



Victorian Budget
2025/26

25
26

Focused On What Matters Most

Overview



ACKNOWLEDGEMENT OF COUNTRY

The Victorian Department of Treasury and Finance acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history. We proudly acknowledge Victoria's Aboriginal communities and recognise the value and ongoing contribution of Aboriginal people and communities to Victorian life. We pay our respect to Elders past and present and emerging.

As we work to ensure Victorian Aboriginal communities continue to thrive, the Government acknowledges the invaluable contributions of generations that have come before us, who have fought tirelessly for the rights of their people and communities towards self-determination. We reflect on the continuing impact of government policies and practices and recognise our responsibility to work together with and for Aboriginal and Torres Strait Islander peoples towards improved cultural, social and economic outcomes.



'lim-ba nindee thana warn-ga-ilee'
(Preserve our Dreaming Lore) – Gunnai Language
Bitja (Dixon Patten Jnr) Yorta Yorta, Gunnai,
Gunditjmara and Dhudhuroa of Bayila Creative

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Budget Paper No. 1 – Treasurer's Speech
Budget Paper No. 2 – Strategy and Outlook
Budget Paper No. 3 – Service Delivery
Budget Paper No. 4 – State Capital Program
Budget Paper No. 5 – Statement of Finances
(incorporating Quarterly Financial Report No. 3)

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Treasurer's message

I am proud to deliver my first ever Budget as Treasurer of Victoria.

It's the right Budget for the right time: responsible, practical – and focused on what matters most to Victorians.

It's a Budget – delivered by a Government – that's **on Victorians' side**.

We know that many families are under real pressure.

The cost of living is making it harder to pay the bills and cover the groceries. Get the kids to school, or see a doctor.

It's why with this Budget, we're delivering **real help for working people and their families**.

That means making public transport free for under 18s.

Making it cheaper and easier to get care without a visit to the GP.

Delivering a \$100 Power Saving Bonus – for those who need it most.

And delivering more support for food relief organisations – to help those doing it hardest.

With this Budget, we're also **investing in the services that matter most to families**.

That means investing in our hospitals, so every family can get the care they need, when they need it.

Investing in our schools, so every child can get a great education, no matter where they live.

Investing to continue building and improving our road and rail, so every Victorian can spend more time at home, and less time stuck in traffic.

And investing to keep communities safe.

We've been able to achieve all this and more, because of our **responsible choices**.

This Budget continues our commitment to driving down spend on inefficient and non-priority programs.

And in return, delivering record cost of living relief and more investment in frontline services.

This Budget also delivers an operating surplus – the first since before the pandemic.

Net debt will also reduce compared to Budget Update, declining as a proportion of the economy by the end of the forward estimates.

These fiscal results and our economic plan will help to ensure Victoria's economy continues to grow strongly and creates good secure jobs.

From real cost of living help, more investment in frontline services, and a growing economy: **this Budget is focused on what matters most**.



Jaclyn Symes MP

Treasurer
Minister for Industrial Relations
Minister for Regional Development

Focused On What Matters Most

Real cost of living help – and more investment in frontline services

Victoria's economy is strong and growing. But national and global cost of living pressures are still hurting Victorian families.

They're seeing it in their grocery shops and when trying to pay the bills. They're feeling it when they send the kids off to school, or visit a GP.

As a Government, we're on their side.

And it's why with this Budget, we're delivering **real help with the cost of living**.

That means making public transport free for kids and teens, saving families up to \$755 a year – per child.

We're making it cheaper and easier to get access to care – including enabling pharmacists to treat more Victorians and more conditions – for free.

We're delivering a \$100 Power Saving Bonus to help those who need it most.

We're helping households install heat pumps and solar hot water systems to save thousands on their energy bills.

And we're helping those who are doing it hardest, with more support for food relief.

We're also **investing more in the frontline services we know matter most** to Victorian families.

That includes funding to open and operationalise nine new or expanded hospitals – including at Footscray, Frankston and Maryborough – delivering the world-class care local communities deserve.

We're adding new train services with the opening of the Metro Tunnel, giving Victorians more ways to move with more frequent, reliable journeys across the network.

We're fixing the roads that local drivers rely on – in suburbs and regional communities across our state.

We're building and improving kids' classrooms and supporting the important learning that happens inside them.

We're investing to strengthen our justice system and keep communities safe.

And we're helping more Victorians into their own home.

We've been able to deliver these investments – because of our responsible approach, and by focusing on what matters most to Victorians.

With this Budget, the Allan Labor Government is delivering:

A record \$2.3 billion to deliver new and expanded cost of living help for working people and their families, including:

- ▲ \$320 million to make public transport free for Victorians under 18 every day, and for seniors every weekend across our state
- ▲ \$18 million to enable pharmacists to treat more Victorians and more conditions, saving them the money and time of a GP visit
- ▲ \$50 million to deliver a new \$100 Power Saving Bonus for Victorians who need it most
- ▲ \$859 million to continue Free Kinder, saving families up to \$2 600 a year – per child – on fees
- ▲ \$152 million to increase support for families to pay for camps, sports and excursions
- ▲ \$15 million to deliver more than 65 000 extra Get Active Kids vouchers from 2025-26, helping even more families with the costs of kids' sport
- ▲ \$18 million in food relief to support those doing it toughest
- ▲ Almost \$900 million in further new cost of living relief.

At the same time, we're investing even more in the frontline services that matter to Victorians:

- ▲ An extra \$11.1 billion to make sure Victorians can rely on great healthcare, including opening and operationalising nine new or expanded hospitals, including the new Footscray Hospital, and redeveloped Frankston and Maryborough and District Hospitals
- ▲ \$727 million to switch on the Metro Tunnel, delivering more services for the Sunbury, Cranbourne and Pakenham Lines, as well as an additional \$99 million to deliver even more services across the network
- ▲ \$976 million to fix and resurface our roads in 2025-26 alone, through a Better Roads Blitz
- ▲ \$4.1 billion for the new Sunshine Station Transport Superhub, in partnership with the Commonwealth Government – the essential first step in delivering Airport Rail
- ▲ \$2.7 billion to give our kids a great education, including building new classrooms and supporting our teachers
- ▲ \$1.6 billion to strengthen our justice system and keep communities safe, including \$727 million to back in our new tough bail laws.

A RESPONSIBLE BUDGET DEFINED BY RESPONSIBLE DECISIONS

We can deliver these investments because of our responsible approach to financial management.

It's this approach that also means that – for the first time since before the pandemic – this Budget will deliver an operating surplus in the budget year.

It will also see net debt on track to fall as a share of the economy.

We first charted a course three budgets ago to return to an operating surplus from 2025-26.

This year we deliver on that plan.

Help with the cost of living

AT A GLANCE

\$2.3 billion

in cost of living help – the biggest investment of its kind in Victoria’s history

\$320 million

to deliver free public transport for under 18s, and free statewide public transport for seniors on weekends

\$50 million

to deliver a new \$100 Power Saving Bonus for Victorians who need it most

\$18 million

to enable pharmacists to treat more Victorians and more conditions, saving families the money and time of a GP visit

This Budget delivers real help with the cost of living – when and where it’s needed most.

Right around Australia and the world, cost of living pressures are hurting.

We’ve already delivered real help to household budgets, through measures like:

- ▲ Four rounds of the Power Saving Bonus, encouraging households to shop around for a better energy deal
- ▲ A once-off \$400 School Saving Bonus, helping families with the cost of uniforms, textbooks, camps and excursions
- ▲ Free Kinder, currently saving families up to \$2 600 a year on three and four-year-old kinder

But we know a lot of families are doing it tough.

It’s why with this Budget, the Allan Labor Government is delivering a record \$2.3 billion to help working people and their families with the cost of living.

Free public transport for under 18s

For parents, every dollar counts.

It’s why we’re making public transport free for kids and teens. Every day.

For families, it’ll deliver savings of up to \$755 per child.

With free PT, we’re ensuring cheaper school runs, more affordable weekends – and one less thing for families to worry about.

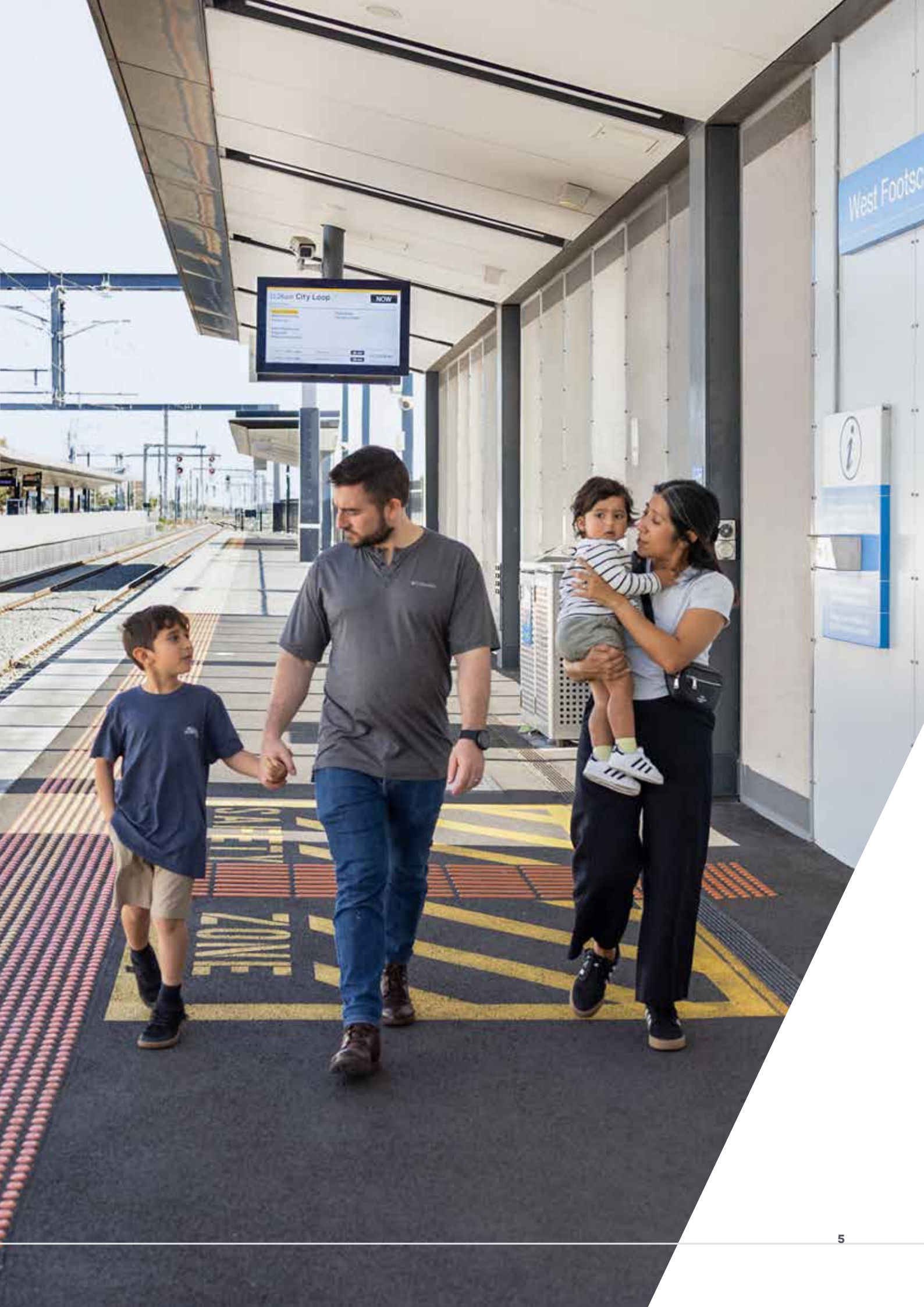
It’ll make Victoria the first state to introduce free public transport for under 18s, with the investment beginning 1 January 2026.

Free statewide weekend public transport for seniors

Costs can add up – especially for seniors.

It’s why with this Budget, we’re making statewide public transport free for Victorians aged 60 and over on weekends.

From 1 January 2026, this change will help Victorians with a Seniors Card visit the grandkids or experience even more of our state – without the extra expense.





FAIR FUEL PLAN

The Government is delivering a new Fair Fuel Plan to cap and lock fuel prices, by requiring servos to publicly report their prices the day before they come into effect and locking them in for 24 hours. This data will be fed into a new Fuel Finder feature on the Service Victoria app, launching later this year.

Expanding free pharmacist care

This Budget invests \$18 million to enable pharmacists to treat even more conditions – without a trip to the doctor for a prescription.

Previously trialled as the Community Pharmacy Pilot, this initiative has already helped over 44 000 Victorians with the resupply of the contraceptive pill, treatment for uncomplicated urinary tract infections and access to travel health advice and vaccinations.

Now, it'll be made permanent – and bigger.

That means pharmacists will be able to help even more Victorians with even more conditions – including allergies, nausea, high blood pressure and minor wound care, with more conditions added progressively over the next two years.

We're also covering the cost of consultation fees – enabling Victorians to access this pharmacist care for free.

CONTINUING FREE ZOOS

This Budget invests \$15 million to ensure young Victorians under 16 can continue to go free to our amazing zoos – including Melbourne Zoo, Healesville Sanctuary, the Kyabram Fauna Park and Werribee Open Range Zoo – on weekends, public holidays and during school holidays.

Helping Victorians reduce power bills

Energy bills are a big pressure on household budgets.

It's why with this Budget we're on their side – delivering real help for Victorians to drive down their energy bills.

Already, our Solar Homes and Solar for Apartments programs have helped Victorians install more than 380 000 solar panel, hot water and battery systems with rebates and interest-free loans, saving households up to \$1 600 per year on their power bills.

We've also brought back the SEC, which is already helping to deliver cheaper, cleaner renewable power and save Victorians money on their energy bills.

This year's Budget builds on this work with \$118 million to help lower power bills and deliver renewable energy, including:

- ▲ A new \$100 round of the Power Saving Bonus for eligible households with a concession card
- ▲ \$30 million to support an extra 27 000 households to install electric heat pumps and solar hot water systems. This switch will save the average household up to \$400 on their energy bills – each and every year
- ▲ \$12 million to support the rollout of insulation upgrades under our Victorian Energy Upgrades (VEU) Program. From early 2026, the VEU discount is expected to halve the average cost of ceiling insulation from \$3 000 to \$1 500, and save a household with no or limited insulation more than \$400 a year
- ▲ \$26 million to assess and advance more renewable energy projects.

Cost of living package



AT HOME

This Budget delivers \$156 million in cost of living help to support Victorians save money at home, including:

- ▲ A new \$100 Power Saving Bonus for Victorians who need it most
- ▲ 27 000 more rebates for electric heat pumps and solar hot water systems
- ▲ Expanding the VEU, providing financial support to help Victorians make their homes more energy efficient and reduce their energy bills
- ▲ Additional funding for food relief organisations
- ▲ More support for Good Money's no-interest loans and Mortgage Stress Victoria.



IF YOU'RE SICK

This Budget delivers \$529 million to make care more affordable and accessible, through:

- ▲ Saving time and money on GP appointments by enabling pharmacists to provide medications that would usually require a doctor's script
- ▲ Free care at our network of Urgent Care Clinics
- ▲ Free mental health support via the expanded network of Mental Health and Wellbeing Locals
- ▲ Offering free emergency care from home through an expanded Victorian Virtual Emergency Department
- ▲ Delivering free care for women's health through a dedicated network of reproductive and sexual health hubs and virtual services.



ON THE GO

This Budget delivers \$320 million to save on transport costs with:

- ▲ Free public transport for kids and teens under 18
- ▲ Free statewide public transport for seniors on weekends
- ▲ Continuing to deliver fairer fares, with the cost of travel on V/Line services capped at the rate of a daily metro ticket, thanks to investment in the *2023/24 Budget*.



FOR KIDS

This Budget delivers \$1.3 billion to help families with kids at school or kinder, and students at TAFE, with:

- ▲ Free Kinder, saving families up to \$2 600 per child, per year
- ▲ More than 65 000 extra Get Active Kids vouchers
- ▲ Increased payments through the Camps, Sports and Excursions Fund
- ▲ Free overnight, multi-night and day-program support for parents with kids under four at Early Parenting Centres across our state
- ▲ Free dental for kids with Smile Squad, which received an additional \$17 million in funding in 2023-24, and has already helped more than 127 000 young Victorians
- ▲ Free Glasses for Kids program, expanded in last year's Budget, which has already delivered more than 48 000 free vision tests and more than 8 600 pairs of free glasses
- ▲ Free School Breakfast Clubs, expanded in last year's Budget, providing healthy and nutritious breakfasts, lunches, snacks and take home food packs at more than 1 200 schools
- ▲ Victorians under 16 years of age go free to our amazing zoos on weekends, public holidays and during school holidays.

SEC DELIVERING FOR HOUSEHOLDS

One of the world's biggest batteries – the Melbourne Renewable Energy Hub (MREH) – is now under construction, thanks to the SEC.

Switching on later this year, the MREH will be one of the world's biggest batteries and will help ensure reliable, affordable energy for Victorian families.

The SEC has also successfully piloted a one-stop-shop in three local government areas, providing tailored advice to Victorians wanting to switch to all electric – including a free digital platform that provides consumers with suggestions on how to reduce their energy bills and connects them with SEC trusted and verified local installers.

The average Victorian household with gas and electric appliances can save \$1 400 on their annual energy bill by switching to all electric.

Increased payments for camps, sports and excursions

No one should miss out on the things that make school fun.

But the cost of camps, school sports and excursions can be too much for some families.

That's why we're increasing help through the Camps, Sports and Excursions Fund.

The fund helps around 200 000 kids in families with a health care or concession card, every year.

With this Budget – annual payments will increase from \$154 for primary school students and \$256 for secondary school students to \$400, from 1 January 2026.

Because every young Victorian deserves the chance to learn, explore and belong – inside and outside the classroom.

More than 65 000 extra Get Active Kids Vouchers

Playing sport keeps kids active and healthy.

But the cost of uniforms, equipment, memberships and more means some young Victorians are forced to sit on the sidelines.

That's why with this Budget, we're delivering more than 65 000 extra Get Active Kids vouchers for families who need them most.

These vouchers, worth up to \$200, help with the cost of fees, equipment and uniforms, removing financial barriers and making sure kids have the chance to play the sport they love.

COST OF LIVING PACKAGE IMPACT FOR FAMILIES

Alex is a part-time nurse earning \$70 000. She is a single parent with two children – Winnie, in Year 7, and four-year-old Leonard, at kinder. Alex will receive 15 hours of Free Kinder for Leonard per week, saving up to \$2 600 a year.

Winnie can take the train, tram or bus to school for free, saving up to \$755 a year and will also receive a \$400 voucher from the Camps, Sports and Excursions Fund and a voucher for up to \$200 for sport under the Get Active Kids program.

Alex has a Health Care Card, so she can also receive the \$100 Power Saving bonus.

For a family with one child in kinder and one in school, that's a saving of over \$4 000 over the course of the year.



Free Kinder for every three and four-year-old

Free Kinder is saving families up to \$2 600 a year – per child.

It's saving families money, helping parents return to work – and making sure young Victorians get all the benefits of early childhood education.

This year, there are 150 000 enrolments. And because cost is no barrier for families, that number is expected to grow to 160 000 next year.

This Budget invests an additional \$859 million to keep delivering this important cost of living relief for Victorian families, while making sure every child gets the very best start in life.

HELP FOR THOSE DOING IT HARDEST

Support for food relief organisations

The cost of living means more Australians are relying on the help of food relief organisations.

With this Budget, we're delivering an extra \$18 million in funding to support their work. That includes:

- ▲ \$9 million to double our Community Food Relief Program, delivering grants to support frontline organisations. This funding will also support and strengthen local and statewide food delivery networks. This includes helping Foodbank to deliver 480 000 kilograms of food to six regional Foodshares, and more than 6 million kilograms to around 500 registered charity partners across Victoria
- ▲ \$6 million to double our support for regional Foodshares in Albury-Wodonga, Geelong, Bendigo, Shepparton, Mildura and Warrnambool
- ▲ \$3 million for Foodbank's GROW program, making sure surplus farm produce that would otherwise go to waste supports Victorians experiencing food insecurity.

Expansion of Good Money's no-interest loans

For many Australians, an unexpected expense spells stress, sacrifice – or falling behind. So when their car breaks down, or an appliance needs to be repaired, they're forced to turn to predatory lenders.

Good Shepherd's Good Money program provides Victorians with no-interest loans of up to \$2 000 for appliances, furniture or car repairs, or up to \$3 000 for a bond on a new rental property.

We'll help Good Shepherd support even more Victorians, with additional funding of \$5.1 million. This investment will enable the Good Money network to reach more Victorians, making sure a stroke of bad luck doesn't have serious financial consequences.

Increased support for Mortgage Stress Victoria

When you're struggling to meet your mortgage repayments, it can be hard to know where to turn. But Mortgage Stress Victoria is there to help – providing advice, ongoing representation and support to help people stay in their homes.

An extra \$4 million will help Mortgage Stress Victoria deliver support to even more Victorians, through their team of lawyers, social workers and financial counsellors.

A responsible Budget

Right now, families across the world are feeling the cost of living – and Victorian households are no exception.

Rising prices at the supermarket, on bills and at the GP are making it harder for many families to make ends meet.

As this cost of living pressure continues, we're firmly on the side of Victorian families – with this year's Budget providing real help.

This Budget also provides more funding for frontline services – ensuring families have access to the quality healthcare, education, transport and services they deserve.

We've been able to achieve both these objectives because we've made responsible choices.

By carefully managing our state's finances – and reducing government spend on inefficient and non-priority programs – we've been able to use our Budget to deliver more of what matters most to Victorian families.

This work has been undertaken consistent with the objectives of the Silver Review, which is helping to ensure Victoria's Public Service remains focused on meeting the needs of Victorian families.

It means with this Budget, we're continuing to deliver the biggest investment in frontline staff and services as a share of workforce investment since 2019.

The result: a responsible Budget that delivers real cost of living help for families – and more investment in frontline services.

With this Budget, we're focused on what matters most.



With this Budget, we're delivering real help with the cost of living and more investment in frontline services. We've been able to achieve both these objectives because we've made responsible choices.

The Silver Review

With the cost of living, families are having to carefully consider every dollar. They rightly expect their Government to do the same.

It's why the Allan Labor Government commissioned an independent review of Victoria's Public Service.

The Review, led by Helen Silver AO, is targeting inefficiency and lower-priority programs – ensuring the public service is focused on the Victorian people and their priorities.

The Review has been:

- ▲ Finding overlaps and programs that are no longer fit for purpose that can be streamlined
- ▲ Identifying how departments can work better together, including consolidating agencies to make services easier to access
- ▲ Looking at ways to reduce the public service back towards its pre-pandemic share of employment – particularly the number of executives.

Frontline workers such as nurses, teachers, police officers or child protection workers are not included in the scope of the Silver Review.

The Review's final report will be delivered to Government by the end of June 2025, but we've already undertaken actions consistent with the Review's objectives as part of the *2025/26 Budget*. This includes:

- ▲ Corporate savings from non-frontline functions across government, including increasing automation of activities and services, making better use of technology to track and report on procurement spending, and further consolidating accommodation including within the Treasury Precinct
- ▲ Consolidation of duplicative or similar functions across departments and agencies, pooling and strengthening public sector expertise and excellence, to make it easier for the community and industry to engage with government
- ▲ Ceasing or scaling back activities and functions where their original aims have been achieved or the existing level of investment is no longer required to deliver on those aims.

Through this continued work, the Government will ensure every dollar is focused where it matters most: ensuring good schools, good hospitals, safe communities – and real help with the cost of living.



The Budget delivers an operating surplus in 2025-26 – the first time since before the pandemic – while net debt as a share of the economy is also on track to decline.

Government infrastructure investment

Major projects coming online in 2025-26 include the Metro Tunnel, West Gate Tunnel, our commitment to 100 new schools by 2026 and final construction of the new Footscray and redeveloped Frankston Hospitals.

These projects will be critical to our growing state – transforming the way Victorians get around and improving access to services and opportunities.

The completion of these projects also enables us to continue progressively returning Victoria's capital program towards pre-pandemic levels.

We are moderating investment over the forward years – while continuing to deliver the infrastructure and services Victorians need.

Delivering on our fiscal strategy

Our responsible approach to budget management also means we're firmly on track to deliver on our fiscal strategy.

The Budget delivers an operating surplus in the budget year – the first time since before the pandemic – with an average surplus of \$1.9 billion a year over the forward estimates.

Net debt as a share of the economy will also begin to decline from 2026-27 – and keep falling beyond that, with nominal net debt \$2.1 billion lower by the end of the forward estimates compared to the *2024/25 Budget Update*.

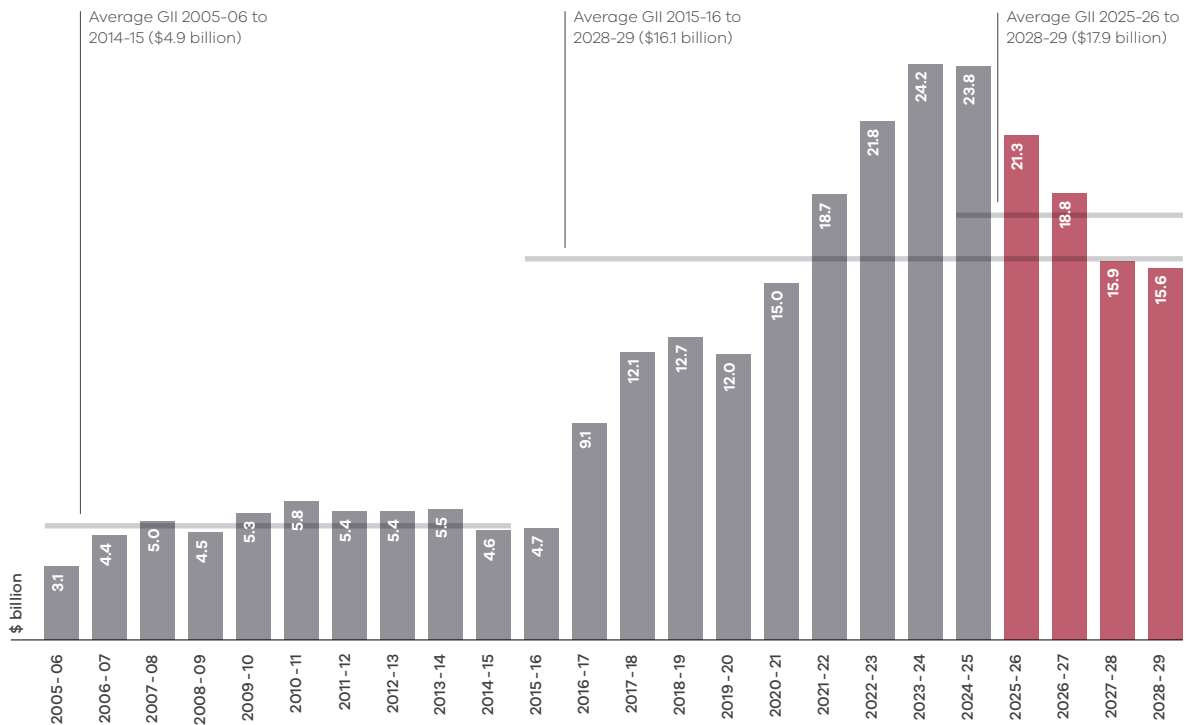
This Budget will also see Steps 1-3 of the Fiscal Strategy complete this year, and Step 4 on track to be delivered from 2026-27.

Importantly, it's also an approach that will enable us to continue delivering what matters most to Victorian families.

VICTORIA'S FISCAL STRATEGY

- ✓ **Step 1:** Creating jobs, reducing unemployment and restoring economic growth
- ✓ **Step 2:** Returning to an operating cash surplus
- ✓ **Step 3:** Returning to operating surpluses
- **Step 4:** Stabilising net debt levels as a proportion of GSP
- **Step 5:** Reducing net debt as a proportion of GSP.

GOVERNMENT INFRASTRUCTURE INVESTMENT ^{(a)(b)(c)}



Notes:

- (a) Includes general government net infrastructure investment and the estimated construction costs of public private partnership projects.
- (b) Includes the estimated private sector construction-related expenditure associated with the North East Link held in the public non-financial corporations (PNFC) sector.
- (c) Excludes the impact of the medium-term lease over the operations of the Port of Melbourne and the divestment of Victoria's share of Snowy Hydro Limited.

A growing economy

Victoria’s economy is growing – and is being propelled by strong jobs growth and record business investment.

Despite global cost of living pressures and elevated interest rates, Victoria’s economy is continuing to grow and expand – adding new goods and services, while the number of Victorians in jobs is at near-record levels.

The Victorian economy is estimated to be almost 14 per cent larger in real terms in 2024-25 than it was in 2018-19 before the COVID-19 pandemic. And over the last decade, Victoria’s economy has grown faster than any other state.

Businesses are voting with their feet and they’re voting for Victoria – they are continuing to choose Victoria as a place to invest and do business.

Since the peak impacts of the pandemic in September 2020, Victorian business investment has increased by 46 per cent, compared with 28 per cent in the rest of the country.

Over the past year alone, investment grew by 3.7 per cent, compared to a 1.3 per cent fall across the rest of Australia.

More than 113 000 new businesses have been created in Victoria in the past five years – an 18 per cent increase, the largest percentage growth of any state.

Victoria’s economic strength has resulted in 648 800 Victorians finding a job since the peak of the pandemic in September 2020, rising by more than 20 per cent – more than any other state over the same period.

Over the past year alone, a further 85 800 Victorians have found work – and forward indicators point to this trend continuing.

GROWTH IN BUSINESS INVESTMENT AND EMPLOYMENT SINCE SEPTEMBER 2020, VICTORIA AND THE REST OF AUSTRALIA ^(a)



Source: Australian Bureau of Statistics

Note:

(a) Growth in employment is from September 2020 to March 2025; growth in business investment is from the September quarter 2020 to the December quarter 2024 (the latest data available).

Victoria’s economic outlook also remains positive, with economic growth forecast to strengthen in 2025-26 to 2.50 per cent.

With inflation returning to lower levels, wages are forecast to grow faster than inflation in 2024-25 for the first time since the pandemic. Further expected easing in interest rates will also provide much-needed relief for household budgets.

Strong economic growth, low unemployment and record business investment mean Victoria is well-placed to face the global challenges ahead – and to continue creating jobs and economic opportunities to benefit all Victorians.

General government fiscal aggregates							
	Unit of measure	2023-24 actual	2024-25 revised	2025-26 budget	2026-27 estimate	2027-28 estimate	2028-29 estimate
Net result from transactions	\$ billion	(4.2)	(3.4)	0.6	1.9	2.4	1.5
Net cash flows from operating activities	\$ billion	2.6	0.6	6.2	7.9	6.6	5.8
Government infrastructure investment ^{(a)(b)}	\$ billion	24.2	23.8	21.3	18.8	15.9	15.6
Net debt	\$ billion	133.2	155.5	167.6	177.4	185.2	194.0
Net debt to GSP ^(c)	per cent	22.0	24.5	25.1	25.2	25.0	24.9

Source: Department of Treasury and Finance

Notes:

(a) Includes general government net infrastructure investment and the estimated cash flows of public private partnership projects.

(b) Includes the estimated private sector construction-related expenditure associated with the North East Link held in the public non-financial corporations (PNFC) sector.

(c) The ratios to gross state product (GSP) may vary from publications year to year due to revisions to the Australian Bureau of Statistics GSP data.

Victorian economic forecasts ^(a)							
	2023-24 actual	2024-25 forecast	2025-26 forecast	2026-27 forecast	2027-28 projection	2028-29 projection	
Real gross state product	1.5	2.00	2.50	2.75	2.75	2.75	
Employment	3.4	2.50	0.50	1.50	1.75	1.75	
Unemployment rate ^(b)	4.0	4.50	4.75	4.75	4.75	4.75	
Consumer price index ^(c)	4.0	2.50	2.75	2.75	2.50	2.50	
Wage price index ^(d)	3.6	3.25	3.25	3.25	3.25	3.25	
Population ^(e)	2.4	1.70	1.70	1.70	1.70	1.70	

Sources: Australian Bureau of Statistics; Department of Treasury and Finance

Notes:

(a) Percentage change in year average terms compared with the previous year, except for the unemployment rate (see note (b)) and population (see note (e)). Forecasts are rounded to the nearest 0.25 percentage points, except for population (see note (e)).

The key assumptions underlying the economic forecasts include interest rates that broadly follow market economists' expectations; an Australian dollar trade weighted index of 59.6; and oil prices that follow the path suggested by oil futures.

(b) Year average.

(c) Melbourne consumer price index.

(d) Wage price index, Victoria (based on total hourly rates of pay, excluding bonuses).

(e) Percentage change over the year to 30 June. Forecasts are rounded to the nearest 0.1 percentage point.



Growing Victoria's economy is a crucial element of our fiscal strategy.

A growing economy not only means more jobs – it also reduces net debt as a share of the economy.

It means that while we responsibly manage our spending, we're also laying the groundwork for an even stronger, more resilient economy.

Victoria has led the states – we're number one in real economic growth, jobs growth, and business investment growth over the last decade.

But we cannot rest on our laurels.

Our Economic Growth Statement lays out our plan to continue building Victoria's economy by fostering innovation, attracting investment and creating good jobs.

With work well underway to progress all 40 plus of its initiatives, this Budget delivers \$240 million to fund the Economic Growth Statement – in full.



Our Economic Growth Statement lays out our plan to continue building Victoria's economy by fostering innovation, attracting investment and creating good jobs.

Victoria's Economic Growth Statement

This Budget delivers on the Allan Labor Government's Economic Growth Statement, with a package to support our economy, people and businesses to grab the opportunities of the future – with both hands.

These initiatives will make it even easier to start or build a business in Victoria, while continuing to grow our economy. Our Economic Growth Statement is underpinned by four key actions:

Open doors: Backing business to invest, expand and innovate, including:

- ▲ Establishing a single-entry point for business on all investment-related engagements within the Victorian Government
- ▲ A new Coordinator-General to ensure agencies, regulators and statutory authorities meet all required approvals deadlines for major projects of state significance

Cut red tape: Making it simpler to do business in Victoria, including:

- ▲ Halving the number of business regulators by 2030. This, coupled with other measures to reduce the regulatory burden, will save Victorian businesses to the tune of \$500 million by 2030
- ▲ Streamlining liquor and planning approval processes for hospitality businesses and removing the need for a planning permit for outdoor dining on public land

Build new skills: Ensuring we have a skilled workforce ready to go, including:

- ▲ The establishment of more Skills Solutions Partnerships to assist industry to partner with TAFEs and universities to design and pilot new short courses and on-the-job training
- ▲ \$50 million to develop a Future of Housing Construction Centre of Excellence in partnership with the Commonwealth to train workers in modular and prefabricated construction technologies

Reach every community: A strong Victoria underpinned by a strong regional Victoria, including:

- ▲ Investing \$10 million to deliver key enabling infrastructure that will open up more industrial land across regional Victoria
- ▲ Highlighting business investment opportunities and encouraging more businesses to relocate to regional Victoria, home to the lowest regional payroll tax rate in the country.

Backing Victorian businesses and Victorian jobs

At a time of increasing global economic uncertainty, the Allan Labor Government is backing Victorian businesses and Victorian jobs.

As part of our strategy to grow Victoria's economy, this Budget delivers \$627 million to help businesses find new opportunities to expand and attract investment, and support the Victorian economy.

A \$150 million Victorian Investment Fund will grow the sectors that are important to our state's future. A dedicated \$50 million regional stream will make sure that our economic growth and good secure jobs reach every corner of our state.

A further \$35 million will deliver programs including one-to-one facilitation and advice for small and medium-sized businesses to boost exports and help them navigate a challenging international trade environment.

This investment will help businesses sell their products around the world and find new customers – including through personalised help from experts. This funding will also support trade missions to continue helping exporters to expand and strengthen their connection to international markets.

The \$3 million Small Business Toolkits Program will also support small businesses with advice and capability building, including localised workshops, live webinars, one-on-one confidential business advice and self-guided learning.

And the new \$1 million Boosting Business Skills Mentoring program will help up to 1 000 small business owners in priority sectors with dedicated mentoring from an experienced professional.

We are also helping businesses grow, invest, and create more jobs by progressively abolishing stamp duty on commercial and industrial property. Over the next 40 years, this reform is projected to generate 12 600 new jobs and boost Victoria's economy by up to \$50 billion.

More than 3 700 commercial and industrial properties have moved to the new system – meaning businesses won't be liable for stamp duty when they are next sold. Between 2025-26 and 2028-29, businesses are expected to pay \$457 million less in stamp duty.



At a time of increasing global economic uncertainty, the Allan Labor Government is backing Victorian businesses and Victorian jobs.

An additional \$459 million will make sure Victorians have the right skills for the opportunities of the future. This includes:

- ▲ \$171 million to meet training and skills demand, including providing up to 20 000 Victorians with the opportunity to develop new skills or retrain through Free TAFE
- ▲ \$121 million for the TAFE services fund, including asset maintenance and support for TAFE students to complete their studies and access job opportunities
- ▲ \$44 million will create 9 600 more student places in digital literacy and employability skills training at Learn Local providers, and 8 000 additional student places a year in literacy and numeracy programs at TAFEs, helping Victorians develop these foundational skills and find a job
- ▲ \$23 million to strengthen the apprenticeship system and help apprentices and trainees to complete their training
- ▲ \$18 million to pilot Aboriginal Community Controlled vocational education and training models, to improve completion rates and grow the First Nations VET workforce
- ▲ \$9.3 million to provide scholarships and more professional development opportunities for TAFE and Adult Education teachers, ensuring students gain access to high-quality training.

PRACTICAL SUPPORT FOR SMALL BUSINESS OWNERS

Whether you're an entrepreneur learning the ropes of starting a business, or a long-time small business owner, this Budget is supporting small businesses:

- ▲ **One-to-one trade facilitation support for small and medium-sized businesses scaling up their exports of goods or services**
- ▲ **Access to more opportunities to win government contracts**
- ▲ **Business advice through the Small Business Toolkits program**
- ▲ **Up to three one-hour mentoring sessions for 1 000 eligible small business owners in our priority sectors.**

More funding for frontline care

AT A GLANCE

\$9.3 billion

for hospital care, including opening and operationalising nine new or expanded hospitals, including the new Footscray, redeveloped Frankston and Maryborough and District Hospitals

\$497 million

to support Victoria's mental health and wellbeing system

\$230 million

to boost performance in emergency departments and ambulance response times

Investing in our hospitals means peace of mind for Victorian families – knowing that if a loved one gets sick, they'll get the care they need, close to home.

Every Victorian deserves to know – they or someone they love can rely on quality healthcare.

It's why this Budget includes an extra \$11.1 billion for health. This year alone, we are providing over \$31 billion to our health system – the biggest investment ever in frontline care.

This investment will cover the globally increased costs of providing care – while making sure Victoria's hospitals have everything they need to look after patients and their families.

This includes more care delivered with the \$634 million opening and operationalising of nine new or redeveloped hospitals at Frankston, Footscray, Maryborough and other sites across our state.

A further \$230 million will make our hospital emergency departments even better equipped and reduce ambulance waiting times, helping Victorians get the care they need, when they need it.

And we're continuing our investments in our incredible health workforce, with \$203 million to make sure staff have the right skills.

A new Footscray Hospital

Construction on a bigger and better Footscray Hospital will be completed by the end of the year. This Budget delivers funding to open the new hospital, providing world-class care to families in Melbourne's west.

This investment will deliver a new eight-bed Mental Health Alcohol and Other Drugs Hub within the Emergency Department and additional services in general medicine and subacute care.

Not only will the new Footscray Hospital deliver better care for local families, it will also position the inner west as a leading health, education and research precinct.

Victoria University will have dedicated education and research facilities onsite, with the hospital and university linked by a footbridge over Ballarat Road.



A bigger, better Frankston Hospital

We're also getting ready to open the bigger, better Frankston Hospital.

As more families choose to make Frankston home, this project is the biggest-ever health infrastructure investment in Melbourne's south-east.

This investment will deliver a new five-bed Mental Health Alcohol and Other Drugs Hub within the Emergency Department to care for patients with urgent mental health, alcohol and drug issues.

It also includes a separate, dedicated paediatric zone within the Emergency Department to support children and young people with urgent and emergency care needs.

A modern hospital for Maryborough

All Victorians should be able to access quality care – including those living in our regional communities.

It's why with this Budget, we're investing to open and operate the expanded Maryborough and District Hospital.

This state-of-the-art redevelopment includes a new urgent care centre, a 32-bed inpatient unit, two operating theatres, and a day medical centre with imaging and pathology services.

Local mums will also be able to give birth closer to home, with the upgrade delivering a new maternity unit with birthing suites – meaning women with uncomplicated pregnancies no longer need to travel to Ballarat or Bendigo to have their babies.

Nine new or expanded hospitals across our state

We're ensuring more Victorians get the great care they deserve, wherever they live – and whenever they need it.

This Budget invests \$634 million to open and operationalise nine new or expanded hospitals across our state:

- ▲ Opening of the new Footscray Hospital
- ▲ Opening of the redeveloped Frankston Hospital
- ▲ Opening of the expanded Maryborough and District Hospital
- ▲ Opening of the Craigieburn Community Hospital
- ▲ Opening of the Cranbourne Community Hospital
- ▲ Opening of the Phillip Island Community Hospital
- ▲ Expansion of the Short Stay Unit at Albury Wodonga Regional Hospital
- ▲ Expansion of the Paediatric Emergency Department at University Hospital Geelong
- ▲ Redeveloped Swan Hill District Health Emergency Department, opened in December 2024.

This includes opening three new Community Hospitals in Craigieburn, Cranbourne and Phillip Island. These sites will provide a range of everyday services based on the needs of their local communities, such as day surgery, dialysis, chemotherapy, dental, allied health, mental health, medical imaging, pathology, urgent care and women's and children's health services.



This Budget also supports the expansion of Albury–Wodonga’s short stay unit, to reduce wait times and ensure patients get the care they need sooner.

Funding will also deliver the opening of the new kids’ ED at University Hospital Geelong, providing faster, more specialised care for children and their families.

And patients will continue to benefit from Swan Hill District Health’s redeveloped Emergency Department, which has doubled the number of treatment spaces.

This Budget also delivers \$171 million to continue building and upgrading Victoria’s health system infrastructure, including:

- ▲ \$57 million to upgrade infrastructure at Royal Melbourne Hospital, ensuring it delivers the best care to patients
- ▲ \$52 million for new and upgraded medical equipment, supporting operating suites, emergency departments, surgical wards, intensive care units and neonatal and maternity services in hospitals across the state.

Backing our nurses and midwives

Our hospitals are nothing without the dedicated nurses, doctors and healthcare professionals who work in them.

That’s why we’re on their side – investing \$203 million to continue backing our healthcare workers – ensuring they have the support and resources they need to keep delivering world-class care.

We’re also delivering a significant pay deal for our nurses and midwives, recognising their vital work and helping to retain and attract nursing staff within our health system.

This investment includes \$95 million to:

- ▲ Fund 1 100 more positions for nursing and midwifery students
- ▲ Support nurse practitioners in high-demand areas such as aged care, mental health primary care and urgent care settings
- ▲ Provide more opportunities for enrolled nurses to train as practising nurses within their workplace
- ▲ Making sure nurses and midwives in rural Victoria have the same opportunity to build their skills through clinical placements.

This also includes \$47 million to support Victoria’s mental health workers by continuing the psychology registrar program, Junior Medical Officer psychiatry rotations program, and the psychiatry registrar training and support program.

Investing in emergency care

Sometimes the emergency department is exactly where you need to be.

But when a fever just won't break, or worrying symptoms show up in the middle of the night, it can be hard to know whether you need a trip to the ED, or you can rest more comfortably at home.

The Victorian Virtual Emergency Department (VVED), the first of its kind in Australia, provides expert care from emergency nurses and doctors, from the comfort of home.

It's fielded more than half a million calls – giving trusted, free advice while easing pressure on busy hospital emergency departments.

The VVED currently delivers free urgent care to more than 600 Victorians every day.

A \$437 million investment will almost triple its capacity – enabling the service to handle 1 750 calls per day by 2028-29, or more than 600 000 calls every year.

This Budget also invests \$167 million to improve ambulance response times with more call takers and dispatchers at Triple Zero Victoria, and targeting bottlenecks in emergency departments to get paramedics back out on the road sooner.

This includes funding to improve patient flow within emergency departments, making sure patients are treated quickly and ambulances are back on the road. This \$58 million boost to our ambulance services includes:

- ▲ \$28 million for more beds at high-demand sites, including surge inpatient beds at each hospital
- ▲ \$27 million to expand and upgrade Short Stay Units to improve patient care and reduce wait times in emergency departments, including funding for additional nurse practitioners.

Continuing our investment in mental health

Since 2018, we've invested more than \$6 billion to better support Victorians and deliver on the recommendations of the Royal Commission into Victoria's Mental Health System.

As we look ahead, we are making sure we get these important reforms right by planning for future system growth and training the highly skilled staff we need.

The investments included in this Budget represent the next steps on that journey, with an additional \$497 million.

When it comes to mental health, we know how much early intervention matters. And getting help for your mental health should be as easy as possible.

That's why this Budget includes \$23 million to expand our network of Locals, which provide free mental health care to Victorians – without the need for a referral or a Medicare card.

This investment will establish seven new services, adding to the 15 Locals which have already helped more than 18 000 Victorians across our state.

A further \$6 million will support our existing network of Mental Health and Wellbeing Locals – making sure they can reach even more Victorians with mental health help.

This Budget includes \$319 million to support and improve mental health infrastructure, including:

- ▲ \$289 million to support 82 inpatient mental health beds and 29 Mental Health Alcohol and Other Drugs Emergency Department Hub beds across six health services
- ▲ \$12 million to support Hospital in the Home beds, providing acute mental health support and treatment in the comfort of a patient's home.

We're also providing \$35 million in mental health and wellbeing support for children and young people, including the establishment of the Parkville Youth Mental Health and Wellbeing Service, a new dedicated public youth mental health service operated in partnership with Orygen.

A further \$25 million will support suicide prevention programs for Victorians disproportionately impacted by suicide.

This includes \$19 million in life-saving help for LGBTIQ+ people, with \$15 million to support mental health for trans and gender diverse young people, \$1.5 million to support people including in regional communities and \$1 million to enable the Victorian Equal Opportunity and Human Rights Commission to continue its work to eliminate cruel and harmful practices, like conversion therapy.

Better care for older Victorians

We all deserve to be looked after as we get older. That's why this Budget delivers an additional \$50 million for public aged care.

This includes delivering new government-funded aged care beds, with additional capacity at the redeveloped Kingston Centre in Melbourne's south-east and Hesse Rural Health in Winchelsea. Funding will also help meet nurse-to-patient ratios in residential aged care, delivering better care for residents and peace of mind for their families.

A further \$25 million will help Victorians live in their own homes as they age, with essential equipment, supports and activities to maintain their independence.

URGENT CARE CLINICS

Our Urgent Care Clinics are helping Victorians get the care they need – free – and without a trip to the emergency department.

Urgent Care Clinics provide GP-led care to people who need urgent care but not an emergency response. This includes treatment for mild infections, burns, suspected fractures, and sprains.

This Budget invests \$27 million to continue 12 Urgent Care Clinics across our state, giving more Victorians access to the free healthcare they need, when they need it.

Delivering our world-class transport network

AT A GLANCE

\$727 million

to switch on the Metro Tunnel, delivering more trains more often on the Sunbury, Cranbourne and Pakenham lines

\$46 million

to deliver more services on the Craigieburn, Sandringham, Upfield and Werribee lines

\$4.1 billion

to build a superhub at Sunshine Station, taking a crucial first step towards Airport Rail

\$976 million

to fix potholes and resurface our roads

By investing in public transport and roads, we're connecting Victorians – to work, to school and to each other.

The Metro Tunnel and West Gate Tunnel are getting ready to open, and will completely change the way we move around our city and state.

When we first announced the Metro Tunnel, critics said it couldn't be done.

They wrote off the project as a dream that couldn't be delivered.

But this year, Victorians will see that vision come to life.

This Budget delivers the train services that will run through the brand new Metro Tunnel, as well as the extra services enabled by its opening.

Along with the Metro Tunnel, this Budget invests even more in fixing and resurfacing our roads – and adds more buses to better connect people to where they need to go.

Switching on more services with the Metro Tunnel

The Metro Tunnel is the biggest transformation of Victoria's rail network since the City Loop opened in 1981.

With twin nine-kilometre tunnels running underneath the CBD, it includes five new underground stations: Arden, Parkville, State Library, Town Hall and Anzac.

These new stations link landmarks like the Shrine of Remembrance and health and education precincts like the University of Melbourne and the Parkville precinct for the very first time.

Metro Tunnel will also link the Sunbury line in the north-west with the Cranbourne-Pakenham lines in the south-east, creating a new continuous connection.

Taking these trains out of the existing City Loop will mean we can deliver more trains across our entire public transport network.

With construction on the Metro Tunnel nearing completion, this Budget delivers the train services that will bring its benefits to life:

- ▲ \$727 million to switch on and run services through the Metro Tunnel, and more trains, more often along the Sunbury, Cranbourne and Pakenham lines
- ▲ \$46 million to deliver additional train services on the Sandringham, Craigieburn, Upfield and Werribee lines – made possible by the extra capacity created in the City Loop, thanks to the Metro Tunnel
- ▲ \$52 million for regional train services, including the delivery of 40-minute services on the Gippsland line to and from Traralgon, with passengers able to transfer to Metro Tunnel services at Pakenham or Caulfield.



NEW METRO TUNNEL STATIONS

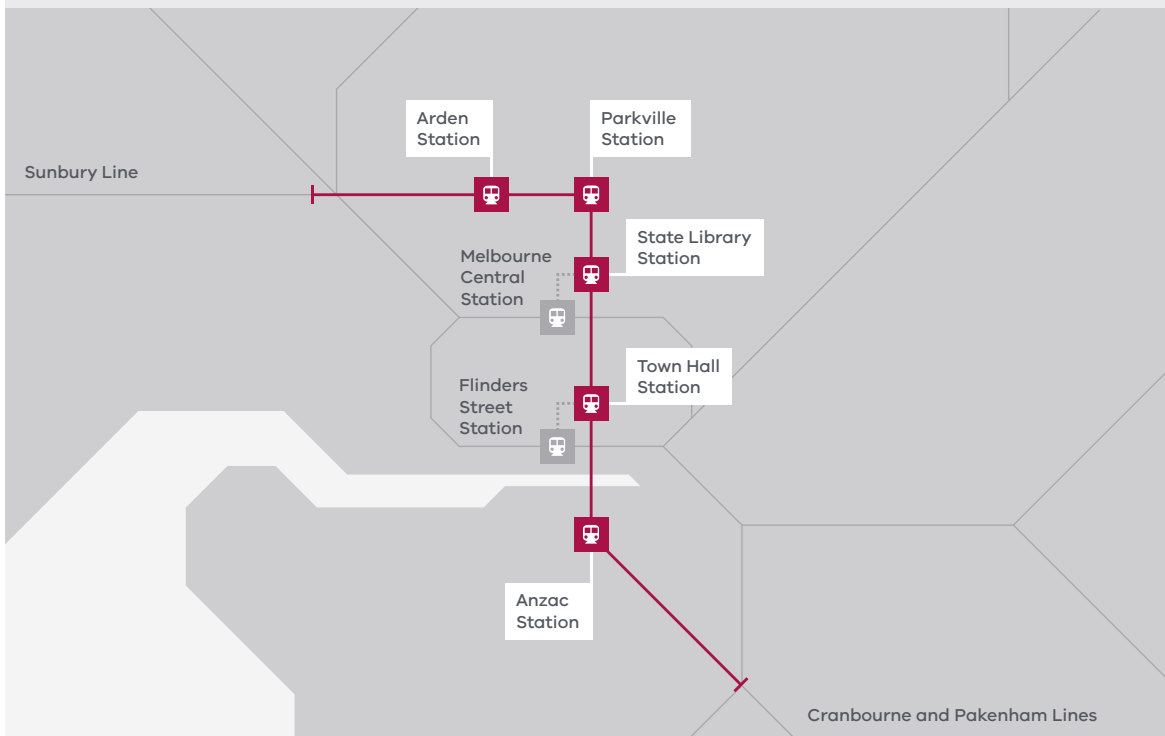
Arden Station is at the heart of North Melbourne’s urban renewal precinct. It will connect people to local jobs and services in the existing retail and commercial areas of North Melbourne.

Parkville Station offers direct access to world-class hospitals and a rail link to the University of Melbourne for the first time – connecting healthcare workers, students and hospital visitors from metro and regional Victoria to these essential services.

State Library Station is strategically positioned near Melbourne’s landmark State Library. It will be a gateway to RMIT University, and connect passengers to Melbourne Central Station.

Town Hall Station is a state-of-the-art stepping stone to Melbourne’s most iconic landmarks, including Federation Square, Birrarung Marr, St Paul’s Cathedral and Melbourne Town Hall, and connect to Flinders Street Station.

Anzac Station on St Kilda Road creates a direct link to Melbourne’s commercial hub and landmarks such as the Royal Botanic Gardens and the Shrine of Remembrance.



Upgrading Sunshine Station – the first step towards Airport Rail

In partnership with the Commonwealth Government, we're investing \$4.1 billion to rebuild Sunshine Station into a transport superhub – the first step in delivering Airport Rail.

And in order to get this project moving as quickly as possible, we've brought forward \$2 billion in funding.

Rebuilding Sunshine Station is essential to delivering Airport Rail, with the project set to untangle more than six kilometres of track from West Footscray to Albion.

The project will also deliver extra regional platforms at Sunshine, a brand new station at Albion and the essential first step to enable electrification of the Melton Line.

REGIONAL RAIL

This Budget invests \$52 million to boost regional train services, delivering more carriages on Bendigo weekend services, extra peak hour Seymour services, as well as 40-minute interpeak services to and from Traralgon, enabled by the Gippsland Line Upgrade.

Better connecting communities

Good public transport gets Victorians where they need to go.

It's why this Budget invests to maintain and improve our bus, train and ferry services, and get the network ready for the next generation of trains and trams.

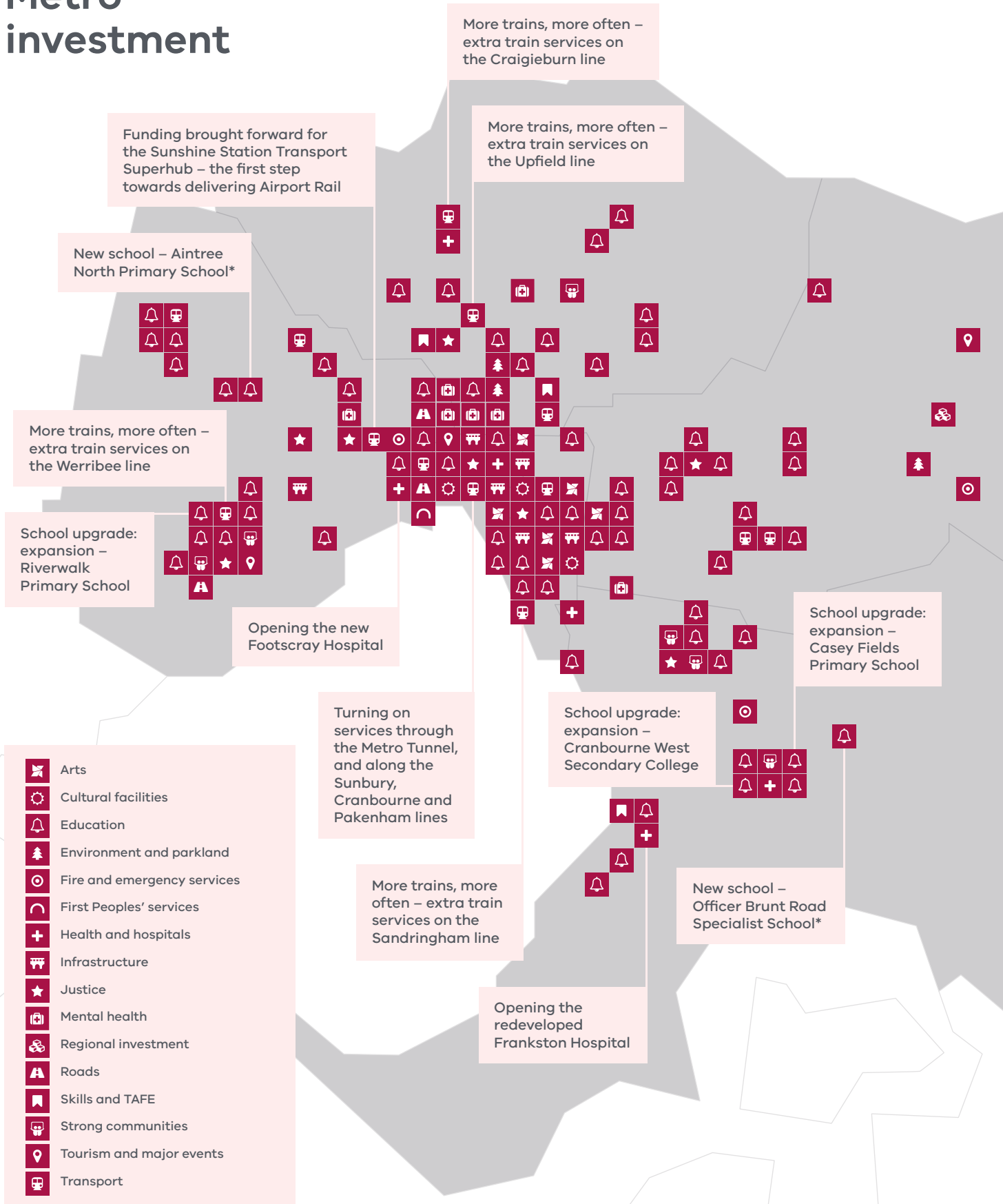
That includes \$162 million to improve our bus network for growing communities. This includes:

- ▲ New and extended bus routes connecting passengers in growth areas to train stations, including Riverwalk, King's Leigh, Mt Atkinson, Thornhill Park and Mystique estates
- ▲ New and upgraded bus services for the new West Tarneit Station
- ▲ More bus services to improve access to the Wyndham Law Courts precinct
- ▲ Upgraded services to improve access to Caroline Springs town centre and Watergardens Station.

This Budget also invests:

- ▲ \$270 million to deliver a more reliable rail network for regional Victorians with maintenance and upgrades
- ▲ \$72 million for safety upgrades and infrastructure to enable the next generation of trams
- ▲ \$27 million to deliver accessible tram stops along Droop Street, Footscray including outside the new Footscray Hospital.

Metro investment



*Interim name

Fixing roads

Every day, Victorians rely on our roads to get to work, get the kids to school, and stay connected to family and friends.

Through this year's Budget, we're continuing to fix and improve our roads.

We'll invest \$976 million in 2025-26 alone to deliver a Better Roads Blitz – fixing potholes and resurfacing roads across our state.

We are also delivering better roads for Melbourne's fast-growing outer suburbs. Together with the Commonwealth Government, we're delivering a \$1.2 billion investment to tackle congestion and improve safety and connectivity. Funding is provided to deliver critical upgrades, including the:

- ▲ Donnybrook Road and Mitchell Street intersection in Donnybrook
- ▲ McLeod Road and Station Street intersection in Carrum
- ▲ Central Avenue in Altona Meadows.

We have also committed up to \$250 million with the Commonwealth to deliver major improvements to Werribee Main Road – improving safety and reducing congestion. This project will upgrade four intersections and the Princes Freeway on-off ramps, as well as adding an additional lane to the existing Werribee Main Road bridge crossing the Princes Freeway.

This Budget includes \$38 million for improvements to the metropolitan road network and essential maintenance on the West Gate Bridge. This includes:

- ▲ Upgrades to the southern roundabout at the intersection of Mount Alexander Road, Napier Street, Fletcher Street and Russell Street in Essendon
- ▲ Upgrades to the pedestrian-operated signals on Ferntree Gully Road between Princes Highway and Stamford Road in Oakleigh, and on Warrigal Road near Childers Street in Parkdale.

Funding of \$81 million will deliver improvements for roads and bridges in regional Victoria, including in San Remo, Terang and Lakes Entrance.

This Budget also invests an additional \$412 million to roll out safety upgrades across the state. This includes installing road safety barriers and adding more cameras that detect mobile phone use and people not wearing seatbelts.

Investing in our kids and their classrooms

AT A GLANCE

\$1.5 billion

to deliver new schools, school upgrades and maintenance

\$133 million

to drive excellence in reading, writing and maths at every level

\$320 million

to complete the statewide rollout of the Disability Inclusion reform in schools

\$159 million

to attract, retain and support teachers

Every family wants their kids to have the best start in life – and that begins with a great education.

A great education helps our kids grow up confident, capable and ready to take on the world.

It's why with this Budget, the Allan Labor Government is investing \$4.9 billion to continue building a better future for our kids.

That includes constructing new schools and upgrading classrooms across our state. But our commitment goes beyond bricks and mortar.

We're also investing in what happens inside the classroom – promoting a culture of excellence and giving teachers the support they need to help kids succeed.

New and better schools

Every family deserves a great local school.

And as our population grows, we need to make sure we're building and upgrading our schools and classrooms.

We promised to build 100 new schools across Victoria by 2026.

We've already opened 81 – including six that opened for students at the start of this school year. Nineteen more are on track to open for day one, Term one next year.

This Budget funds a further two new schools in Aintree North and Officer, bringing the total number of new schools to 102 since 2019.

But we're not just building new schools – we're also making our existing ones even better, with modern learning spaces, sports fields and playgrounds.

This Budget delivers new schools, school upgrades and maintenance, including:

- ▲ \$361 million to build two brand new local schools, construct additional stages at four recently opened schools and planning to expand an existing school
- ▲ \$322 million to upgrade 35 schools across Victoria, delivering great classrooms and facilities for learning and community use
- ▲ \$237 million to acquire land for new and expanded schools, including in Casey, Darebin, Melbourne and Melton
- ▲ \$187 million for more modular classrooms to create new learning spaces at schools that need extra classroom space
- ▲ \$50 million to expand permanent capacity at three existing schools
- ▲ \$25 million to fund small-scale capital projects that are a priority for local schools
- ▲ \$19 million for the Accessible Buildings Program, making school spaces more inclusive
- ▲ \$10 million to plan future capital upgrades and expansions at 20 schools across Victoria
- ▲ \$1 million to fund a feasibility study for a maths and science school in Melbourne's north-west.



SCHOOL CAPITAL PROGRAM 2025-26

Metro new school construction (interim names)

- ▲ Aintree North Primary School
- ▲ Officer Brunt Road Specialist School

Metro additional stages of new schools

- ▲ Bemis Secondary College
- ▲ Brinbeal Secondary College
- ▲ Walcom Ngarrwa Secondary College
- ▲ Yarrabing Secondary College

Metro new school planning

- ▲ South Melbourne Primary School
(expansion)

Metro expanding capacity at existing schools

- ▲ Casey Fields Primary School
- ▲ Cranbourne West Secondary College
- ▲ Riverwalk Primary School

Metro school upgrades

- ▲ Buckley Park College
- ▲ Carrington Primary School
- ▲ Caulfield South Primary School
- ▲ Collingwood College
- ▲ Gardenvale Primary School
- ▲ Hampton Primary School
- ▲ Hazel Glen College
- ▲ Kananook Primary School
- ▲ Kurunjang Secondary College
- ▲ Manorvale Primary School
- ▲ McKinnon Primary School
- ▲ Meadow Heights Primary School
- ▲ Melba College
- ▲ Melton South Primary School
- ▲ Mordialloc College
- ▲ Mount Eliza North Primary School
- ▲ Mount Erin College
- ▲ Mullauna Secondary College
- ▲ Orchard Grove Primary School
- ▲ Rangebank Primary School
- ▲ Roberts McCubbin Primary School
- ▲ Streeton Primary School
- ▲ Yarraville West Primary School

Regional school upgrades

- ▲ Belmont High School
- ▲ Broadford Primary School
- ▲ Colac West Primary School
- ▲ Drouin Secondary College
- ▲ Edenhope College
- ▲ Lakes Entrance Primary School
- ▲ Leongatha Secondary College
- ▲ Lismore Primary School
- ▲ San Remo Primary School
- ▲ Stawell West Primary School
- ▲ Wangaratta High School
- ▲ White Hills Primary School

Promoting excellence in the classroom

We want every Victorian child to reach their full potential.

That's why this Budget invests an additional \$133 million to drive excellence in reading, writing and maths at every level.

That includes \$37 million to drive excellence in maths education.

This investment will upskill existing maths teachers and deliver a new numeracy check for Year 1 students, helping identify kids who need extra support early.

It'll also fund free advanced mathematics camps for Year 9 and 10 students and provide experts to support local teachers in regional schools to develop their capabilities.

Funding will also support a feasibility study for a new maths and science school in Melbourne's north-west.

This Budget also delivers:

- ▲ \$25 million to drive excellence in reading and writing education by providing phonics education in every government school, supporting teachers with better diagnostic tools and the expertise of experienced teachers
- ▲ \$25 million to continue to stretch students through the Victorian High-Ability Program and the Victorian Challenge and Enrichment Series, including online classes, excursions and workshops
- ▲ \$20 million for small-group tutoring to support students who need it most, to improve their reading, writing and maths skills
- ▲ \$18 million to continue the Koorie Literacy and Numeracy Program, to improve literacy and numeracy outcomes for First Nations students
- ▲ \$9.2 million to support the opening of Tech Schools in Dandenong and Warrnambool.

Giving kids the best start in life

With 90 per cent of the brain developing before the age of five, early learning is critical to making sure children can reach their full potential.

Since 2023, we've transformed early childhood education for our youngest Victorians.

These reforms mean that every young Victorian can benefit from two years of play-based learning before they start school – completely free.

This Budget builds on this investment with a further \$2 billion to deliver:

- ▲ Free Kinder for three and four-year-olds statewide, saving families up to \$2 600 a year for each child
- ▲ Up to 15 hours of kindergarten a week for almost 75 000 three-year-olds statewide
- ▲ Transitioning four-year-old kindergarten to Pre-Prep, which provides up to 30 hours of play based learning a week. Pre-Prep is already available in Ararat, Gannawarra, Hindmarsh, Murrindindi, Northern Grampians and Yarriambiack, and will expand across the state over the next decade
- ▲ We are also opening 50 government owned and run Early Learning and Childcare Centres in the communities that need them most. Four have already opened their doors, giving families more choices to return to work or study, and 14 more centres are currently under construction to open next year.

As well as delivering Free Kinder, we're making sure every kinder is a great space for kids to learn. This Budget includes \$15 million in Building Blocks grants for providers to make their learning spaces even better.

An investment of \$19 million will make sure all kids can participate in early childhood education, including \$2.5 million for Yalingbu Yirramboi – the Royal Children's Hospital School's kinder program.

This Budget also delivers \$5.3 million for Aboriginal Community Controlled Organisations so they can establish and run kinders and other early childhood services – ensuring kids grow up with a strong connection to culture.

Statewide rollout of Disability Inclusion

Children with disability deserve the same opportunities as every other young Victorian.

This Budget provides \$320 million to complete the statewide rollout of our Disability Inclusion reforms.

These groundbreaking reforms are changing the way we support students with disability – introducing extra funding that helps schools recruit and train specialist staff, purchase dedicated resources, and strengthen tailored support for students.

The reforms also help teachers and school staff access specialist expertise, coaching and resources to help build knowledge and skills across the school system.

Backing our teachers and school staff

Great classrooms depend on great teachers – the dedicated professionals who help every student to be their best.

That's why we're finding ways to attract, train and retain excellent teachers in Victoria's public school system.

Training to be a teacher shouldn't mean struggling to pay the bills. That's why this Budget invests \$68 million across a range of school workforce initiatives including to:

- ▲ Provide 200 scholarships to study secondary teaching in specialist subjects
- ▲ Make sure pre-service teachers are paid on placement, with funding for 70 000 placement days
- ▲ Continue the *Teach Today and Teach Tomorrow* programs, supporting up to 1 200 places in learn-on-the-job programs that make it easier to study teaching while working
- ▲ Provide payments and support to encourage up to 280 teachers to relocate where they're needed most.

This Budget also invests \$91 million in our teaching workforce, including:

- ▲ \$29 million to support graduate teachers with the statewide delivery of the Career Start program. This provides support for our newest teachers with a dedicated mentor and advanced professional learning
- ▲ \$25 million to continue the Victorian Academy of Teaching and Leadership for teacher and school leader training
- ▲ \$10 million to expand the School-wide Positive Behaviour Support program to an extra 400 schools. Funding will deliver new specialist coaches to work with schools on instilling positive student behaviour, increasing academic success, and improving school culture.



This Budget delivers a further \$27 million to support better vocational education for school students, including Jobs, Skills and Pathways Coordinators at every government secondary school.

A great education for every young Victorian

A great education sets young Victorians up for success.

But we know that for some kids, it can be more difficult to engage with school. This Budget will help support these students with:

- ▲ \$57 million to continue the English as an Additional Language program to students who have just arrived in Australia, including refugees or asylum seekers
- ▲ \$33 million to continue the Students with Disabilities transport program
- ▲ \$31 million to support children known to child protection or in out-of-home care, including the Education Support for Children in Care program, Education Needs Analysis process and the LOOKOUT program
- ▲ \$26 million for the Navigator program, which provides outreach and case management services to help kids re-engage with school
- ▲ \$6 million for the Smith Family to deliver their Learning for Life Program, helping support 4 000 young Victorians to improve their school attendance and complete their studies.

We also know – academics aren't the only measure of success.

The VCE Vocational Major allows students to develop skills for work and life.

Victoria has already invested \$17 million into changing senior schooling with the Jobs, Skills and Pathways Coordination program and the Victorian Pathways Certificate, which gives students another option besides the VCE.

This Budget delivers a further \$27 million to support better vocational education for school students, including Jobs, Skills and Pathways Coordinators at every government secondary school.

This investment will strengthen vocational learning opportunities and help school leavers find the right TAFE course, apprenticeship, or job that suits them.

More homes for a growing Victoria

AT A GLANCE

Unlocking planning

for another 50 train and tram zones to help deliver 300 000 new homes

\$61 million

to extend the stamp duty concession for off-the-plan apartments, units and townhouses

\$249 million

to unlock more homes sooner

\$61 million

in additional funding to support Victorians experiencing homelessness

The Great Australian Dream means having a place to call your own - and with it, stability, a sense of pride and the freedom to build your life. But too many Victorians are missing out.

Victoria is growing. Melbourne is on track to reach the size of London by 2050, when almost nine million people will call our city home.

But we can't just continue to build out. We need a long-term plan to build more homes in connected communities – close to jobs, transport and services.

It's why we've cut red tape in the planning system, opened up government land for new homes, and sped up the renewal of our social housing.

This Budget continues that work – unlocking planning, reducing the cost of purchasing off-the-plan apartments, units and townhouses, and building new homes faster.

Continuing the stamp duty concession for off-the-plan townhouses and apartments

More apartments, units, and townhouses being built means more homes for young people and families to rent or buy.

It's why this Budget delivers \$61 million to extend the stamp duty concession announced in October 2024, slashing stamp duty on eligible off-the-plan apartments, units and townhouses until October 2026.

Prior to October 2024, the concession was only available to first-home buyers and owner occupiers – and even then, eligibility was capped based on value.

By continuing the concession, we'll boost housing construction by:

- ▲ Enabling anyone buying an eligible apartment, unit or townhouse off-the-plan to claim the concession – not just first-home buyers and owner occupiers
- ▲ Removing the threshold so the concession is available for apartments, units and townhouses of any value.

A Victorian using this concession who buys an apartment off-the-plan before any construction work starts could pay around \$28 000 less stamp duty on a \$620 000 apartment – with duty slashed from around \$32 000 to around \$4 000.



DELIVERING AUSTRALIA'S BIGGEST HOUSING PROJECT – THE SUBURBAN RAIL LOOP

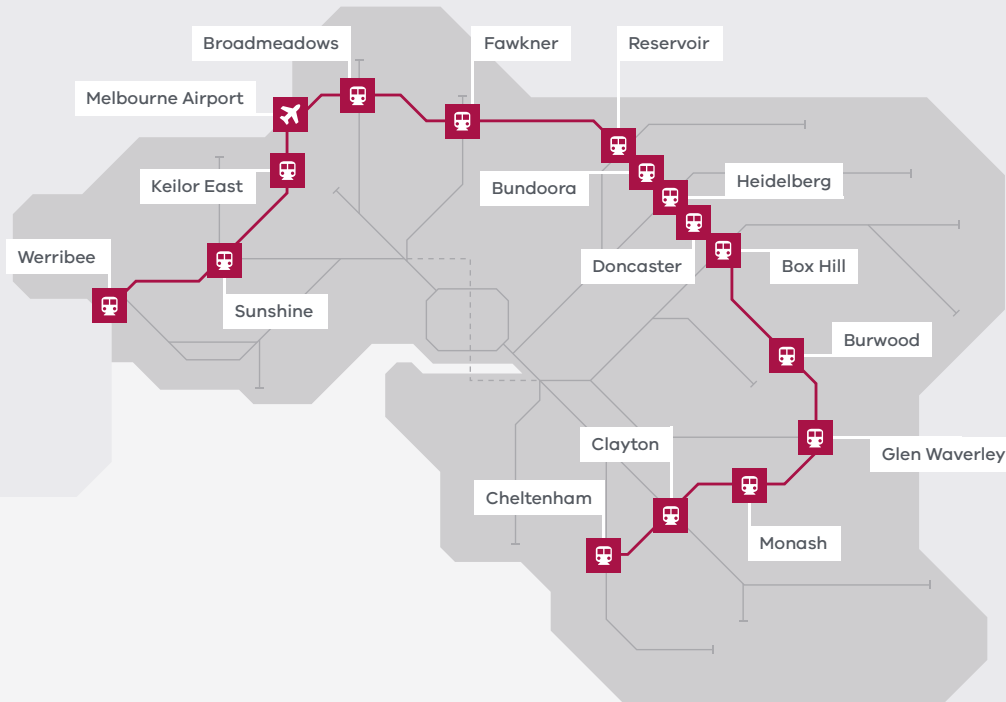
The Suburban Rail Loop (SRL) will completely transform our city and state, joining up every major metropolitan train line and connecting homes, jobs and services from Cheltenham in the south-east to Werribee in the west.

Major works have begun, with tunnel boring machines arriving this year and tunnelling expected to start in 2026.

But the SRL is so much more than a train line. It's Australia's biggest housing project.

The first stage alone will support more than 70 000 new homes over the next 30 years.

The SRL will ensure that as our city and state grow, Melbourne and Victoria remain the best place to live and work.



HOMELESSNESS SUPPORT

Too many Victorians are missing out on the safety and security of a home.

This Budget invests an extra \$61 million to help people experiencing homelessness find a permanent place to live.

This includes funding for outreach teams supporting rough sleepers and helping more Aboriginal Victorians experiencing homelessness get access to self-determined and culturally appropriate support.

Unlocking more homes

More homes mean more opportunity. But where they're built matters.

We've identified a further 50 activity centres around train and tram stops that will help an extra 300 000 homes be delivered in metropolitan Melbourne by 2051.

Building diverse housing choices in established suburbs – close to jobs, transport and services – will mean Victorians aren't forced to move away from the communities they grew up in to find a home, or move away from their community when they want to downsize.

To make sure we get the planning right – this Budget invests \$24 million to deliver new planning controls for these activity centres, giving certainty to communities and industry about how these places will grow over the coming decades.

But living in the inner or middle suburbs isn't for every family.

This Budget invests a further \$12 million to unlock more greenfield land for new homes with backyards. Over the next decade, our greenfields plan aims to progressively unlock 180 000 more homes in new suburbs across Melbourne's outer south-east, north and west.

Whether it's a townhouse in the city or a house with a backyard in the suburbs, we want to help more Victorians find their home.

Building homes faster

We're not just building new homes – we're helping build them faster.

Working in partnership with the Commonwealth, this Budget allocates a further \$249 million to enable infrastructure works – such as roads, sewerage and water – that increase housing supply across the state.

Overall, this investment is helping fast-track the delivery of approximately 4 000 homes, including more than 1 300 in regional Victoria.

At least 10 per cent of this funding will be directed towards First Nations' housing outcomes, and regional Victoria will receive over \$88 million.

A further \$50 million investment will establish a Future of Housing Construction TAFE Centre of Excellence at Melbourne Polytechnic.

Delivered in partnership with the Commonwealth, the Centre will train workers in modern construction technologies, including modular and prefabrication, enabling the delivery of faster, cost-effective homes.

Keeping communities safe

AT A GLANCE

\$1.6 billion

to back in Victoria's new bail laws, strengthen our justice system and keep communities safe

\$727 million

to ramp up capacity in Victoria's prisons and youth justice centres, including bringing almost 1 000 additional adult beds online, and 88 youth justice beds

\$176 million

to break the cycle of reoffending and stop crime before it begins

\$206 million

for the people, equipment, and infrastructure that keep Victorians safe in an emergency

We've introduced tough new laws – to hold offenders to account, and keep communities safe.

Every Victorian deserves to feel safe in their home, and in their community.

That's why this Budget invests \$1.6 billion to back in our tough new bail laws, with funding to support our police and justice workforces, speed up our courts and deliver Australia's first machete ban.

These investments will make sure police, courts and corrections have the resources they need to keep communities safe.

The toughest bail laws in Australia

The Allan Labor Government is delivering the toughest bail laws in the country.

The first tranche of these laws has passed the Parliament, with the second bill to be introduced in the middle of the year.

And these laws are working.

With this Budget, we're backing in these bail changes and expanding the capacity of Victoria's prisons and youth justice centres – investing \$727 million to bring more beds online and make sure the system can cater for more offenders.

In total, almost 1 000 additional adult beds will open across the system, and a further 88 youth beds will open at Cherry Creek and Parkville.

The Budget will also fund the recruitment of a further 320 new roles in youth justice and 400 new roles in adult corrections.

The sign-on bonus of \$8 000 announced at the start of the year for new recruits at Western Plains or Hopkins Correctional Centre has also now been extended to all other adult prisons.

As part of supporting people in custody to use their time to rehabilitate, the Budget will also expand healthcare, rehabilitation, and support services across the adult and youth systems – helping drive down repeat offending.



EARLY INTERVENTION TO BREAK THE CYCLE

With this Budget, we're also investing \$176 million to help break the cycle of reoffending.

Funding of \$19 million will continue programs in the corrections system, including support for prison employment hubs and additional transition coordinators to help prisoners transition safely back into the community.

A \$135 million investment will help support young people with more rehabilitation and reintegration programs, providing them with the skills and support they need for a positive future.

Funding of \$22 million will also help address the over-representation of First Peoples in our justice system, with the provision of a new self-determined grants program to support Aboriginal Victorians on remand and on bail.

Backing policing and community safety

Our hardworking police put their lives on the line to keep communities safe.

And as a Government, we're in their corner.

Already, Victoria Police funding has increased by around 88 per cent – from \$2.4 billion in 2014-15, to \$4.5 billion in 2025-26.

This year's Budget delivers a \$92 million boost to keep our communities safe, including a more efficient fines collection service to reduce paperwork and ensure all parts of our justice system can focus on what matters most to Victorians.

This year's Budget includes:

- ▲ \$7.4 million to strengthen frontline police recruitment, to encourage more Victorians to take up rewarding careers in the police force
- ▲ \$3.8 million to continue the Embedded Youth Outreach Program at Dandenong and Werribee police stations – helping reach more at-risk young people and get them back on track
- ▲ \$3 million to continue supporting community safety organisations including Crime Stoppers Victoria and Neighbourhood Watch
- ▲ \$13 million to implement Australia's first machete ban, alongside new powers for police to search for dangerous weapons.



This Budget invests \$290 million in stronger, more compassionate support for victims, putting their needs at the heart of our justice system.

Delivering justice for victims of crime

Every Victorian deserves to feel heard, supported, and safe – especially if they’ve been the victim of a crime.

That’s why this Budget invests \$290 million in stronger, more compassionate support for victims, putting their needs at the heart of our justice system.

This includes \$287 million for the new Financial Assistance Scheme and supporting victims of crime. The Financial Assistance Scheme will help victims rebuild their lives, providing access to counselling, assistance with medical expenses and emergency financial help.

An investment of \$3.2 million will continue the work of the Victims’ Legal Service, providing specialised legal services for victims of crime.

Keeping young people on track and our community safe

Our tough bail laws are targeted at serious and repeat offenders.

At the same time, we’re investing in early intervention to keep young people on the right path and help stop crime before it starts.

This Budget invests \$135 million to help support young people and keep communities safe, including:

- ▲ \$20 million to continue to support young people at risk of disengaging, with increased case management, dedicated education and employment programs and wrap-around alcohol and other drug support
- ▲ \$7.5 million for the Living Learning program to help young people finish school
- ▲ \$1 million for kids who are involved, or are at risk of involvement, in the youth justice system to reconnect with their school or access other support with help from an Education Early Intervention Officer.

Strengthening our courts

Our justice system must be fair, effective and efficient.

That's why we're investing \$188 million to speed up court processes, and make sure Victorians can navigate the legal system.

This includes \$114 million to open the Wyndham Law Courts for Melbourne's rapidly growing west. This creates the largest court complex in Victoria outside the CBD, bringing together the Magistrates' Court of Victoria, Children's Court of Victoria, Victorian Civil and Administrative Tribunal, Victoria Police, and local community legal services.

Building on this investment, the Budget will also provide \$73 million to improve and strengthen our existing court system, including:

- ▲ \$29 million to help court users to get ready for hearings and support early diversion. This will reduce the number of unnecessary delays or adjournments at the Magistrates' Court of Victoria
- ▲ \$19 million for dedicated Court Security Officers at Specialist Family Violence Courts, making sure family violence victim survivors feel safe. Funding will also continue the Remote Hearing Support Service, which gives victims the option to attend a family violence hearing without coming to court
- ▲ \$15 million to maintain case management systems in the County Court of Victoria and the Victorian Civil and Administrative Tribunal, making sure our courts are operating efficiently
- ▲ \$5.9 million to continue the Online Children's Court, helping vulnerable children and families get access to justice and support.

Preventing and responding to family and sexual violence

Victoria is leading the nation when it comes to preventing violence against women and girls.

We've implemented every one of the Royal Commission into Family Violence's 227 recommendations – changing our systems and society to prevent and respond to violence.

Last year, we announced the Women's Safety Package – a \$108 million investment to keep women and children safe, with greater accountability for perpetrators and more support for victims.

But when it comes to keeping women and children safe – there's always more to do. As well as making our courts safer for victim survivors, we're investing another \$172 million including:

- ▲ \$80 million to support victim survivors, including one-on-one case management to help victims navigate services and rebuild their lives. Funding will also support Respect Victoria to help prevent family and gendered violence before it begins
- ▲ \$40 million to embed data-driven risk management into the entire family violence service system so that those that need help, get help
- ▲ \$27 million for sexual assault support services, continuing the after-hours crisis line and specialist treatment services
- ▲ \$24 million for specialised family violence legal services.



A NEW TOBACCO AND LIQUOR REGULATOR

Victoria has introduced the toughest penalties for illegal tobacco in Australia, to crack down on this illegal trade.

This Budget invests \$65 million to create an integrated tobacco and liquor regulator, to deliver better oversight and address health risks.

Protecting vulnerable children and their families

Every child deserves to grow up safe, happy and connected.

That's why this Budget invests \$297 million to better protect vulnerable children, delivering more early intervention, more help for parents and more support for our child protection workforce. This Budget includes:

- ▲ \$167 million to help more families, providing earlier support to parents and carers, and addressing the root causes of vulnerability
- ▲ \$90 million to improve outcomes for more children and young people with complex needs in residential care and provide vital support for carers through the Carer KAFE
- ▲ \$25 million for community-led support and advocacy for First Nations children and young people in the child protection and family services system
- ▲ \$14 million to grow and support our critical child protection and family services workforce to support vulnerable children and families.

Strengthening our emergency services

From bushfires and floods to everyday emergencies, our firefighters, SES volunteers, and emergency service workers are there when we need them most.

This Budget continues our investment in the people, equipment, and infrastructure that keep Victorians safe – delivering faster response times and stronger recovery for communities right across the state.

An investment of \$206 million will ensure we continue to keep communities safe, supporting the operational capacity and firefighting capability of the state's emergency service organisations.

This investment will ensure our first responders have the equipment they need at their fingertips, and is on top of our Emergency Services package announced in the *2024/25 Budget Update*.

This Budget we're making our emergency management response even better, with:

- ▲ \$14 million to build a new Victorian State Emergency Service Unit for Footscray, supporting volunteers and locals in Melbourne's west
- ▲ \$21 million to deliver two new satellite Country Fire Authority stations at Wendouree and Hampton Park and deliver a number of CFA stations including at Hoddles Creek and Winnindoo to support firefighting services
- ▲ \$6.8 million to boost Marine Search and Rescue operations, including new vessels at two priority locations.

A strong regional Victoria

AT A GLANCE

\$777 million

for regional roads and transport

\$117 million

to improve regional education facilities and services

\$216 million

for regional healthcare

\$50 million

regional stream of the new Victorian Investment Fund

Wherever you live, every Victorian deserves to be connected, supported and cared for.

Regional Victoria is the beating heart of our state – and this Budget is focused on what matters for the people who call it home.

From our regional centres to farming towns to coastal communities and everything in between, we're investing in the services and infrastructure regional Victorians rely on.

This year's Budget invests in regional road and rail, better hospitals, building and modernising schools and strengthening our regional communities.

We're backing local jobs and local businesses too, with investments that grow regional economies and create more opportunities close to home.

With this Budget, we're making sure regional Victoria continues to be a great place to live, work and raise a family.



We're backing local jobs and local businesses too, with investments that grow regional economies and create more opportunities close to home.



Regional healthcare and hospitals

No matter where you live, every Victorian should have access to reliable, quality healthcare.

It's why with this Budget, we're continuing to invest in regional hospitals, support our regional nurses and midwives, and make sure that, in an emergency, regional Victorians are getting the lifesaving care they need.

This includes:

- ▲ \$84 million for regional and rural ambulances. This will maintain 15 regional dual paramedic ambulance crews upgraded from single paramedic crews, four 24-hour ambulance branches upgraded from on-call after hours, and four rural Peak Period Units to bolster services during periods of high demand
- ▲ \$52 million to deliver new and upgraded medical equipment, supporting operating suites, emergency departments, surgical wards, intensive care units and neonatal and maternity services in hospitals across the state
- ▲ \$12 million to support the opening of the redeveloped Maryborough and District Hospital, with a new urgent care centre, new birthing suites, a 32-bed inpatient unit, two operating theatres, and a day medical centre with imaging and pathology services
- ▲ \$27 million will continue 12 Urgent Care Clinics across our state, including in Baw Baw, Latrobe, Mildura, Wodonga and Warrnambool
- ▲ \$6.6 million to support and develop skills for nurses and midwives in rural areas.

This Budget also delivers funding to support the opening and operationalising of the expanded Paediatric Emergency Department at University Hospital Geelong, additional Short Stay Unit beds at Albury Wodonga Regional Hospital as well as Swan Hill District Health's newly opened and redeveloped Emergency Department.

Regional communities will also benefit from continued support of our network of Mental Health and Wellbeing Locals, which provide free mental health care to Victorians – without the need for a referral or a Medicare card.

An investment of more than \$300 million will ensure ongoing access to vital mental health beds, including operationalising 30 beds in our new regional Youth Prevention and Recovery Care centres in Geelong, Shepparton and Ballarat.

A further \$1 million will support QHub, to provide mental health and wellbeing services for LGBTIQ+ young people in regional Victoria.



Regional drivers will benefit from \$976 million in total investment in 2025-26 to fix potholes and resurface roads across our state.

Regional transport

Our regional transport network connects people to jobs, services and opportunities.

It's why we've upgraded every regional passenger line in Victoria, introduced fairer fares for country passengers, and continued rebuilding, repairing and resurfacing roads across our state.

The Government has stepped up the amount of road maintenance across the state, including roads damaged by floods. We're continuing this important work to make the state's roads safer for all.

Regional drivers will benefit from \$976 million in total investment in 2025-26, delivering a Better Roads Blitz to fix potholes and resurface roads across our state.

And we're delivering \$81 million to make roads in regional communities safer, including:

- ▲ Rehabilitation of the San Remo Bridge connecting Phillip Island to the mainland
- ▲ Strengthening the Mt Emu Creek Bridge on the Princes Highway West in Terang to accommodate high productivity freight vehicles
- ▲ Safety upgrades on the Princes Highway East in Lakes Entrance.

This Budget also delivers a more reliable rail and bus network for regional Victorians with:

- ▲ \$270 million to maintain our V/Line network, helping to ensure a reliable, safe and comfortable trip for passengers
- ▲ \$103 million to keep freight rail moving across our state
- ▲ \$52 million to boost regional train services, delivering more carriages on Bendigo weekend services, extra peak hour Seymour services, and 40-minute interpeak services to and from Traralgon, enabled by the Gippsland Line Upgrade
- ▲ \$1.4 million to continue the Woodend and Yarrawonga FlexiRide bus services.

Regional kids and classrooms

Every young Victorian deserves a great start in life. And by investing in regional schools, we're helping to make sure that every child can reach their full potential.

This Budget continues our investment in regional kids and classrooms. This includes:

- ▲ \$111 million for upgrades at 12 regional schools
- ▲ Providing specialist science, arts and English programs – including the John Monash Science School Regional Science Exchange Program – for regional and rural students
- ▲ Supporting the new Warrnambool Tech School, servicing five local government areas in western Victoria.

This Budget also delivers a further \$2 billion to improve early childhood learning, including for kids in regional Victoria:

- ▲ Free Kinder for three and four-year-olds across our state, saving families up to \$2 600 a year for each child
- ▲ Up to 15 hours of kindergarten for three-year-olds, with the statewide rollout reaching regional communities first
- ▲ Transitioning four-year-old kindergarten to Pre-Prep, which provides up to 30 hours of play-based learning. Pre-Prep is already available in Ararat, Gannawarra, Hindmarsh, Murrindindi, Northern Grampians and Yarriambiack, and will expand across the state over the next decade – reaching regional communities first
- ▲ Delivering 50 government owned and run Early Learning and Childcare Centres – including communities in regional Victoria. Eaglehawk North and Murtoa have already opened their doors, giving families more choices to return to work or study. More centres in Clunes, Numurkah, Portland South, Shepparton, Teesdale and Wedderburn are currently under construction to open next year.

INVESTING IN REGIONAL TAFE

We're continuing to invest in our regional TAFEs and students, with \$11 million to increase training capacity at The Gordon TAFE's Geelong campus, South West TAFE's Hamilton campus, and Federation University TAFE campuses in Ballarat and Mt Helen.

Upgrades at South West TAFE Hamilton campus will enable increased volume of training delivered from the campus, particularly for healthcare courses, responding to local skills need.

The Gordon's Geelong campus and Federation University TAFE campuses will also be expanded to train more students.

This investment will increase teaching floorspace at TAFE, supporting access to TAFE across different geographic areas, and ensure TAFEs can continue delivering the skills of the future.

Investing in our beautiful state

Every corner of regional Victoria offers something special. From the coast to the High Country, regional Victoria is not only a fantastic place to live, but a huge drawcard for visitors.

Tourism in regional Victoria injects billions of dollars into our economy every year, and helps local communities flourish.

That's why we're investing a further \$60 million in our beautiful backyard, including:

- ▲ \$17 million for our Landcare and Coastcare volunteer programs, supporting the passionate locals who protect our environment and care for the land and coastlines we all love
- ▲ \$11 million to open and operate the Nyaal Banyul Geelong Convention and Event Centre
- ▲ \$8.4 million to continue joint land management of the Barmah National Park in partnership with the Yorta Yorta people
- ▲ \$11 million for Victoria's regional tourism boards and visitor economy partnerships
- ▲ \$6 million to support nature-based tourism and the environment along the Great Ocean Road. This includes \$2.3 million to complete the new Twelve Apostles Visitor Experience Centre
- ▲ \$5.2 million towards stocking 10 million fish in Victoria's waterways in 2025-26, and to operate the expanded Arcadia and Snobs Creek hatcheries. This supports the \$2.3 billion annual contribution to the Victorian economy from recreational fishing.

And after a one-off summer boost – where we made camping free at 131 campgrounds across our state – we're investing a further \$11 million to ensure families can continue to enjoy half-price camping until mid-2027. Since we brought in half-price camping in 2019, campers have saved more than \$25 million in booking fees.

Backing regional economies and regional jobs

Regional businesses have the lowest payroll tax rate in the nation, while employment has grown by 20.2 per cent in regional communities since we came to government.

But when it comes to backing regional communities – we know there's more to do.

It's why, as part of the Economic Growth Statement, the Allan Labor Government set out growing regional economies as one of its four key actions.

With work well underway to progress all 40 plus of its initiatives, this Budget delivers \$240 million to fund the Economic Growth Statement – in full.

From a faster Environmental Effects Statement process, unlocking more industrial land, extending the Resources Victoria Approvals Coordinator and the reduction of regulators and red tape – these reforms will reach every part of regional Victoria.

At the same time, we're delivering the targeted investments that we know will make a difference to regional economies:

- ▲ \$50 million regional stream of the new Victorian Investment Fund, dedicated to supporting fast growing businesses to enhance economic development, generating capital investment and new jobs in regional cities and towns
- ▲ \$10 million to unlock trunk infrastructure – things like water supply, sewerage, roads and electricity – to open up more industrial land across regional Victoria
- ▲ \$400 000 to pilot new Regional Launching Pads, offering new shared spaces, enabling regional businesses, entrepreneurs and investors to meet, work and collaborate
- ▲ Up to \$7 million to boost destination marketing across Victoria through a cooperative fund
- ▲ Delivering simpler, smarter regulation in regional Victoria to make it easier for regional businesses to set up, operate and grow.

And as one of Victoria's priority sectors, this Budget invests a further \$54 million in agribusiness and food and fibre. This will fund projects to manage pests and maintain our strong biosecurity arrangements, support animal welfare, research into emissions reduction technologies in agriculture and support to develop the hemp industry.



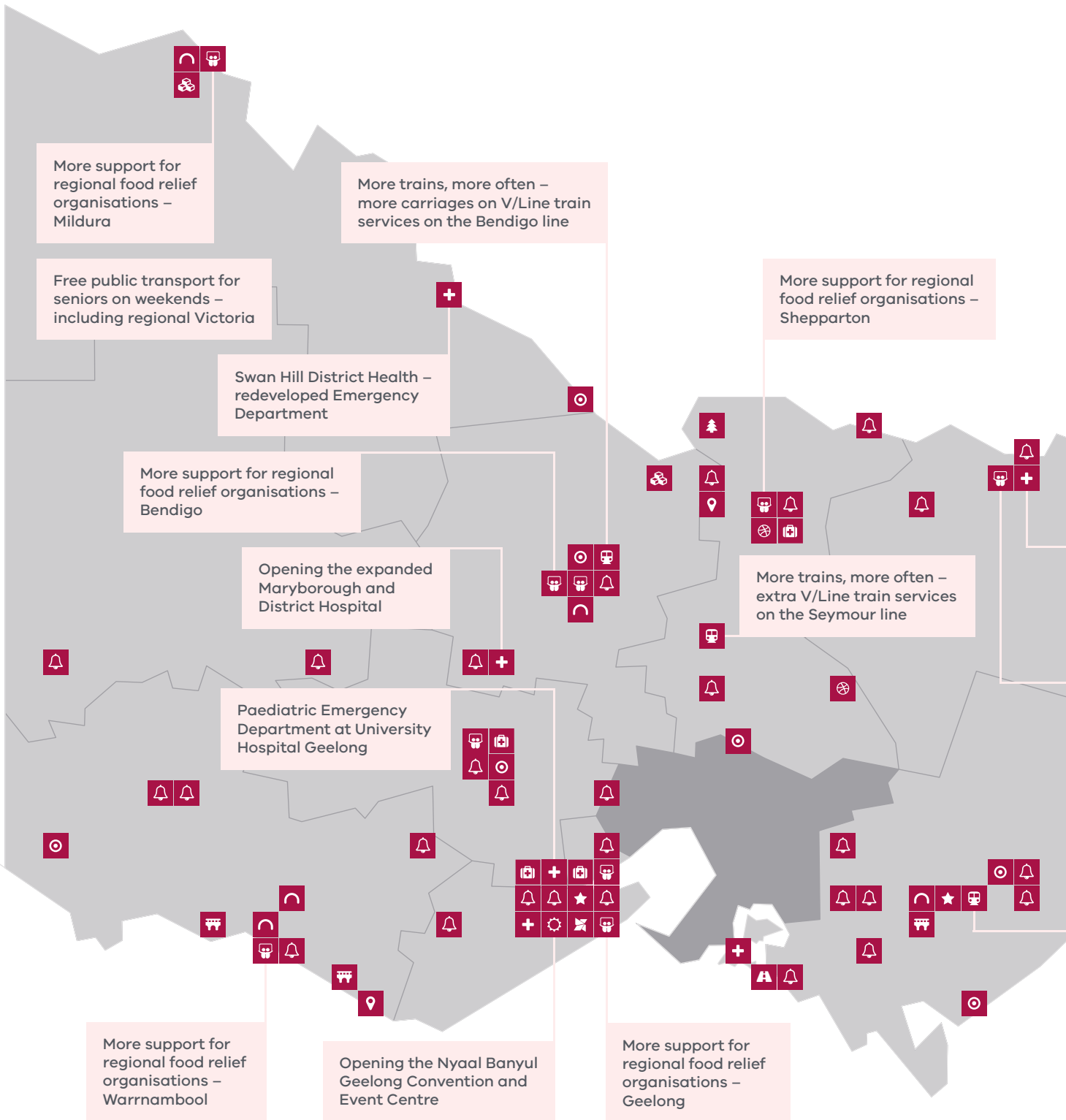
As part of the Economic Growth Statement, the Allan Labor Government set out growing regional economies as one of its four key actions.

REGIONAL FOOD RELIEF

An investment of \$6 million will help the state's six regional Foodshares – located in Albury-Wodonga, Bendigo, Geelong, Mildura, Shepparton and Warrnambool – provide food to families in need.

Funding will help source, sort and store large quantities of rescued and donated food for distribution to frontline community organisations. It will deliver food to the communities who need it most, including through mini-marts, social supermarkets and food pantries.

Investing in every corner of our state



Across our state

- ▲ \$11.1 billion in total new spending for health, including \$634 million to open and operationalise nine new or expanded hospitals
- ▲ \$320 million to deliver free public transport for Victorians under 18, saving up to \$755 per child and making statewide travel free for seniors on weekends
- ▲ \$18 million to enable pharmacists to treat more Victorians and more conditions, saving them the money and time of a GP visit
- ▲ \$50 million to deliver a new \$100 Power Saving Bonus for Victorians who need it most
- ▲ \$976 million in total investment in 2025-26 to fix potholes and resurface roads, making it easier for Victorians to get where they're going
- ▲ \$859 million to continue Free Kinder, saving families up to \$2 600 a year per child
- ▲ \$152 million to increase payments through the Camps, Sports and Excursions Fund to \$400 for eligible students
- ▲ \$30 million for the Solar Homes program so an additional 27 000 Victorians can install electric heat pumps and solar hot water systems, saving money on their power bills
- ▲ \$23 million to improve access to community sport and recreation, including funding for the Get Active Kids program to provide more than 65 000 vouchers worth up to \$200 so more Victorian kids can play sport
- ▲ \$1.5 billion to build new schools, acquire land, upgrade and maintain classrooms
- ▲ \$989 million to get Victorians where they need to go, including \$727 million to switch on the Metro Tunnel and deliver more train and bus services across our network
- ▲ \$4.1 billion for the Sunshine Station Transport Superhub, in partnership with the Commonwealth Government – the essential first step in delivering Airport Rail
- ▲ \$1.6 billion to strengthen our justice system and keep communities safe
- ▲ \$320 million to complete the statewide rollout of Disability Inclusion reform in schools
- ▲ \$203 million to invest in healthcare workers, putting more nurses and midwives on shift, expanding and improving training
- ▲ \$172 million to prevent and respond to family and sexual violence
- ▲ \$203 million for self-determined health, education, employment, culture and other services for First Nations Victorians
- ▲ \$150 million for the Victorian Investment Fund, including a dedicated \$50 million regional stream, to grow the sectors that are important to our state's future
- ▲ \$61 million to extend the stamp duty concession, slashing stamp duty on eligible off-the-plan apartments, units and townhouses until October 2026
- ▲ \$61 million to support Victorians experiencing homelessness
- ▲ \$12 million to expand the Victorian Energy Upgrades program, halving the average cost of ceiling insulation and saving households money on bills
- ▲ \$159 million to attract, retain and support teachers in our schools
- ▲ \$15 million to ensure young Victorians under 16 years of age can continue to go to the zoo for free on weekends, public holidays and during school holidays

Short Stay Unit beds at Albury Wodonga Regional Hospital

More support for regional food relief organisations – Albury-Wodonga



More trains, more often – extra V/Line train services on the Traralgon line



Arts



Cultural facilities



Education



Environment



Fire and emergency services



First Peoples' services



Health and hospitals



Infrastructure



Justice



Mental health



Regional investment



Roads



Sports and recreation



Strong communities



Tourism and major events



Transport

Self-determination for First Peoples

Victoria's Treaty is about creating a fairer future – for all of us.

It means ensuring First Peoples have a say over the programs and policies that impact them and their families – from their housing to their kids' education to the practice of their culture.

Because when First Peoples make decisions for their families and communities, we see better results.

The Yoorrook Justice Commission is at the heart of Victoria's commitment to truth and justice, and will hand down its final report in June this year.

The Commission's findings will help inform Treaty negotiations, which began in November 2024. Key areas of focus for statewide Treaty negotiations include structural measures to support reconciliation, truth, education and healing between First Peoples and non-Aboriginal Victorians.

With this Budget, we're continuing our commitment to self-determination, with 11 Budget proposals developed either in partnership with or through community-led decision-making.

Self-determination in action

A further \$167 million will support self-determined and culturally responsive services across health, education, housing and more. Investments include:

- ▲ \$25 million to empower ACCOs to support and advocate for First Nations children and young people in the child protection and family services system
- ▲ \$18 million to pilot Aboriginal Community Controlled vocational education and training models, and grow the First Nations VET workforce
- ▲ \$18 million for First Nations-led diversion programs and legal services to reduce the over-representation of First Peoples in the criminal justice system
- ▲ \$16 million to enable ACCOs to support First Nations mums with culturally safe care during pregnancy and after their baby's birth
- ▲ \$5.3 million for ACCOs to set up and run culturally responsive kindergartens and other early years services as part of our transformation of early childhood education.



We're also investing \$24 million to improve economic participation and prosperity for First Peoples – championing Aboriginal businesses, supporting emerging leaders and celebrating the world's longest continuing culture, including:

- ▲ \$5.6 million to support First Nations businesses to compete locally and globally, and funding to host the World Indigenous Business Forum in 2025
- ▲ \$5.4 million to extend the Aboriginal Community Infrastructure Program to build or upgrade community infrastructure, and for services to First Nations communities, with projects identified by Aboriginal organisations and communities
- ▲ \$4.9 million to create a First Peoples Leadership Academy, which will grow emerging leaders across business, government and communities
- ▲ \$3.8 million to support the Koorie Youth Council, Koorie Heritage Trust, as well as events and awards that honour and elevate First Nations culture and leadership
- ▲ \$2 million to back First Nations young and diverse talent, festivals and careers in the creative industries.

Caring for Country means respecting the deep and enduring connection between First Peoples and the lands, waters and skies they have cared for over countless generations.

With this Budget, we are investing \$11 million to continue our commitment to walk alongside Traditional Owners, with:

- ▲ \$8.4 million for the Yorta Yorta Traditional Owners to continue to jointly lead the management of their ancestral Country with the State
- ▲ \$1.5 million for the Wamba Wamba Aboriginal Corporation, to strengthen self-determination in First Peoples cultural heritage decisions
- ▲ \$1 million for Traditional Owner corporations to empower them to participate on an equal footing with the state in Traditional Owner Settlement Act negotiations.



Victorian Budget

2025/26

Overview

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