

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2025-26 Budget Estimates

Melbourne – Thursday 5 June 2025

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch

WITNESSES

Natalie Suleyman MP, Minister for Small Business and Employment; and

Matt Carrick, Secretary,

Danni Jarrett, Deputy Secretary, Industry, Trade and Investment,

Laura Trengove, Executive Director, Employment,

Julian Lyngcoln, Deputy Secretary, Economic Policy, Projects and Coordination, and

Ylva Carosone, Executive Director, Small Business and Migration, Department of Jobs, Skills, Industry and Regions.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2025–26 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is being broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings and anything said may be picked up and captioned, even if said quietly.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Small Business and Employment the Honourable Natalie Suleyman as well as officials from DJSIR. Minister, I am going to invite you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask you some questions. Your time starts now.

Natalie SULEYMAN: Thank you, Chair and committee members, for the opportunity to present to you today on the small business and employment portfolio. Before I begin I would like to acknowledge the traditional owners of the lands we are meeting on today and pay my respects to their elders both past and present.

Victoria's small business sector is strong, diverse and growing. Our small businesses provide jobs for Victorians and support families and communities around the state. There are more than 718,000 small businesses in Victoria, which make up 97 per cent of businesses in the state. Over 124,000 new small businesses were created in 2023–24, and one in five small businesses are in our regions. When it comes to employment we have secured record levels, with the number of employed Victorians growing by over 115,000 in 2024 and unemployment at a record low. Workforce participation remains near a record high at 68 per cent, well above the national average.

Our government is focused on backing small businesses by delivering tailored programs, targeted grants and the right information for them. The small business support toolkits program has backed nearly 4300 current and prospective business owners with advice, learning and mentoring since 1 July 2024. The Small Business Bus celebrated 15 years of operation in May 2025 and supported 636 business owners at 84 locations statewide over the past financial year. We are also continuing to deliver support for our multicultural traders and precincts through grants to drive business activation, capability and engagement to support precinct revitalisation.

We know how important it is to have a good job, and that is why we have continued to help young people on their career journey with the youth employment scheme, which is on track to place 100 trainees into the Victorian public service this financial year. Our government has secured \$7.84 million from the Commonwealth Outcomes Fund to support the delivery of our groundbreaking self-determined Aboriginal employment initiative, and our work and learning centres in partnership with the Brotherhood of St Laurence have placed 270 jobseekers into work since October 2023.

In this year's budget we have invested \$4.9 million in supporting Victoria's small businesses. This will support Victoria's small business sector to access fundamental business advisory services and support so more Victorian businesses can get the help they need. This includes virtual mentoring, self-paced learning resources, webinars and the highly successful Small Business Bus. We will continue to save Victoria's small businesses time and money with access to trusted information, tools, templates and advisory services through the Business Victoria online-delivery digital platforms and contact centre. Funding of \$3.5 million will address recovery needs in the Western Victoria bushfires package, supporting our small businesses to recover. As part of the *Economic Growth Statement*, \$1.1 million will support our new Boosting Business Skills mentoring program to assist 1000 small business owners in five priority sectors.

This budget also delivers \$5 million to support more Victorians into employment. That includes investment in our Thrive Hubs in Broadmeadows and Frankston. In partnership with the Brotherhood of St Laurence and the Australian government, these hubs will support jobseekers to find long-term employment in priority industries, including the Parkville College program, which provides young people exiting Parkville College with supported pathways into employment and training. The budget also allocates funding to support self-determination for First Peoples, including \$9.8 million to grow First Nations businesses and leadership. These initiatives will get more Victorians into work and back the small businesses which are so important for our communities and of course Victoria.

The CHAIR: Thank you, Minister. Eight minutes are going to Mr Welch.

Richard WELCH: Thank you, Chair. Thank you, Minister. Minister, I refer to budget paper 3 and the reporting on Business Victoria services. How much funding has been allocated to maintain the Business Victoria website, hotline and advice services in 2025–26?

Natalie SULEYMAN: Thank you, Mr Welch, for that question. Can I ask you just to repeat the –

Richard WELCH: The reference? Budget paper 3 – the section starts on page 63. The reference to Business Victoria is over the page on 64, 'Supporting Victoria's Small Businesses'.

Natalie SULEYMAN: Thank you again for that question. I can in answering that question say that the Business Victoria online delivery and contact centre will receive \$1.9 million over two years to deliver important information and of course advisory services through its digital channels. We know that with Business Victoria in particular online activity is really important. Just in the last financial year we have seen close to probably over 4 million visits to the Business Victoria webpage alone. It has been extremely significant to see –

Richard WELCH: It is very good.

Natalie SULEYMAN: that businesses are actually visiting and engaging with Business Victoria online.

Richard WELCH: Minister, will Business Victoria be providing any face-to-face support or grants?

Natalie SULEYMAN: Just one moment. Through our programs – for instance, the Small Business Bus – we do provide face-to-face advice. The Small Business Bus travels across every local government area providing that important material, and online, whether it is –

Richard WELCH: Are there any others other than the bus?

Natalie SULEYMAN: Just to add, Business Victoria provides workshops face to face as well.

Richard WELCH: How many of those will you be providing?

Natalie SULEYMAN: Just one moment. Thank you. I will allow the department to answer that question.

Danni JARRETT: Thank you, Minister. For the year 2025–26 – apologies. Just to give you –

Richard WELCH: I can take it on notice if need be.

Danni JARRETT: We will be running a number of events for small businesses across the state, where we are targeting participation from around 4000 businesses in different programs.

Richard WELCH: How many events will that be?

Danni JARRETT: Planning for those is underway. We may need to provide that information to you.

Richard WELCH: Yes, if you would. Thank you very much.

Natalie SULEYMAN: Just to add to that –

Richard WELCH: No, that is okay. I am happy with that, Minister. Thank you. Now, in terms of the new emergency services levy, was there any modelling done on the affordability of that for small business?

Michael GALEA: Sorry to intrude, but on a point of order, I believe we have very clearly established in previous hearings that the ESVF is a matter for the treasury portfolio.

Richard WELCH: Yes, but the cost is on small business, so it is probably highly relevant where the impact on –

Michael GALEA: It does not make it a consideration of this portfolio.

Richard WELCH: Well, I will ask it another way perhaps –

The CHAIR: Please move on, Mr Welch.

Richard WELCH: What support is being offered to small businesses impacted by the new emergency services levy?

Mathew HILAKARI: That is a matter for the Treasurer.

Richard WELCH: I would have thought it would be relevant for the small business minister.

The CHAIR: Is there a point of order?

Mathew HILAKARI: Point of order: these matters have been well canvassed. The Treasurer has appeared, and you have had the opportunity to ask these questions already of the Treasurer.

The CHAIR: Thank you, Mr Hilakari. On the point of order, I would say that these matters have been well canvassed, and you have had the opportunity, Mr Welch, to put that to the Treasurer.

Richard WELCH: Yes, thank you.

The CHAIR: Did you have another question you would like to ask the minister?

Richard WELCH: I have loads. Minister, how many small businesses have been directly supported by the department or by Business Victoria in the past 12 months?

Natalie SULEYMAN: That is a great question. We are really proud, and I have just indicated to you that the online visitation from small businesses actually connecting to the Business Victoria website has been close to 5 million, so that is significant.

Richard WELCH: Five million businesses?

Natalie SULEYMAN: But in relation to a little bit more detail, I will pass on to the department to outline –

Richard WELCH: Just the number of businesses, please. That is all I would like.

Natalie SULEYMAN: how many businesses in the last 12 months –

Danni JARRETT: Have been supported through the Business Victoria channel?

Richard WELCH: Yes.

Danni JARRETT: We have had, as the Minister said, just over 4 million visits to the Business Victoria –

Richard WELCH: How many unique businesses would that be?

Danni JARRETT: We would need to take on notice whether or not those are unique visits.

Richard WELCH: That would be great. Thank you very much. I refer generally to budget paper 3 and to the Treasurer's speech: can the Minister point to any new initiatives in this year's budget that are specifically targeted to supporting Victoria's small businesses?

Natalie SULEYMAN: Thank you for that question. I am really proud of this budget, and really excited to see \$4.9 million in support for Victoria's small businesses, funding that will back –

Richard WELCH: Where is that, sorry?

Natalie SULEYMAN: \$3.5 million will back a new initiative addressing and supporting the recovery needs of western Victoria – the bushfire package – supporting those small businesses in that region. Of course, as part of the *Economic Growth Statement* we will allocate \$1.1 million to support the new boosting business skills mentoring program. This is really important. This is a new initiative, and that is –

Richard WELCH: And that is the only one?

Natalie SULEYMAN: No, it is not the only one.

Richard WELCH: Could you mention the others then, whilst we have got time, because we are pressed for time. I just want to know which ones they are.

Natalie SULEYMAN: That will assist 1000 small businesses with one-on-one mentoring programs in the five priority sectors. We are also delivering, whether it is through our small business Victoria –

The CHAIR: Thank you, Minister. We are going to go to Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Minister, Secretary and officials. Thank you for joining us today. Minister, I would like to talk to you about one of the output initiatives listed in budget paper 3, page 61, and then just detailed further on page 65. It is part of the broader jobs output, and it goes to the 'Unlocking potential, building a skilled workforce and inclusive employment initiatives' output. Minister, could you expand a little bit about what is specifically covered by this output?

Natalie SULEYMAN: Thank you, Mr Galea, for that important question. If I can just unpack the employment output, in particular the work that Jobs Victoria and other partners have done in recent years has been really incredible and value adding. We have seen Jobs Victoria support 62,000 jobseekers in this state through their work and through this program. Some of this work is game changing for jobseekers. It provides important support, whether you are a young person or whether you are a migrant that comes from a non-English-speaking background or you are long-term unemployed trying to re-enter the workforce. This has been a really important initiative undertaken by Jobs Victoria. It is why in this budget we will see a further \$5 million going into the package of new employment initiatives in this portfolio.

We see that in the work that we are doing and the partnership with the federal government of course to deliver our Thrive hubs. They have been very successful, the Thrive hubs, in Broadmeadows and Frankston. I have had the opportunity, with the Member for Broadmeadows, to visit the Broadmeadows centre and meet with jobseekers and those that have received that support who otherwise would be on a long-term unemployment path. They have been successfully transitioning into good jobs thanks to this important program. I am very keen to see this partnership continue, and in this budget of course the investment builds on that important work that we are absolutely doing. We have a good partner in the federal government who is willing to invest in this

space and of course work in partnership with us to be able to deliver this important program, which will be for the next two years. This expands that \$5 million commitment on this important initiative and really important programs that make a real difference for Victorians.

Michael GALEA: Thank you, Minister, and it is particularly exciting to hear about the Thrive hubs. Obviously you mentioned Broadmeadows and Frankston, and I know in the south-east we are very excited about the Frankston site as well, which opened, I believe, last year, and operates with the support of the Brotherhood of St Laurence as well, with funding such as will be continued through this output. I am wondering, Minister, if you can talk to me a little bit more about the work that Thrive hubs do.

Natalie SULEYMAN: Thank you, Mr Galea. I am glad you have mentioned the Brotherhood of St Laurence and the great work that they do supporting people, in particular in this program. Again, as I have indicated, I had the opportunity to visit the Thrive Hub in Broadmeadows, in Melbourne's north, together with the Member for Broadmeadows and meet with the team at the Brotherhood of St Laurence and of course jobseekers and participants of this program. One of the real values of this program is the fact that these are tailored programs and really do support those who have been long-term unemployed, those who come from a non-English-speaking background or younger Victorians who require that extra support. What Brotherhood of St Laurence and the Thrive Hub provide is a team of experts, employment coaches and support staff to assist in that transition, from the basics of preparing your resume to how you actually present at an interview. This is some of the quite basic information and support that the coaches and support team provide.

I had the opportunity when I was at Broadmeadows to talk to three local workers who had this support and who were able to actually get into ongoing employment, and it was really so special to hear the challenges that they were facing and the fact that a program of this nature was able to support them to transition into employment – that was really, really special, and as we know, it makes a real difference. When someone is in employment, they have that financial security not only for themselves but their families as well. These programs do not get, I suppose, the awareness or the front pages, as we would say, but they are behind the scenes doing really important work with some of our most vulnerable community members.

Whether you come from a non-English-speaking background should not be a barrier for you to be able to work, be active in your local community and provide for your family. I was really touched by the stories that were shared by those local workers and what a difference it had made for their lives to be supported by the team at Brotherhood of St Laurence, and the program was really making a difference. Also for some of those jobseekers, the opportunity to be trained through a traineeship with a local employer – we know that young people are really the beneficiaries of traineeships, and it is wonderful to be able to support some of those young people into good traineeships with local employers.

These are the impacts of these Thrive Hubs, whether that is in Broadmeadows or in Frankston. These are important for those, again, who require that extra support to be able to connect to job placements, and of course it is also really important, on the other side of this, the employers that are participating in this program, which is really rewarding. I was really pleased to hear that there are many employers that are part of this program, who are willing to take on and support jobseekers in their local community. This has been I think very, very important work, not only for jobseekers or businesses but also the partnership – this allows us to work with the Commonwealth to deliver this program.

Michael GALEA: Thank you very much, Minister. Indeed the broad range of services provided by those Thrive Hubs is more than one would expect from the outside, so that is very, very interesting to hear. If I can take you to some of the other supports that have been provided for small business, the line item is the same budget reference 'Supporting Victoria's Small Businesses,' the \$4.9 million over the upcoming financial year and next. You did start to walk Mr Welch through some of the various initiatives that will be funded by this, but I am just wondering if you could go a little bit further to what will be covered by this initiative.

Natalie SULEYMAN: Thank you very much, Mr Galea, for this important question. And as I indicated, I am really excited about this year's budget. This budget will deliver \$4.9 million to support Victorian small businesses, and as part of this package there will be the opportunity also to continue our success, whether it is our online advisory and support services through Business Victoria website or our Business Victoria online delivery and contact centre.

Michael GALEA: Thank you.

The CHAIR: Thank you, Minister. We are going to go to Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good afternoon. In last year's budget estimates hearings we were informed – I believe it was by you, Ms Trengove – that the findings of the sick pay guarantee pilot would be made available in early 2025. Can I ask: has that occurred? Is that publicly available?

Natalie SULEYMAN: Thank you for that question. I will just be a moment. The sick pay guarantee, if I can explain, was an important pilot program.

Aiv PUGLIELLI: I am sorry – short for time. I know what it is. I just need to understand: is that funding available?

Natalie SULEYMAN: Just a step back, and I will answer your question. It is important to note the sick pay guarantee pilot program was a response to the global pandemic, and this was an initiative where government, in very unique circumstances, had to step in and provide support for – or as I call it, a blanket over – our most vulnerable, insecure and casual workforce. This was a response, as I said, to protect not only our most vulnerable workers but also the broader community and economy from a very contagious and dangerous virus that caused real and serious harm. So our government had to act, and of course we provided the sick pay guarantee pilot program. I can say the program came to a formal conclusion on 30 June 2024, and this was done appropriately. We have been focused on ensuring that the scheme was wrapped up in an orderly process, and as I said, the sick pay guarantee pilot program was something that government instigated through the global pandemic.

We have commissioned an evaluation, and it is standard practice for government. We will of course consider it, in the usual way by government, and continue to work with colleagues and of course stakeholders in relation to the evaluation's findings. But let me for the committee's information again repeat that the sick pay guarantee pilot program was an initiative that responded to a once-in-a-lifetime global pandemic that provided the most vulnerable a short-term security blanket – as I said, the opportunity for the most vulnerable, insecure workers, casual workers to be able to get that financial security when they were unwell.

The CHAIR: Thank you, Minister. Minister and department officials, thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is going to take a break before beginning its consideration of the transport infrastructure portfolio at 2:05 pm. I declare this hearing adjourned.

Witnesses withdrew.