

# Backing Victorians in work and skills

## Significant initiatives

- **Boosting access to Free TAFE and training services**  
\$26.8m in 2025-26 (\$171.3m/2 yrs) to expand Free TAFE, focusing on upskilling and reskilling more Victorians into priority careers.
- **TAFE Services Fund**  
\$50.3m in 2025-26 (\$121m/4 yrs) is provided to continue to support the TAFE Network as Victoria's trusted public provider of choice, including through student inclusion and wellbeing programs, training delivery in priority markets and regions, and a high-quality teaching workforce. The TAFE Network is critical to meeting Victoria's current and future skills requirements and economic growth. Funding is also provided to support early identification of students at risk of noncompletion and for expanded personalised wrap-around support services to set students up for success.
- **Building Foundational Skills for improved education participation**  
\$12.3m in 2025-26 (\$43.8m/4 yrs) is allocated to supporting Victorians with foundational skills such as literacy, numeracy, employability and digital literacy through Learn Local and TAFE providers.
- **Backing apprenticeships, boosting skills**  
\$11.5m in 2025-26 (\$22.8m/2 yrs) for Apprenticeships Victoria to continue to deliver apprenticeships and traineeships to meet Victoria's workforce priorities, including delivery of the Priority Apprenticeship Model and implementation of Apprenticeships Taskforce recommendations and apprenticeship regulatory reform. Dedicated Apprenticeships Support Officers will continue to support apprentices and trainees who are at greater risk of not completing their program.
- **Extending Skills Solutions Partnerships**  
\$4.6m in 2025-26 to support industry to partner with TAFEs and universities to design and pilot new short courses and on-the-job training to quickly address skills gaps in priority sectors.

- **Unlocking potential: building a skilled workforce and inclusive employment initiatives**  
\$2.5m in 2025-26 (\$5m/2 yrs) to support economic participation outcomes across Victoria. Funding is also provided for work readiness support for young people in custody at Parkville College, and the operation of Thrive Hubs in Frankston and Broadmeadows.

## What's good

- Victoria's employment growth remains strong, with the unemployment rate at 4.4 per cent. The most recent data shows more than 680,000 more Victorians were employed since September 2020. This Budget continues to grow and sustain the skills pipeline. VCOSS is pleased to see a continued commitment and investment in Free TAFE to enable more Victorians to gain new skills. In our 2024 pre-Budget submission, VCOSS called for more funding to deliver student support services to ensure that students can access the help they need to address issues that put their participation and course completion at risk. We are pleased to see this Budget support students to complete their studies by directing funding towards student inclusion and wellbeing programs. We also welcome new funding in this Budget being directed to support early identification of students at risk of noncompletion and for expanded personalised wrap-around support services to set students up for success.
- Pre-accredited training supports learners with diverse needs and those who have experienced barriers to education to access high-quality training that can set them up for success in study, work and life. VCOSS welcomes new investment to increase places in literacy and numeracy programs at TAFE and pre-accredited digital literacy and employability skills training at Learn Local providers. Whilst this investment is welcome, VCOSS members have reported that Learn Local provider numbers have fallen in recent years and that more work needs to be done to support a strong and viable pre-accredited training system including introducing a new, sustainable funding model for Learn Local providers.
- In a tight labour market, some groups – including older women, people with disabilities, young people, carers, Aboriginal and Torres Strait Islander people, and people from culturally and linguistically diverse backgrounds – face structural barriers to participation. Whilst work is underway to strengthen Australia's national employment services system, it is pleasing to see the Victorian Government invest place-based employment supports such as the two Thrive Hubs and providing funding for work readiness support for young people in custody at Parkville College.

## What's missing

- The Australian Government's Employment White Paper sets out a vision for an inclusive labour market that provides secure and fairly paid jobs. It identifies social enterprise as central to job creation for disadvantaged jobseekers – and it's driving landmark Australian Government investment in growing the sector. VCOSS would have liked to see a greater focus on entrepreneurship in this Budget to support the growth of new social enterprises across Victoria. With social entrepreneurship a critical way to drive jobs growth especially for those jobseekers who experience disadvantage, this was a missed opportunity to offer more support.
- With employment rates for Victorians with disabilities significantly lower compared to Victorians without a disability (53% compared to 84% respectively), VCOSS would like to have seen investment in lifting the participation rate of people with disability. VCOSS made a range of recommendations including strengthening the Victorian Government's disability employment procurement policies and reinvesting in wage subsidies to encourage and support employers to hire more people with disabilities.