



# JOINT PRESS RELEASE

**THE HON. TONY ABBOTT MP, PRIME MINISTER  
THE HON. IAN MACFARLANE MP, MINISTER FOR INDUSTRY**

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## **\$155 MILLION FUND TO GROW THE JOBS OF TOMORROW**

The Commonwealth Government will establish a \$155 million Growth Fund to generate the jobs of the future for employees and supply-chain businesses in Victoria and South Australia affected by the closure of local automotive manufacturing operations.

We are committed to doing what we can to ensure that these employees move from one good job to a better job when they leave those companies.

The Growth Fund is part of the Commonwealth Government's National Industry Investment and Competitiveness Agenda.

The Growth Fund includes:

- a \$30 million Skills and Training Programme to assist automotive employees to have their skills recognised and provide training for new jobs, while they are still employed;
- a \$15 million boost to the Automotive Industry Structural Adjustment Programme to provide careers advice and assist automotive employees to secure new jobs;
- a \$20 million Automotive Diversification Programme to assist automotive supply chain firms capable of diversifying to enter new markets;
- a \$60 million Next Generation Manufacturing Investment Programme to accelerate private sector investment in high value non-automotive manufacturing sectors in Victoria and South Australia; and
- a \$30 million Regional Infrastructure Programme to support investment in non-manufacturing opportunities in affected regions.

The Commonwealth Government will also continue to make significant infrastructure investments in Victoria and South Australia to deliver the roads of the 21<sup>st</sup> century that will lift productivity, boost competitiveness and drive economic growth. For instance, the Government has already committed to funding for the full East West Link project in Victoria, and the North-South Road corridor in Adelaide.

We are moving quickly to deliver assistance for affected employees and businesses and putting in place a long term national plan for change and growth.

The National Industry Investment and Competitiveness Agenda, to be released later this year, will focus on initiatives to promote national competitiveness and productivity including:

- Economy-wide measures to boost the competitiveness of Australian manufacturing and lower the costs of doing business, such as options to reduce the costs of energy and regulation on Australian businesses;
- Options to encourage innovation, including employee share schemes, support for research and development and commercialising good ideas;
- Options to accelerate the development of productivity enhancing infrastructure;
- Options to encourage the growth of small to medium businesses; and
- Economy-wide incentive mechanisms to boost investment in Australia.

The Government has been working with the industry, including components makers, local communities, workers and the Victorian and South Australian State Governments to deliver a strategic and long-term response to guide Australia into a new and strong era of manufacturing.

The reviews of the South Australian and Victorian economies found significant growth can be expected in sectors like advanced manufacturing, food and agriculture, health and biomedical, mining services, tourism and education and the Growth Fund will help local economies take up these opportunities.

The Growth Fund has increased from the \$100 million announced in December. The Commonwealth Government has increased its contribution from \$60 million to \$100 million with the remainder provided by the state government and company contributions.

We are committed to building a strong manufacturing industry in Australia that realises the significant opportunities to expand into new markets and create new jobs in areas where Australia has competitive strengths.

30 April 2014