

# Focused On What Matters Most

Victorian Budget 2025/26

**Hon Danny Pearson MP**

Minister for Economic Growth and Jobs

**Jaclyn Symes MP**

Minister for Regional Development

**Hon Gayle Tierney MLC**

Minister for Skills and TAFE

**Hon Colin Brooks MP**

Minister for Industry and Advanced Manufacturing

Minister for Creative Industries

**Hon Natalie Suleyman MP**

Minister for Small Business and Employment

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## BACKING VICTORIAN WORKERS AND GOOD SECURE JOBS

The Allan Labor Government is focused on what matters most – investing in TAFE and training and supporting businesses to grow – because we know it means good secure jobs for working people.

Victoria has led the nation in economic, jobs and business investment growth, with the most recent data showing over 680,000 more Victorians employed since September 2020.

But as global uncertainty continues to grow, we're on Victorians' side – with the *Victorian Budget 2025/26* investing \$243.6 million to deliver 12 initiatives to keep our economy growing and keep workers in secure jobs.

### Growing our exports and economy

Economic growth is about jobs growth. And behind every job is a worker, and behind every worker is their family.

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

Building on the *Economic Growth Statement*, the Budget includes \$150 million to launch the Victorian Investment Fund. The Fund will boost business investment in our state – creating jobs and opportunities for businesses, workers and Victorian families.

The fund will grow priority industries across Victoria, help businesses expand and secure supply chains, while capitalising on our state's strengths, like our advanced manufacturing capability, to drive innovation and economic growth.

A dedicated \$50 million regional stream will make sure that our economic growth and good secure jobs reach every corner of the state.

We are facing an uncertain global trade environment. That's why we're backing our exporters – investing \$34.9 million to support small and medium-sized businesses to identify new markets and diversify their customer base and \$18.8 million to maintain the most effective international network of trade and investment offices of any state or territory.

Our Trade and Investment Network supports Victorian exporters, creating more opportunities for business right across our state. In the 12 months to September 2024, Victoria's exports grew by more than \$2 billion – the largest increase in exports anywhere in Australia.

And for businesses looking to invest in Victoria, this Budget delivers the new single entry-point Investment Front Door to make it simpler and faster to do business here – and provides \$2 million for our new Business Approvals Incentives Scheme, which will help smooth the path for faster business permit approvals by incentivising local government to streamline their processes.

And to make sure its Victorian workers and Victorian businesses who benefit from Victorian Government purchasing, this Budget delivers an investment of \$6.3 million to support local jobs by making sure more money spent in Victoria stays in Victoria.

### **Strengthening our priority sectors**

The *Economic Growth Statement* identified priority sectors that will be the beating heart of our future economy.

As a world leader in medical research and health technology, Victoria boasts the largest sector in Australia – supporting more than 30,000 jobs and driving the latest in scientific breakthroughs.

This Budget invests an additional \$24.6 million to the Operational Infrastructure Support Fund, supporting more of Victoria's medical research institutes with the indirect costs of research so they can keep generating lifesaving treatments and supporting jobs for Victorians.

Each year, Victoria's defence sector generates \$10.9 billion in direct annual expenditure, \$1.7 billion in exports and delivers \$4.9 billion in benefits across the supply chain – supporting over 29,000 jobs.

We'll continue this growth by investing \$5.3 million in Victoria's industry and defence supply chains to demonstrate Victoria's readiness to support the Commonwealth Government's strategic defence priorities and continue to create new jobs in advanced manufacturing.

We're also giving businesses certainty that Victoria is a state where they can invest, expand and innovate by attracting and retaining talent in priority sectors like digital technology, health technology and advanced manufacturing – with \$3 million for the Global Talent Attraction Fund.

### **Skilling our state**

We're making sure Victorians have the training they need for rewarding careers, through TAFE.

Victorians remember the carnage caused when the Liberals sacked more than 2,000 TAFE teachers, shut 22 TAFE campuses and ripped \$1 billion from TAFEs across Victoria when they were last in Government.

And as we know from Peter Dutton – given the chance, they would do it all again.

The Labor Government saved TAFE in Victoria, rebuilt a crumbling vocational education sector – then made it better than it's ever been with Free TAFE.

This year, we're continuing that commitment – investing \$459.3 million in TAFE and training to help more Victorians get the skills they need for good secure jobs.

Our nation-leading Free TAFE has helped more than 206,000 students save an average \$3,000 per course – that's more than \$635 million back in Victorians' pockets. This year we continue to expand Free TAFE and meet training and skills demand with another \$171.3 million investment, to enable Victorians to upskill and reskill into priority careers.

We are boosting TAFE and VET completion rates and job outcomes through a \$43.7 million to increase foundation skills at TAFE and Learn Locals – ensuring Victorians have the core literacy, numeracy, digital and job-ready skills they need to find work, in a joint initiative with the Albanese Labor Government.

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The next generation of our housing workforce will be trained at TAFE, with \$50 million to establish the Melbourne Polytechnic Future of Housing Construction TAFE Centre of Excellence.

The TAFE Services Fund will also continue to provide personalised wrap-around support services for TAFE students, with \$121 million, setting up students for success.

Apprentices and trainees are crucial to building for Victoria's future. To help more Victorians get their trade papers, we're investing more than \$22.8 million into targeted support through Apprenticeship Support Officers and reforming the apprenticeships system in line with the recommendations of the Apprenticeship Taskforce.

TAFE and Learn Local teachers are critical to building the workforce we need for the future, which is why we're investing over \$9 million for teacher scholarships and professional development opportunities for TAFE teachers and ACE (Adult Community Education) teachers.

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

Victoria is the number one destination for students, with international education contributing almost \$15 billion to our economy every year and employing 63,000 Victorians.

We are continuing to support the sector with \$18.6 million to deliver Study Melbourne's programs and services, in addition to our \$5 million *Yes to International Students Fund*, which will support universities and TAFEs to grow their global presence.

### **Support for small businesses**

Victoria is home to more than 718,000 small businesses which account for 42 per cent of private sector employment. We're investing \$4.9 million to continue our tailored support through the Business Victoria Digital Channels, our Small Business Toolkits program and the Small Business Bus providing in-person assistance.

And the new \$1 million Boosting Business Skills Mentoring program will provide small business owners across the Government's priority sectors with up to three one-hour mentoring sessions with an experienced professional.

### **Reaching every Victorian**

Over the next three years, projects currently being delivered by Regional Development Victoria are projected to inject close to \$1.4 billion into local communities. We'll build on this through the new Victorian Investment Fund – including its dedicated regional stream.

Regional communities know what they need to grow local industries. That's why this Budget invests \$4 million in our Regional Development Australia committees, ensuring the voices of regional communities are heard.

We're also continuing to support Aboriginal Victorians to grow their businesses and create new opportunity, guided by our Yuma Yirramboi strategy. This includes funding to back a new First Peoples Leadership Academy to train the next generation of leaders, and helping Indigenous businesses to grow domestically and internationally through the Economic Growth Statement.

We will continue to support Victorians experiencing unemployment to find work through local employment initiatives, with a \$5 million investment in this Budget.

This includes support for the Thrive Employment Hubs in Frankston and Broadmeadows, getting more Victorians into work and delivering a pipeline of workers for local employers. We're also backing the Parkville program, supporting young Victorians in youth justice with work readiness and job placements for a brighter future.

This Budget is focused on what matters most – backing Victorian skills, Victorians businesses – and most importantly, good secure Victorian jobs.

**Quotes attributable to Minister for Economic Growth and Jobs Danny Pearson**

*"In globally uncertain times, this Budget is focused on growing the economy – so more Victorians have secure jobs they can count on."*

*"Victoria is open for business. We're supporting industries and businesses to grow, creating good secure jobs for more Victorians."*

**Quote attributable to Minister for Industry and Advanced Manufacturing Colin Brooks**

*"Victoria is a powerhouse of manufacturing, and our advanced engineering, design and production capabilities will help propel our state forward."*

**Quote attributable to Minister for Regional Development Jaclyn Symes**

*"Regional Victorians contribute almost 20 per cent of the state's total economic output, fuelled by locals who are passionate about their communities, their regions and their prospects – which is why we listen and invest in the things that matter to them."*

**Quote attributable to Minister for Skills and TAFE Gayle Tierney**

*"The Liberals tried to wreck TAFE – and given the chance, they would do it again. We're continuing to back Free TAFE because it puts money back into Victorians' pockets and sets them up for their future with secure jobs and rewarding careers."*

**Quotes attributable to Minister for Small Business and Employment Natalie Suleyman**

*"With small businesses employing over 1.4 million Victorians, our investments not only help Victorians start their business, but help them grow."*

*"We're proud to be backing employment initiatives like the Thrive Employment Hubs, which are delivering a pipeline of workers for local businesses and getting more Victorians into work, closer to home."*