



Victorian Budget 2020/21

Putting People First

Rural and Regional
Budget Information Paper



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Budget Paper No. 4 – Statement of Finances
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Putting People First

This year is a year like no other. It's challenged us in ways we never could have imagined.

It's also reminded us of the importance of community – our connection to the place we call home and to each other.

As we rebuild from this global pandemic, we need to make sure our recovery reaches every corner of our State. That's particularly true in regional and rural Victoria.

With the *Victorian Budget 2020/21*, the Andrews Labor Government will do exactly that.

We'll deliver more local schools for local families.

We'll invest in the care that every Victorian deserves.

We'll build new road and rail – reducing delays and creating thousands of new jobs.

We'll back the projects and priorities that make regional communities strong – local parks, playground and sporting ovals.

And we'll get more Victorians back into work, ensuring they have the stability and security of a job.

This Budget is underpinned by five key principles:

- Creating secure, decent jobs
- Taking care of those we love
- Looking after families
- Building strong connected communities
- Ensuring a strong recovery

This Budget delivers the investment to get regional Victorians back on their feet and set us up for a strong recovery:

- \$6 billion to build more than 12 000 new social and affordable homes, and make housing more accessible and affordable for Victorians
- \$4.7 billion of country road and rail upgrades, including \$2 billion to progress Geelong Fast Rail
- \$869 million to extend mental health services to Victorians, including new Hospital Outreach Post-Suicidal Engagement (HOPE) locations in regional Victoria
- \$682 million to drive cheaper, cleaner energy, including accelerating the development of new Renewable Energy Zones across our State, creating thousands of jobs as part of our clean energy investment
- \$626 million for the landmark Digital Future Now initiative to radically improve mobile coverage and deliver upgrades in communities that currently only have access to satellite and fixed wireless services
- \$465 million for the Victorian Tourism Recovery Package to attract new tourists and support local jobs, including a new Victorian Regional Travel Voucher Scheme to encourage people to visit and stay in regional Victoria

- \$385 million to repair and upgrade 44 schools and 10 special schools in regional Victoria, and further funding for two new school campus developments, delivering great learning spaces for regional kids
 - \$384 million to redevelop the Warrnambool Base Hospital, delivering a new emergency department, operating theatre and beds
 - \$272 million to improve rural water management and supply, protecting and restoring priority catchments and waterways
 - \$170 million to make kinder free next year, saving families around \$2 000 for every child enrolled in a participating funded kindergarten program
 - \$156 million to extend the Regional Jobs and Infrastructure Fund, delivering local projects identified by local communities
 - \$142 million total funding to complete the final stage of the Kardinia Park Stadium redevelopment, plus an extra \$110 million for the Community Sports Infrastructure Stimulus Program to build and upgrade community sports facilities across the State
 - \$121 million investment in Better at Home, increasing the delivery of hospital services in patients' homes – allowing more patients in regional and rural communities to access care
 - \$120 million for the Regional Health Infrastructure Fund to continue our upgrades to rural and regional health services
 - \$115 million investment in the future of Victorian agriculture, assisting the sector to become more innovative, expand into new markets and create new jobs
 - \$35 million to improve our regional creative spaces and support new and touring exhibitions
- This Budget invests over \$8 billion to help regional communities recover – and come back stronger.
- Since the *2015-16 Budget*, we have invested \$18.2 billion to help support regional Victoria.
- Our ultimate success won't just be measured by the wealth of our economy – but also the wellbeing of our people.
- This is a Budget that puts people first.

This is the Budget to repair, recover,
and make us stronger than before.
This is a Budget that puts people first.



Creating secure, decent jobs

As we rebuild from this pandemic, we need to make sure we're supporting every part of our State.

That means supporting Victorians in our regional communities to train, retrain and find new opportunities.

Helping those hardest hit during the pandemic find work – ensuring not only a job, but certainty and self-belief.

And creating strong, secure and decent jobs for the future – and for our future generations.

Our success relies on making sure we're playing to regional Victoria's strengths – in tourism, agriculture and new energy.

This Budget provides a comprehensive plan to make sure no community and no Victorian is left behind.

Building Works projects

In May 2020 the Government announced the \$2.7 billion Building Works package to stimulate our economy and create new jobs.

These investments recognise it's not just the big projects that will steer our recovery – the smaller projects that matter to local communities are just as important.

The package included hundreds of shovel-ready projects across the State, along with a \$55 million TAFE maintenance fund and upgrades to community and public housing.

Many of the projects are being delivered in regional Victoria, including:

- Macalister Irrigation District Phase 2 Modernisation Project
- Restoration and maintenance of waterways and catchments
- Barmah National Park Joint Management Plan Implementation
- Private Overhead Electric Power Lines program
- Repair and replacement of essential water infrastructure
- Gunaikurnai Joint Management Plan implementation
- Securing water supplies in remote areas for firefighting
- Mansfield Police Stables restoration
- Local Roads to Market Program
- Tower Hill infrastructure upgrades
- Kardinia Park Stadium Trust capital works
- Macedon Ranges Trails development
- Mildura Riverfront Precinct Village Square development
- Maldon streetscapes revitalisation
- Mt Hotham - Alpine Gateway development
- Buloke streetscapes revitalisation
- Bendigo Botanic Gardens works
- Ararat Hills Mountain Bike Project
- Ned Kelly Glenrowan project development
- Infrastructure works at Cape Bridgewater
- Maryborough Energy Breakthrough upgrade
- Mount Buffalo Chalet: Wilderness Eco Pods

- Paynesville Boardwalk upgrade
- Mildura worker housing development
- Pyramid Hill streetscapes revitalisation
- Swan Hill worker housing development
- Sea Lake Visitor Centre development
- Sorrento Ferry Terminal upgrade
- Tawonga Caravan Park connection to reticulated sewer and upgrades
- Benalla Foreshore and Splashpark upgrades
- Active transport linkages around Heathcote, Goornong and Bendigo
- Twelve Apostles Trail Timboon - Port Campbell
- Bullock Island facilities improvements
- Kerang Industrial Estate civil services connections
- Cohuna CBD and Waterfront development
- Portland Foreshore redevelopment
- Chiltern Community Hub development
- Ouyen Community Gym works
- Seymour trades hub development
- Parwan Employment Precinct gas gate connection
- Regional rail various maintenance projects
- Bushfire Roads to Recovery projects
- Landslips works
- Bridge strengthening
- Pier and jetty maintenance
- Portarlington Pier renewal
- Rail reserve hazardous vegetation management
- V/Line Fleet maintenance and sustainability works
- Various regional courts facilities maintenance and upgrades

Upgrade and construction of 22 regional schools announced as part of Building Works:

- Ararat Primary School
- Baimbridge College
- Bairnsdale Secondary College
- Ballarat High School
- Bellarine Secondary College
- Bellbrae Primary School
- Clifton Creek Primary School
- Cowes Primary School
- Delacombe Primary School
- East Loddon P-12 College
- Gisborne South Primary School
- Greater Shepparton College
- Latrobe Special Developmental School
- Miners Rest Primary School
- Morwell Park Primary School
- Newcomb Park Primary School
- Newcomb Secondary College
- Phoenix P-12 Community College
- Upper Yarra Secondary College
- Wangaratta District Specialist School
- Warracknabeal Secondary College
- Wonthaggi Secondary College - San Remo Campus - Stage 2

Upgrades to regional TAFEs as part of \$55 million TAFE maintenance fund:

- Goulburn Ovens Institute of TAFE
- South West TAFE
- Sunraysia Institute of TAFE
- TAFE Gippsland
- The Gordon
- Wodonga TAFE



Kick-starting regional tourism

The Andrews Labor Government recognises the critical importance of our regional tourism industry, which contributes \$9.4 billion to our economy and employs 110 000 Victorians.

As restrictions ease, we want to encourage more Victorians to explore their own backyard – supporting regional economies and local jobs.

This Budget's \$465 million Victorian Tourism Recovery Package will enrich Victoria's visitor experience, including:

- \$149 million for regional tourism infrastructure, campsites and visitor amenities projects, and establishment of the Great Ocean Road Coast and Parks Authority to coordinate management and make improvements to visitor facilities to support jobs and local communities
- A \$150 million Regional Tourism Investment Fund to develop new attractions and support our local tourism partnerships
- A new Victorian Regional Travel Voucher Scheme with \$28 million for vouchers to encourage Victorian residents to travel within the State, supporting local businesses and jobs
- \$20 million to attract a strong pipeline of regional events to draw visitors from Melbourne and interstate
- Funding for skills development for regional tourism businesses, continued support for our Regional Tourism Boards and targeted marketing campaigns to attract visitors

Flagship projects

Our investment in flagship regional projects will enrich Victoria's visitor experience and create local jobs, including:

- Grampians Peak Trail Projects to build new walking trails
- Falls to Hotham Crossing, delivering new walking infrastructure across the high plains between the two ski resorts
- Wilsons Promontory Revitalisation including a park and ride network, extra accommodation and improved visitor facilities
- Murray River Adventure Trail with development of a long-distance cycling, walking and aquatic trail
- Gippsland Tourism Recovery Package including Nunduk Eco Tourism enabling infrastructure, Metung Hot Springs works, Cape Conran accommodation, Raymond Island Koala Sanctuary, Snowy Rail Bridge and Far East Gippsland camping. As well as upgrade of access and visitor facilities at Mallacoota Inlet and Point Hicks Lighthouse near the Croajingolong National Park in East Gippsland
- Great Ocean Road Revitalisation including Fairhaven to Skenes Creek coastal trail and Surf Coast camping
- Brambuk Cultural Centre Revitalisation as a leading Aboriginal cultural tourism attraction
- Mallee Silo Art projects including Rainbow Silo Art and the Mallee Silo Art initiatives
- Ballarat Centre for Photography to attract new visitors to the city
- Prosecco Road early works to enhance the King Valley food and wine trail

Jobs for regional Victorians

The Andrews Labor Government's new \$619 million Jobs for Victoria initiative will help hundreds of thousands of Victorians looking for work find the security and stability of a job.

This includes \$250 million to support businesses to hire at least 10 000 Victorians through a six-month wage subsidy – including in regional Victoria.

These positions will be for Victorians hardest hit by this pandemic, including young people, retrenched workers and people who have been long-term unemployed.

At least \$150 million of subsidy support will go towards getting women back in work, with around a third of such placements being provided to women over 45, recognising their additional barriers to employment.

These subsidised positions will be focused on creating new ongoing jobs, making sure we're providing long-term security for these workers and their families.

This investment will also deliver targeted and tailored support for unemployed Victorians – including Victorians in regional communities – delivering mentoring, career counselling or more intensive support.

Leading the transition to clean energy

Our goal is for Victorian businesses and households to have access to the cheapest energy in Australia, while pursuing a clean energy future.

Regional Victoria is at the forefront of our effort.

This Budget delivers a \$1.6 billion investment to drive clean energy across our State and create thousands of regional jobs.

We will provide \$682 million to drive cheaper, cleaner energy for economic recovery, with a focus on accelerating the development of new Renewable Energy Zones across our State, the modern-day equivalent of a power station.

These zones will combine energy generation, transmission and storage to deliver a reliable energy system.

Our Renewable Energy Zones will require deliberate planning and coordination to ensure they are located in suitable areas and acknowledge the needs of local communities.

These investments are in addition to the Victorian Big Battery. This 300 megawatt battery will be installed near the Moorabool Terminal Station, just outside Geelong, and will be ready by the 2021-22 summer. Construction of the battery will create more than 85 jobs.

Furthering our transition to a zero emissions economy by 2050, the *Victorian Budget 2020/21* includes \$92 million for carbon farming on private and public land by incentivising the restoration of native vegetation and soil productivity.

To fast-track our shift to a circular waste economy, and in addition to the 10-year \$322 million *Recycling Victoria* package announced earlier this year, this Budget invests \$41 million to build regional material recovery facilities. These facilities will create sustainable regional jobs and attract new reprocessing and manufacturing to regional areas.

Standalone power systems and microgrids will be deployed in regional communities to ensure essential electricity supply is not cut off by bushfires.

We are also rolling out an electric vehicle fast charging network across major highways and key tourist destinations, supporting these regional economies.





Digital Future Now

This year, technology has been more important than ever.

To build on the developments we've made – and make it one of Victoria's strengths – this Budget delivers the \$626 million landmark Digital Future Now initiative.

This investment will radically improve mobile coverage and broadband access in regional areas, while supporting businesses and creating new jobs.

This includes \$250 million to co-fund business-grade broadband connectivity for Victorian regional towns through the Gigabit State program, which we are working to deliver in partnership with the Commonwealth.

Regional communities that currently only have access to satellite and fixed wireless services will be upgraded to metropolitan grade services.

Gigabit State will address gaps in the availability of reliable high-speed fibre optic and wireless broadband services for business users – helping them find new customers and new markets.

It will also create new local jobs, with the construction and operation of this new broadband infrastructure to support up to 2 000 jobs.

A further \$300 million will eradicate Mobile Black Spots in populated areas of regional Victoria – supporting local businesses, local economies and local communities. This investment remains subject to a co-contribution from the Commonwealth, which has responsibility for our nation's telecommunications network.

An investment of \$64 million will deliver the Digital Skills and Jobs Program, enabling unemployed regional Victorians to undertake digital skills training or a digital internship – helping them find new opportunity and employment.

This ground-breaking investment will assist 5 000 unemployed Victorians into a potential new career, helping them to retrain and reskill, with a strong focus on supporting women.

Backing our farmers and producers

Agriculture is vital to Victoria, with Victoria our nation's largest producer of food and fibre products and supporting a \$42 billion processed food industry.

With this Budget, we're investing in our producers and growers, making sure this integral part of our State and economy remains strong.

This Budget invests \$115 million to further grow and modernise Victoria's agriculture including:

- ➔ \$65 million to support a new agriculture strategy, making sure we're helping farmers take advantage of new technology and remain internationally competitive. This investment will also establish an AgTech Regional Innovation Network and a Pathways to Export program to take advantage of recovering global markets, as well as boosting the Agriculture Energy Investment Plan and delivering a new phase of the Food to Market Infrastructure Program.

These initiatives will help the sector to become more innovative, promote the uptake of new technologies, add more value to food grown and processed in regional Victoria and help businesses expand into new markets and create new jobs

- ➔ \$50 million to upgrade the accommodation and research and learning facilities at regional agricultural training facilities including Longerenong College, University of Melbourne's Dookie campus and Marcus Oldham College to help attract new students and support training in emerging sectors such as the native food industry

Victorian farmers and food processors will also benefit from the new Manufacturing and Industry Development Fund focused on supporting new investments and jobs in key growth potential sectors such as food manufacturing.

A key focus of the Government's new \$2 billion Breakthrough Victoria Fund is the agri-food sector. The Fund will drive investment in research and development and the commercialisation of new innovations to accelerate industry growth and support jobs.

Helping businesses recover and grow

From the smallest family-owned firm to our own homegrown success stories, businesses are the lifeblood of the economy – creating and supporting Victorian jobs.

With the onset of the global pandemic, the Andrews Labor Government moved quickly to support Victorian businesses and their workers.

Regional businesses will continue to benefit from a suite of support and recovery initiatives, including:

- More than \$2 billion in tax deferrals, including allowing businesses with payrolls of up to \$10 million to defer their 2020-21 payroll tax liabilities for up to 12 months. This represents a \$1.7 billion cash flow boost to businesses in 2020-21
- More than \$1.8 billion in relief from taxes and fees, including a full refund and waiver of 2019-20 payroll tax for small and medium businesses, providing cash back in their bank accounts when they needed it most
- \$1.1 billion in cash grants to support the hardest-hit sectors including hospitality, tourism, accommodation, creative industries and retail, building on \$1.8 billion in previous funding support

- A number of taxes and charges that were either frozen or waived. Liquor licence fees have been waived for 2020 and 2021, while the 2020-21 Fire Services Property Levy was frozen at the 2019-20 revenue target. Increases to the landfill levy have also been deferred
- Land tax relief for eligible small and medium businesses that own their commercial premises. Owner-occupiers of commercial properties can obtain a 25 per cent waiver of the property's 2020 land tax, while payment of the remaining tax can be deferred to 31 March 2021

Additional support delivered in this Budget includes \$836 million in New jobs tax credits to encourage small and medium businesses to increase employment by rehiring staff, restoring staff hours and hiring new staff.

This incentive means the more these businesses re-hire staff and employ new workers, the less payroll tax they'll need to pay.

This tax relief measure will be available for two years, saving businesses a combined \$836 million and helping to support an estimated 9 400 Victorians back into work.

The Government will also increase the threshold for paying payroll tax on an annual basis from \$40 000 to \$100 000, reducing administration costs and providing \$309 million of cash flow support to 7 000 businesses.

Backing regional Victorian businesses

To support regional businesses to open, relocate and expand, the Andrews Labor Government will deliver a 50 per cent stamp duty concession on the purchase of commercial and industrial properties, brought forward to January 2021.

The 50 per cent land transfer duty concession will now apply to contracts entered into from 1 January 2021 – rather than 1 July 2023 – for commercial and industrial properties anywhere in regional Victoria.

This investment will save a combined \$40 million and builds on our existing cuts to payroll tax in regional Victoria – currently the lowest rate anywhere in Australia.

Building skills to get our State back to work

We are investing \$1 billion in TAFE and training – investing in the skills of Victorians, wherever they live. This Budget will help more Victorians to train, retrain and find new opportunities, including:

- up to 80 000 new Free TAFE and subsidised training places. Almost 60 000 of these places will be in Free TAFE courses including health, and community and disability services. \$155 million is dedicated to creating new opportunities for young people, women and those most affected by economic disruption to reskill and upskill
- \$57 million for the delivery of accredited skill sets and a workforce skill set pilot, helping unemployed Victorians reskill and find a job fast
- \$19 million to introduce innovative new models for apprenticeships and traineeships, including enhanced support for apprentices most at-risk of dropping out, and new measures to encourage women to pursue non-traditional roles, including in the building and construction industry
- Funding to expand the pilot of higher apprenticeships and traineeships in the social services sector. This will create opportunities for 400 existing workers to continue their employment, while also validating their on the job work experience by gaining a high-level qualification
- Funding will also attract and support people to reskill as teachers at Victorian TAFEs, including teacher scholarships and mentoring

The Budget also includes funding for Skilling the Bay and The Geelong Project to support students, including those at risk of disengagement, to participate in school, training and employment pathways.

The Government's \$350 million Higher Education State Investment Fund is also supporting universities to fund capital works, applied research and research partnerships. The Fund is open to projects based in regional campuses such as Federation University in Ballarat, Deakin University in Geelong and Warrnambool, and La Trobe University in Shepparton.

**This Budget
will help more
Victorians
to train, retrain
and find new
opportunities.**

Taking care of those we love

This year, and wherever you live, we've been reminded of what matters most in life – the health and wellbeing of the people we love.

As we begin our State's recovery, that will continue to be our focus.

That means building a mental health system that Victorians can actually rely on.

It means making sure our regional healthcare system is there for those who need it.

It means finding new ways to deliver care – particularly for our most vulnerable.

And it means looking after the Victorians who look after us.

This Budget builds on our commitment to give regional Victorians the best care close to home – and give every family confidence that their loved ones will be taken care of.

Building our regional hospitals

As always, our regional hospitals and local healthcare services have been at the heart of our communities this year.

We want to help keep them strong, investing a further \$2.8 billion of funding to support our health services, including supporting the delivery of elective surgery delayed during the pandemic.

This Budget also provides:

- \$384 million to redevelop the Warrnambool Base Hospital with a new emergency department, operating theatres and acute inpatient beds
- \$85 million to upgrade and replace medical equipment in rural, regional and metropolitan hospitals
- \$10 million to renew rural residential aged care facilities across our State, making sure our parents and grandparents are being looked after
- \$7.6 million for Wangaratta Hospital to expand maternity accommodation and investments in critical infrastructure

- \$5.2 million to purchase land and plan for the future expansion of Maryborough Hospital
- \$3.6 million to plan and design a new Women's and Children's Hospital: University Hospital Geelong offering more maternity and paediatric services to meet the growing demand in the Barwon region

Funding is also provided to continue planning and purchase land for the new Torquay Community Hospital, ensuring this growing local community has access to high-quality care.

This Budget also invests \$40 million to install solar power and high efficiency LED lights in Victoria's public hospitals.

Regional Health Infrastructure Fund

A strong recovery means continuing to ensure regional Victorians can get the very best care, close to home.

Established in 2016, our \$350 million Regional Health Infrastructure Fund is the biggest of its kind in Victoria.

And already, it's helped deliver more than 280 projects across rural and regional Victoria.

The Andrews Labor Government is building on this investment, with an extra \$120 million for the Regional Health Infrastructure Fund to improve hospitals and local health services across the State.

From big projects to small, the Fund will help assist regional health services and organisations to continue to care for their local communities.





Care close to home

This pandemic has changed the way we live, the way we work and even the way we access healthcare.

To make sure we can continue to offer more flexible medical treatment for regional Victorians, this Budget invests:

- \$121 million for Better at Home, increasing the delivery of hospital services in patients' homes, ensuring more Victorians can receive care in the comfort of their own home. This includes investment in software to facilitate telehealth appointments
- \$32 million in preventing, treating and improving recovery from cardiac, stroke and cancer conditions. This includes increased rural community testing and screening activities close to home and embedding access via telehealth to clinical trials and supportive care following diagnosis
- \$5 million to contribute to the construction of a new 20 bed private respite service to help meet end of life care needs, offering an alternative to hospital

Because minutes matter in an emergency, the Government is providing year-round ambulance services to residents in Nagambie.

Further funding will support continuation of the Mobile Stroke Unit to reduce the time patients wait to receive critical treatment.

Mental health

This pandemic has had a profound impact on the mental health of Victorians – and revealed the very deep cracks in our mental health system.

This Budget invests \$869 million to ensure Victorians have the mental health support they need as we get on with fixing a broken system.

That includes starting to implement the Royal Commission into Victoria's Mental Health System's interim report findings and recommendations, including:

- \$492 million to build 120 more acute mental health beds, including beds for Geelong
- \$21 million to deliver the statewide expansion of the Hospital Outreach Post-Suicidal Engagement (HOPE) service, with individual, intensive and one-on-one support for Victorians as they rebuild their lives. New sites include Warrnambool and Mildura, with additional clinical capacity added to existing sites in Wodonga and Ballarat
- \$16 million to support Victorians with lived experience of mental illness to use their personal expertise to improve our mental health system
- \$7.7 million to address workforce shortages in the mental health sector and support future expansion of the workforce
- \$4.4 million to continue support for Aboriginal wellbeing programs and commence design to establish a new Aboriginal Social and Emotional Wellbeing Centre

This Budget also includes \$26 million to meet critical demand, funding extra inpatient beds and increased access to community mental health services.

As the demand for mental health services grows, so too does the need for highly qualified professions.

To support Victorians who want to join the workforce, the Budget provides \$13 million to promote pathways into employment, including scholarships and mentoring.

Looking after families

This pandemic has been the hardest thing many of us will ever go through.

We've worried about our kids and their future. We've worried about our parents and their health.

Some have had to worry about keeping a roof over our head – or keeping the lights on.

We want to make sure that as we recover, we're giving Victorians less to worry about.

Helping our kids to catch-up. Covering the cost of kinder.

Making sure more Victorians don't have to worry about paying their power bill. Making sure fewer Victorians have to worry about taking sick leave.

This Budget is about looking after Victorians – wherever they live – and looking after their families.

Driving down power bills

Spending more time at home has meant bigger power bills for many regional families.

That's why this Budget will help hundreds of thousands of families cover that cost – and drive down their energy use.

A one-off \$250 payment is provided to help cover the cost of their electricity bills for eligible concession card holders, including Victorians receiving JobSeeker payments.

\$448 million is available to help more Victorians improve the energy efficiency of their home, while reducing the costs of their power bills. This includes:

- \$335 million to replace older wood, electric or gas fired heaters with new more efficient heating and cooling for 250 000 low-income households
- \$112 million will deliver upgraded energy systems for 35 000 social housing homes – reducing bills for tenants and making winter and summer more comfortable

Building on a huge uptake in regional areas, the Andrews Labor Government's Solar Homes will also be expanded to an additional 42 000 homes, cutting power bills for families.

Additionally, the Solar Homes battery program will be expanded, with 17 500 rebates made available over the next three years. 'Postcode eligibility' will also be removed, meaning Victorians in every corner of the State can now apply for a battery rebate.

Extra support for regional parents and families

Even with kids back at school, the daily balancing act that many families know all too well isn't any easier.

We want to give families one less thing to worry about – and help support more parents, particularly women, back into work.

This includes making kinder free in 2021 and delivering outside school hours care at up to 400 extra schools, saving parents money and giving them greater flexibility when it comes to work, study, training or re-entering the workforce. This investment includes:

- \$302 million to continue the rollout of universal three-year-old kindergarten, including in rural and regional communities
- \$170 million to make kinder free next year, saving families around \$2 000 for every child enrolled in a participating funded kindergarten program
- \$82 million to increase the availability of before and after school care. Grants of up to \$75 000 will be made available to start new outside school hours care programs
- \$68 million to provide grants to local government and other eligible providers to build, expand and upgrade kinders and early childhood facilities
- \$21 million to help cover the cost of kids' sport, with \$200 vouchers for sports equipment, uniforms or memberships



Universal three-year-old kinder will be extended across an extra 15 local government areas in regional communities in 2021, giving kids up to 15 hours each week:

- Alpine
- Ararat
- Campaspe
- Central Goldfields
- Colac-Otway
- Corangamite
- East Gippsland
- Glenelg
- Hepburn
- Indigo
- Loddon
- Murrindindi
- Southern Grampians
- Towong
- West Wimmera

Victoria's Big Housing Build

Victoria's Big Housing Build will help ensure more Victorians have a place to call home, delivering the biggest investment in social and affordable housing.

With \$6 billion, this investment will supercharge Victoria's economic recovery.

It's win-win. With our Big Housing Build, we'll give thousands of Victorians the security and stability of a home – and thousands of Victorians a job.

Regional Victorians will benefit from Victoria's Big Housing Build to transform the social and affordable housing system with \$5.3 billion in funding to construct more than 12 000 new dwellings, including:

- 9 300 new social housing dwellings replacing 1100 old housing units
- 2 900 new mainly affordable and low-cost homes in locations that are close to jobs and transport

The package also includes funding to accelerate the public housing capital upgrade program, including enhanced gas heater servicing. These works will improve the comfort of home for public housing tenants and support jobs.

Regional Victorians will benefit from this transformation of the social and affordable housing system. A quarter of the total investment will be in regional areas.

Victoria's Big Housing Build will be delivered through partnerships with the community housing sector, private sector construction, industry and other investors.

It is estimated that 10 000 jobs will be supported on average per year, over the next four years, as well as increasing economic activity across the State.

This package builds on the \$498 million provided earlier in the year through Building Works for upgrades across public and community housing.



Making housing more affordable

Victoria's Big Housing Build also includes \$678 million to help unlock more affordable and accessible housing for Victorians.

Extending the regional First Home Owner Grant

- The \$20 000 First Home Owner Grant for people buying or building a new home in regional Victoria has been extended to apply to contracts of sale entered up until 30 June 2021. This is double the \$10 000 grant for first home owners in metropolitan Melbourne

Relief on stamp duty on residential property transactions of up to \$1 million

- Tax relief on stamp duty for residential property transactions of up to \$1 million will also be provided. A waiver of 50 per cent for new residential properties, and 25 per cent for existing residential properties, will be available for purchases of up to \$1 million for contracts entered into between the day after announcement and 30 June 2021

Land tax discount for build-to-rent projects

- To increase the supply of housing and create more options for renters by establishing the build-to-rent sector in Victoria, from 1 January 2022, Victoria's Big Housing Build will provide a 50 per cent land tax discount for eligible new developments until 2040. These developments will also be exempt from the Absentee Owner Surcharge over the same period. Investment in the build-to-rent sector will stimulate construction activity, create jobs and support Victoria's economic recovery

Shared equity expansion

- The Victorian Homebuyer Fund provides \$500 million to accelerate Victorians into home ownership. The fund will contribute to the purchase price in exchange for a proportionate equity interest in the property. This reduces the size of the deposit required and will help Victorians afford their homes sooner. The fund will support the purchase of both established and newly built homes

Upgrading regional schools

This Budget will make sure students have the classrooms, libraries and learning spaces they deserve – wherever they live.

Delivering the biggest single investment in our regional schools ever, the Andrews Labor Government will upgrade 44 regional schools, as part of a \$254 million Budget boost.

Work on the new Wangaratta District Specialist School (Benalla campus) will commence and further funding is provided for the new Wonthaggi Secondary College (San Remo campus) – as part of our commitment to open 100 new schools across the State by 2026.

This investment builds on the upgrade and construction of regional schools, including bushfire-affected Clifton Creek Primary School and Greater Shepparton Secondary College, announced earlier this year as part of the Building Works schools package.

Upgrading and building new schools is a win-win for regional communities, delivering great classrooms for kids and new jobs for local economies.

Our regional schools and students will also benefit from more than 4 100 tutors being deployed across Victorian schools in 2021.

With \$250 million of investment more than 200 000 students across the State will have extra support to catch up.

Regional school upgrades

- Bairnsdale Secondary College
- Beechworth Primary School
- Bellaire Primary School
- Bendigo Senior Secondary College
- Beveridge Primary School
- Birregurra Primary School
- Cape Clear Primary School
- Chewton Primary School
- Churchill North Primary School
- Clifton Springs Primary School
- Concongella Primary School
- Currawa Primary School
- Elmore Primary School
- Epsom Primary School
- Falls Creek Primary School
- Geelong South Primary School
- Grovedale West Primary School
- Hazelwood North Primary School
- Hopetoun P-12 College
- Korumburra Secondary College
- Kurnai College
- Kyabram P-12 College
- Kyneton High School
- Linton Primary School
- Lorne P-12 College
- Maiden Gully Primary School
- Merbein P-10 College
- Merrivale Primary School
- Myrtleford P-12 College



- Nagambie Primary School
- Natimuk Primary School
- Newstead Primary School
- Northern Bay P-12 College
- Rainbow P-12 College
- Skipton Primary School
- Stawell Secondary College
- Strathmerton Primary School
- Tarnagulla Primary School
- Tooborac Primary School
- Traralgon College - Grey St Senior Campus
- Waaia Yalca South Primary School
- Wallan Primary School
- Warragul Regional College
- Wodonga Middle Years College

Specialist school upgrades

- Ballarat Specialist School
- Baringa Special School
- Barwon Valley School
- Cobram and District Specialist School
- Colac Specialist School
- Hamilton Parklands School
- Hampden Specialist School
- Horsham Special School
- Nelson Park School
- Swan Hill Specialist School

Ensuring every child can be their best

Teachers and families have done an incredible job in supporting our students. We want to help make their school communities stronger than ever, delivering an historic investment in inclusive education.

The Government will provide \$94 million to upgrade 10 special schools in regional Victoria, making sure every child has every opportunity to be their best.

A further \$1.6 billion investment will transform how we support students with disability and their families, doubling the number of students receiving extra support in the classroom to 55 000.

A world-leading pilot program in more than 100 schools will now be rolled out across Victoria, putting the needs of students with disability at the heart of our response.

Every government school will benefit from the reform, enabling them to support students who may have previously been ineligible for targeted support – such as those with autism, dyslexia or complex behaviours.

This reform will be supported by the creation of up to 1730 jobs across the State by 2025, as well as new support and resources for our incredible school staff in delivering inclusive education for every student.

Building strong, connected communities

The Andrews Labor Government is building strong, connected communities.

Because we understand – investing in our regional communities means investing in the people who call them home.

A faster commute means more time spent with loved ones. A new school means more certainty for local families.

Every one of these investments is an investment in what matters most: people.

This Budget continues the Government's strong record of investing in regional Victoria – making sure that as we recover from this pandemic, no community or corner of our State is left behind.

Upgrading regional rail

This Budget invests \$3.8 billion to upgrade and support our regional rail services to make sure more regional passengers can spend more time at home. This includes:

- \$2 billion to progress Geelong Fast Rail, which will provide faster, more frequent and more reliable services between Melbourne and Geelong
- \$899 million toward the \$901 million upgrade of the rail between South Geelong and Warrn Ponds stations and to develop a business case for the Geelong to South Geelong Tunnel
- \$400 million for the Shepparton Rail Line Upgrade Stage 3 which will enable nine daily return passenger services to Melbourne
- \$260 million for the Warrnambool Rail Line Upgrade Stage 2 to allow modern VLocity trains to operate to and from Warrnambool for the first time
- \$188 million to support reliability, punctuality and safety across our regional passenger and freight rail network

These commitments build on our significant investments made in regional rail, including the \$2 billion Regional Rail Revival program, which is upgrading every regional passenger rail line in the State, improving journeys and creating regional jobs.



Repairing country roads

We are also continuing to address the decades of underinvestment in our regional road network – ensuring regional Victorians have a smoother, safer journey.

This Budget continues that work, delivering big and small road upgrades across the State. This includes:

- \$300 million for a road maintenance blitz across regional Victoria. This includes routine maintenance, road surface replacement, bridge strengthening and replacing intelligent transport systems such as traffic signals and electronic speed signs
- \$255 million to upgrade Victoria's iconic Great Ocean Road and surrounding inland routes, supporting Victoria's tourism industry and local economies in the south west
- \$241 million to duplicate the Princes Highway East between Traralgon and Sale at the Flynn and Kilmany locations
- \$17.4 million to upgrade freight routes for farmers and processors in Victoria's vital south-west dairy supply chain, saving them time and money
- \$10 million for upgrades to sections of the Robinvale – Sea Lake Road to improve safety for motorists and the efficiency of freight in this part of northern Victoria
- \$4 million for safety improvements for motorists on the Henty Highway between Horsham and Lascelles

Together with the \$2.8 billion of investment in our State's regional roads over the past five years, these projects continue to ensure our road network is connecting Victorians – wherever they are.

Geelong Fast Rail

This Budget will deliver \$2 billion towards Geelong Fast Rail, reducing travel times and supporting more passengers on our State's busiest regional rail line – matching the Commonwealth's contribution to the project.

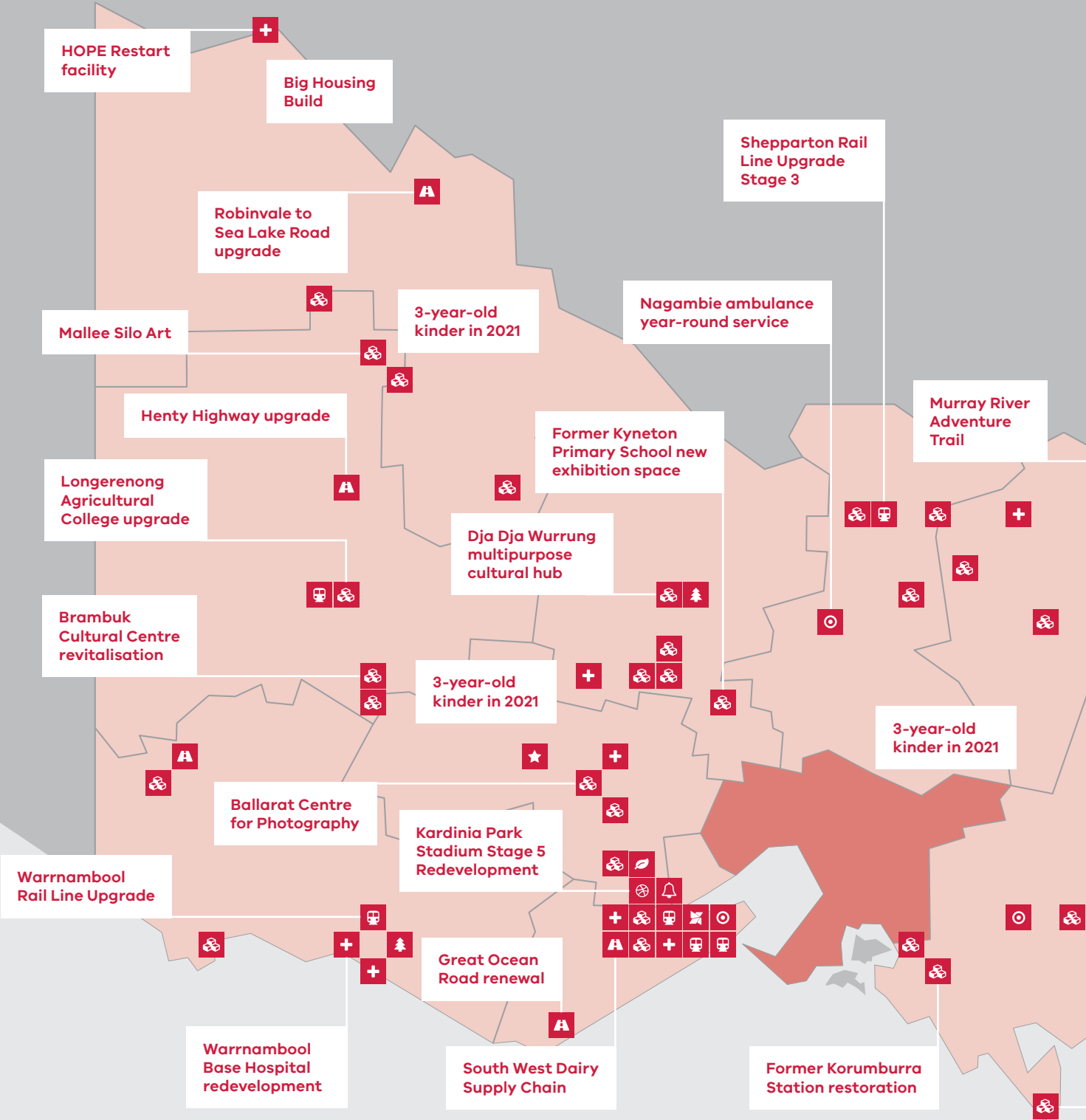
As an investment, it will mean fewer stops, faster trips and less crowded trains for locals. It'll also reduce reliance on local roads, including the Princes Freeway road corridor.

Most importantly, it'll mean less time commuting – and more time spent with the people you love.

This funding builds on funding provided in last year's Budget to deliver detailed planning and design works.

The project will support over 2 800 jobs at the peak of construction and will continue supporting jobs once complete, with improved connections between the two cities. The project is part of the Western Rail Plan and will unlock capacity to enable future rail infrastructure and service upgrades.

Investing in every corner of the State



STATEWIDE

- \$6 billion for Victoria's Big Housing Build, including to build more than 12 000 new social and affordable homes, and make housing more accessible and affordable for Victorians, supporting thousands of jobs
- \$2.8 billion to maintain capacity in our health system as hospitals move to COVID Normal, allowing for more elective surgeries
- \$2 billion for the Breakthrough Victoria Fund to build on our strengths in research and development across key industries
- \$1.9 billion to upgrade 162 schools, build one new school and four additional stages at recently built schools
- \$1.7 billion cash flow boost for businesses through the deferral of 2020-21 payroll tax liabilities for payrolls up to \$10 million
- \$1.6 billion invested in cheaper, cleaner energy to power the economic recovery
- \$1.6 billion to transform how we support students with disability
- \$1.3 billion for child protection initiatives providing support for care leavers, early intervention for families and support for vulnerable children
- \$1.1 billion in grants to support small and medium-sized businesses
- \$1 billion invested in the training system, providing greater access to training through a number of initiatives
- \$869 million invested in mental health initiatives, including more acute mental health beds
- \$836 million in New jobs tax credits to re-hire staff, restore hours and create new jobs
- \$774 million invested in early childhood education, including free kindergarten programs in 2021 and the continued roll-out of funded 3-year-old kinder
- \$626 million for Digital Future Now package to support our transition to a digital economy
- \$619 million Jobs for Victoria initiative to help provide targeted and tailored support for Victorians most affected during this pandemic
- \$450 million for a statewide road maintenance blitz to improve safety for all road users and help maximise the productivity of the Victorian road network.
- \$388 million invested in the Keeping Victorians Moving initiative to reduce congestion and wait times for registration and licensing services across the State
- \$250 million to employ tutors in every government school and for every non-government school that needs them
- \$235 million to build our Recovery Workforce to create jobs across mental health, family violence, health and child protection
- \$191 million to provide solar panel system and battery storage rebates to more homes and small businesses
- \$120 million top up for the Regional Health Infrastructure Fund

Big Housing Build












3-year-old kinder in 2021

Princes Highway upgrade

Wilsons Promontory revitalisation

Point Hicks Lighthouse visitor facilities

Mallacoota Inlet access upgrade

-  Arts
-  Clean Energy
-  Education Initiatives
-  Emergency Services
-  Environment and Parkland
-  Health
-  Justice
-  Public Transport
-  Regional Investment
-  Roads
-  Sport and Recreation

A strong recovery

2020 has shown us what matters most:

The safety and security of our families, our kids, our parents. Having confidence in what tomorrow might look like.

And those most basic things – our connection to each other, looking after one another.

It's why this Budget is dedicated to doing exactly that: looking after people.

As we rebuild, we know we need to bring every community – every Victorian – with us.

This Budget is about repair, recovery, and making us stronger than before.

Our Creative State

To further cement our status as Australia's cultural capital, this Budget is investing in the creativity of our regional communities. This includes \$35 million to improve creative spaces, including:

- A new exhibition space at the former Kyneton Primary School
- New creative spaces at the Castlemaine Goods Shed
- Benalla Gallery redevelopment including additional space and storage areas
- Shepparton Arts Museum external works
- Latrobe Creative Precinct landscaping and forecourt works
- Rex Theatre Charlton backstage and accessibility upgrades
- Surf Coast Recreation Centre refit to develop the Torquay Multi Arts Centre
- Euroa Community Cinema refurbishment
- A new collections care and storage program to enable touring and safekeeping of collections statewide

Support is also provided to the Geelong Arts Centre to manage service disruptions as a result of current redevelopment works.

Investing in local sport

This year we've come to appreciate our local parks, playgrounds, footy ovals and sporting fields more than ever. As Victorians spend more time outdoors with the people they love, this Budget invests in new local community spaces.

This Budget includes \$110 million for the Community Sports Infrastructure Stimulus Program to build and upgrade community sports facilities across the State, in partnership with local communities and councils.

An additional \$27 million will deliver new and upgraded community sport and recreation upgrades, including community club lighting and scoreboards, seniors' community sports infrastructure, community football and netball facilities and female friendly changerooms.

Total funding of \$142 million will complete the final stage of the Kardinia Park Stadium redevelopment, with a new two-tiered northern stand and new communities facilities, supporting Geelong's ability to host major events.

This Budget also delivers the Get Active Kids Voucher Program, supporting kids to get moving and help families with the costs of community sport.

This \$21 million investment will help children get involved in organised activities by providing \$200 vouchers for sports equipment, uniforms or memberships.

Creating jobs by protecting our environment

Regional Victorians understand better than anyone the need to preserve our environment – safeguarding it for future generations and protecting regional communities and livelihoods.

This Budget continues our investment in environment protection and improved environment management, drawing on the practices of Traditional Owners.

That includes \$21 million to continue incorporating Aboriginal values and expertise, including supporting Traditional Owners' organisations, in our State's water management.

An additional \$251 million continues our commitment to building a sustainable water sector, including:

- Safety improvements to high-risk small dams across Victoria to minimise adverse environmental effects or property damage from a dam failure
- Flood protection management and infrastructure works
- Works to protect and restore priority catchments and waterways
- Rural water infrastructure projects to increase regional water security, including continuation of the Sustainable Irrigation Program to support a modern irrigation sector and ensure Victoria meets its salinity management obligations under the Murray Darling Basin Agreement
- Ground water treatment program to safeguard Bendigo's urban waterways

The Victorian Water Register will be upgraded to a new technology platform to enhance the delivery of online water market services.

The Government is delivering on our Biodiversity 2037 commitment with funding of \$48 million, including:

- Partnerships with private landholders and local government authorities for weed, pest, and habitat protection
- Increasing the area of suitable habitat for the Helmeted Honeyeater and Leadbeater's Possum
- Continuation of the Managing Country Together program with Traditional Owners, and the implementation of the Wotjobaluk, Dja Dja Wurrung and Eastern Marr Settlement Agreements
- Additional resources for Parks Victoria to manage our parks and ensure more Victorians can enjoy them

Further funding of \$29 million will support bushfire biodiversity recovery through revegetation and reseedling activities and construction of predator-proof fencing.

Previously mined lands will continue to be rehabilitated with \$21 million to establish the new Mine Land Rehabilitation Authority, including progressing remediation of the former Benambra mine site.

This Budget also provides \$18 million to manage deer. A further \$14 million is invested in programs to control wild dogs and in pest management.

A stronger, fairer State

To continue to support vulnerable Victorian families and members of our community across all corners of the State this Budget provides:

- \$1.3 billion to support children and families, including extending the Better Futures Home Stretch pilot, ensuring every young person in out-of-home care can receive support up to the age of 21, helping to make sure they have the stable foundation to begin their lives. Funding will also support early intervention to help families stay together and support for vulnerable children who are unable to live safely with their families
- \$357 million, our biggest ever investment in support for our Aboriginal communities, including \$86 million to reduce the over representation of Aboriginal children in care and continue to support self-determination for Aboriginal Victorians, a \$40 million service delivery fund for Aboriginal Community Controlled Organisations, and \$20 million to advance Treaty, support greater self-determination and ensure even more community voices are being heard
- \$209 million to support a range of services outside the scope of the National Disability Insurance Scheme (NDIS), including support for people with psychosocial disability who do not meet the National Disability Insurance Agency's threshold for NDIS access
- \$238 million to continue our record of support for victim survivors and their families, including therapeutic and flexible support packages for women and their children, funding for additional case management and strengthening information sharing capabilities between agencies

Supporting communities to recover

For some communities in our State, 2020 began with bushfires – and then the global pandemic hit. Making sure these Victorians have the support they need is at the heart of this Budget.

That means long-term recovery – working with locals to support and rebuild their communities in the months and years to come.

This Budget provides \$124 million for the establishment of Bushfire Recovery Victoria, a permanent and dedicated agency to work directly with bushfire-affected communities to listen, respond and support Victorians in their recovery journey.

In preparation for bushfires, funding is provided to build and upgrade 1 447 kilometres of fuel breaks across Victoria, targeting the highest priority fire risk areas. This includes upgrading the temporary Cowwarr-Bruthen fuel break in Gippsland, built during the 2019-20 fire season.

The Budget also delivers \$46 million for the management of bushfire risk through expanded mechanical fuel treatments and the recruitment of additional firefighters.

An additional \$20 million investment over two years will staff the State Control Centre 24 hours a day, 365 days a year, to ensuring we're prepared to respond to emergencies all year round.

Emergency service staff and volunteers will also be supported to respond to incidents, with \$4 million to enhance public emergency warning and information systems, and support emergency staff to access critical information while they're out in the field.



Listening to local voices

The need for local communities to shape local investments has never been more important.

That's why this Budget combines local input with a more targeted approach to deliver the projects and programs that matter most to regional Victorians.

This Budget will deliver \$10 million in grants to address the urgent recovery needs of regional communities, including funding for short-term stimulus projects to get more regional Victorians into work.

To continue our ongoing partnership with local communities, this Budget also delivers an extra \$156 million for the Regional Jobs and Infrastructure Fund, including:

- \$110 million for the Economic and Community Development Fund to support priority community projects that can be activated quickly to create and retain jobs
- \$36 million in additional funding for the Regional Jobs Fund to support businesses to develop and expand their operations
- \$10 million for regional communities to accelerate planning and business cases for projects of strategic importance

Regional partnerships

The nine Regional Partnerships established by the Government will also be central to rural and regional Victorians shaping their own future.

Bringing together locals, businesses and councils, these partnerships are integral to ensuring the voices of communities are heard at the heart of government.

The *Victorian Budget 2020/21* delivers on recently identified Regional Partnerships priorities, including:

- Works at Lakes Entrance to address critical erosion and flood risks
- Coordinated management of the Great Ocean Road
- Establishment of regional startup accelerators to promote entrepreneurship in regional Victoria
- Development of regional skills demand profiles to help align local skills and labour market needs
- Funding to improve employment outcomes for Aboriginal Victorians
- Management of bushfire risk across public and private land
- Delivery of business-grade broadband to regional towns and eradication of mobile blackspots
- Renewal and revitalisation of the Great Ocean Road and Wilsons Promontory
- Duplication of the Princes Highway East between Traralgon to Sale at the Flynn and Kilmany locations
- Upgrade of the rail line between South Geelong and Waurin Ponds stations
- Funding to implement the Victorian Regional Renewable Energy Roadmaps



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Rural and Regional

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