareness among target markets: interstate ^(d)	per cent	21-26	nm	nm	nm
Value of media coverage generated: Domestic ^(e)	\$ million	20-30	20-30	20-25	24.4
Value of media coverage generated: International	\$ million	80-120	80-120	80-120	104.4
<i>Cost</i>					
Total output cost ^(f)	\$ million	75.2	86.1	79.4	79.8

Source: Department of Innovation, Industry and Regional Development

Notes:

(a) Decline in target. Inbound tourism arrivals are expected to decline in 2009 due to the Global Financial Crisis. This is based on the latest data from the Tourism Forecasting Council (December 2008).

Notes (continued):

- (b) Decline in target. Inbound tourism and expenditure is expected to decline in 2009 due to the Global Financial Crisis.*
- (c) Increase in target reflects the change in methodology used to measure the number of visits to site (i.e. Google Analytics).*
- (d) The new measure reflects the target market awareness of domestic tourism advertising as well as measures performance directly against competitor states.*
- (e) Increase in target reflects the expected media coverage to be achieved in 2009-10. This is mainly a slight re-focus from international market to domestic market due to the current global economic environment.*
- (f) Variance between the 2008-09 to 2009-10 Target reflects the transfer of funding for major events funding to the Department of Planning and Community Development, partly offset by additional funding for the Bushfire Recovery.*

Major Projects

Infrastructure investment ensures that future generations of Victorians enjoy high levels of improved services, stronger economic growth and increased job opportunities.

This output makes a significant contribution to the following key government outcomes:

- more quality jobs and thriving, innovative industries across Victoria; and
- growing and linking all of Victoria.

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
Major Projects					
Management and delivery of nominated public construction and land development projects, the coordination of development projects and associated feasibility studies.					
<i>Quality</i>					
Delivery of nominated Major Projects Victoria projects complies with agreed plans	per cent	100	100	100	100
<i>Timeliness</i>					
Melbourne Rectangular stadium – completed ^(a)	date	qtr4	nm	nm	nm
Princess Pier: commence reinstatement of deckworks ^(b)	date	qtr 3	0	qtr 1	nm
<i>Cost</i>					
Total output cost ^{(c)(d)}	\$ million	9.3	25.9	10.4	na

Source: Department of Innovation, Industry and Regional Development

Notes:

- (a) New performance measure to reflect new project.
- (b) Target not met. When the existing timber beams were exposed, their re-use was not viable preventing planned works proceeding.
- (c) Major Projects Victoria transferred from the Department of Infrastructure (now Department of Transport) under machinery of government changes. 2007-08 Actual is not reported for DIIRD.
- (d) Variance between the 2008-09 and 2009-10 Target reflects the estimated carryover included in the 2008-09 target.