

Media Release

Mr Tim Pallas MP

Treasurer

Minister for Economic Development

Minister for Industrial Relations



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BOOST FOR INNOVATION AND OUR ECONOMY WITH R&D

The Andrews Labor Government is giving Victoria's thriving small to medium enterprises (SMEs) a boost with new Research and Development Cash Flow Loans to support our state's best and brightest innovations.

Minister for Economic Development Tim Pallas today announced that the R&D Cash Flow Loans initiative is now open and has encouraged eligible Victorian SMEs to submit an application.

The initiative will help Victorian SMEs to continue to develop new products, services and technologies vital to the State's future economy.

Victorian startups and SMEs face unique challenges in accessing affordable finance, which has been exacerbated by the coronavirus pandemic.

Administered by Invest Victoria, the R&D Cash Flow Loans will help to address these challenges by giving SMEs access to affordable finance to boost their cashflow.

This will ensure they can continue to invest in research and development to keep their businesses competitive, employing researchers and innovators, conducting trials and experiments, and purchasing assets and equipment critical to R&D work programs.

Successful applicants will be able to borrow between \$250,000 and \$4 million in low-interest loans, with total funding under the two-year initiative capped at \$50 million.

Victorian SMEs that currently qualify for a refundable tax offset under the Commonwealth's R&D Tax Incentive are eligible to apply for these loans.

The R&D Cash Flow Loans Initiative was announced in the 2020-21 Victorian Budget to support and grow Victoria's innovation ecosystem, recognising the importance of investments in R&D to the future growth and sustainability of the State's economy.

This initiative is part of the Government's suite of programs to support access to finance for startups and SMEs and boost growth for our State, including the \$250 million Business Growth Fund, the \$60 million Victorian Startup Capital Fund, the \$25 million Venture Growth Fund and \$10 million Alice Anderson Fund for women-led startups.

For more information or to submit an enquiry form, visit invest.vic.gov.au/randdcashflowloans.

Quotes attributable to Minister for Economic Development Tim Pallas

"We're home to the best and brightest startups and their work is making a difference to lives all over the world."

"These loans will ensure Victorian SMEs can access affordable financing they need so that they can continue to innovate and invest in the products, services and technologies that will drive our economy into the future."

Quotes attributable to Minister for Innovation, Medical Research and the Digital Economy Jaala Pulford

"Startups and innovative businesses are playing an increasingly important role in Victoria's economy, and creating exciting new job opportunities for Victorians."

"We're backing the sector's continued growth to position Victoria as a globally recognised startup hub."

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