

2025/26 State Budget

Public Accounts and Estimates Committee

Hon Jacinta Allan MP
Premier of Victoria

Focused on what matters most

Our economy is strong and growing, but cost of living pressures are still hurting Victorian families

As a government, we're on their side. This is a budget that is focused on what matters most. We are:

- Delivering new and expanded cost of living help for working people and their families
- Investing more in the frontline services we know matter most to Victorian families

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

- Delivering an operating surplus in the budget year
- Commissioning an independent review of Victoria's Public Service
- Delivering on Victoria's Economic Growth Statement
- Backing Victorian businesses and Victorian jobs
- Moderating infrastructure investment over the forward years



Help with the cost of living

This Budget delivers \$2.3 billion in cost-of-living help – the biggest investment of its kind in Victoria's history

\$156 million in cost-of-living help to save money at home, including:

- A new \$100 Power Saving Bonus for eligible Victorian households with a concession card
- 27,000 more rebates for electric heat pumps and solar hot water systems

\$320 million to save on transport costs, including:

- Free public transport for kids and teens under 18
- Free statewide public transport for seniors on weekends

\$529 million to make care more affordable and accessible, incl. through:

- Saving money on GP appointments by enabling pharmacists to provide medications that would usually require a doctor's script

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

- Free Kinder, saving families up to \$2,600 per child, per year
- More than 65,000 extra Get Active Kids vouchers



A growing economy

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

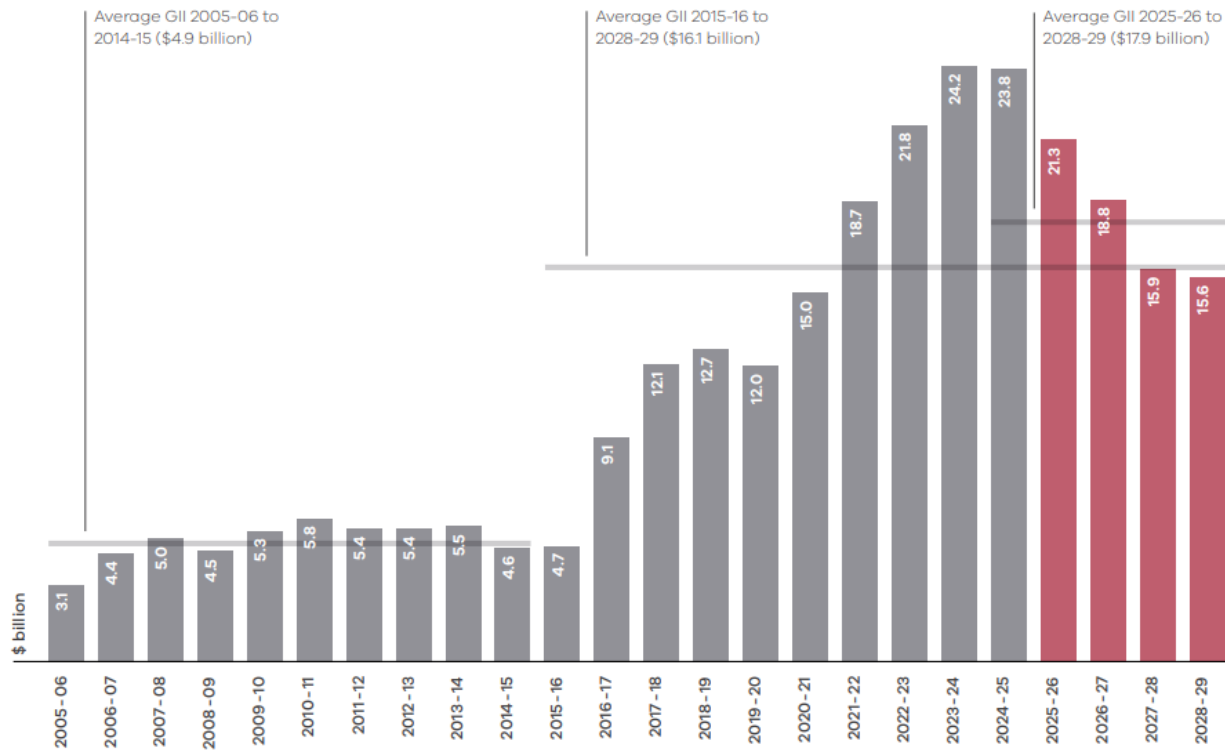
- The Victorian economy is estimated to be almost 14 per cent larger in real terms in 2024-25 than it was in 2018-19 before the COVID-19 pandemic
- Over the past year alone, investment grew by 3.7 per cent, compared to a 1.3 per cent fall across the rest of Australia
- Since the peak impacts of the pandemic in 2020, Victorian business investment has increased by 46 per cent, compared with 28 per cent in the rest of the country



Government infrastructure investment

We are continuing to progressively return Victoria's capital program to pre-pandemic levels

GOVERNMENT INFRASTRUCTURE INVESTMENT



Delivering our world-class transport network

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

- **\$4.1 billion** to build a superhub at Sunshine Station, taking a crucial first step towards Airport Rail, in partnership with the Commonwealth
- **\$727 million** to switch on the Metro Tunnel, delivering more trains more often on the Sunbury, Cranbourne, and Pakenham lines
- **\$976 million** in 2025-26 alone to deliver a Better Road Blitz – fixing potholes and resurfacing roads across our state
- **\$46 million** to deliver more services on the Craigieburn, Sandringham, Upfield and Werribee lines



More funding for frontline care

Investing in our hospitals means peace of mind for Victorian families

- **\$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, including \$319 million to support and improve mental health infrastructure
- **\$437 million** to expand the Victorian Virtual Emergency Department – and make it permanent – supporting three times as many Victorians to access free, 24/7 urgent care
- **\$230 million** to boost performance in emergency departments and ambulance response times



Investing in our kids and their classrooms

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

- **\$1.5 billion** to deliver new schools, school upgrades and maintenance, because every family deserves a great local school
- **\$133 million** to drive excellence in reading, writing and maths at every level, because we want every Victorian child to reach their full potential
- **\$320 million** to complete the statewide rollout of the Disability Inclusion reform in schools, because children with disability deserve the same opportunities as every other young Victorian
- **\$159 million** to attract, retain and support teachers, because great classrooms depend on great teachers



More homes for a growing Victoria

Unlocking planning, reducing the cost of purchasing, and building new homes faster

- Unlocking planning for another **50 activity centres** around train and tram stops that will help an extra 300,000 homes be delivered in metropolitan Melbourne by 2051
- **\$249 million** to enable infrastructure works – such as roads, sewerage and water – that increase housing supply across the state, in partnership with the Commonwealth
- **\$61 million** to extend the stamp duty concession announced in October 2024, slashing stamp duty on eligible off-the-plan apartments, units and townhouses
- **\$61 million** to continue funding to help people experiencing homelessness find a permanent place to live



Keeping communities safe

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

- **\$1.6 billion** to back in Victoria's new bail laws, with funding to support our police and justice workforces, speed up our courts, deliver Australia's first machete ban 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
- **\$206 million** to ensure we continue to keep communities safe, supporting the operational capacity and firefighting capability of the state's emergency service organisations
- **\$176 million** to break the cycle of reoffending and stop crime before it begins



A strong regional Victoria

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

- **\$777 million** for regional roads and transport, connecting people to jobs, services and opportunities
- **\$216 million** for regional healthcare, including \$84 million for regional and rural ambulances
- **\$117 million** to improve regional education facilities and services
- **\$50 million** regional stream in 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



Self-determination for First Peoples

Continuing Victoria's commitment to self-determination, including through Truth and Treaty

A further **\$167 million** will support self-determined and culturally responsive services, including:

- **\$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

We're also investing **\$24 million** to improve economic participation and prosperity for First Peoples, including:

- **\$5.6 million** to support First Nations businesses to compete locally and globally, and funding to host the World Indigenous Business Forum
- **\$4.9 million** to create a First Peoples Leadership Academy, which will grow emerging leaders across business, government and communities

