

Table of Contents

<i>Fixing our housing system</i>	<i>2</i>
<i>Providing cost-of-living relief to those who need it most</i>	<i>5</i>
<i>Centring early intervention, wellbeing and future generations.....</i>	<i>9</i>
<i>Keeping all Victorians healthy</i>	<i>11</i>
<i>Backing Victorians in work and skills</i>	<i>15</i>
<i>Supporting children, young people and their families to thrive.....</i>	<i>18</i>
<i>Better schools and early childhood education</i>	<i>24</i>
<i>Inclusive communities</i>	<i>31</i>
<i>Creating a Victoria free from violence</i>	<i>43</i>
<i>Making the justice system work</i>	<i>46</i>
<i>Acting quickly and fairly on climate</i>	<i>50</i>
<i>Valuing the community sector</i>	<i>53</i>
<i>Ensuring a fair and sustainable revenue base and savings</i>	<i>56</i>

Fixing our housing system

Significant initiatives

- **Continuing critical services to address homelessness and community needs**
\$20.4m in 2025-26 (\$61.2/3 yrs) to continue the delivery of essential programs to support people who are homeless and at risk of homelessness. This package continues funding for 19 critical programs, including support for after-hours crisis, Pride in Place, the Rough Sleeping Action Plan, and Wathaurong and Ngwala Aboriginal Access points.

What's good

- The specialist homelessness sector has staved off imminent funding cuts for crucial frontline services in a challenging fiscal environment. The 19 re-funded programs in this package include:
 - The Wathaurong and Ngwala Aboriginal Access Points, which provide culturally-safe services that meet the needs of Aboriginal and Torres Strait Islander people in Victoria. [Both have been successful](#) in securing strong outcomes for communities that have historically been under-served. We're pleased to see this Budget continues to support their critical work. Looking ahead, funding is needed to establish another two new Aboriginal Access Points in priority regions.
 - The Aboriginal Private Rental Assistance program (APRAP), which provides support to Aboriginal and Torres Strait Islander households experiencing, or at risk of, homelessness. Renter support delivered by Aboriginal Community Controlled Organisations – including tenancy advocacy – is a critical market safeguard, providing culturally-safe support to Aboriginal and Torres Strait Islander communities in a challenging rental market.
 - Three years of funding for Housing First programs including Audrey Rainsford Supportive Housing and Viv's Place. These funding commitments are a welcome investment in Housing First models – but much more is needed to embed this approach to ending homelessness. The evidence on Housing First is compelling. A [recent evaluation](#) of Australia's largest-ever Housing First program, Victoria's *From Homelessness to a Home (H2H)*, found that 95 per cent of all clients achieved stable housing. VCOSS stands alongside the Council to Homeless Persons in advocating for Housing First to be implemented at scale across Victoria. This should be a priority in the 2026-27 Budget, and must include sufficient funding for social and community services to provide targeted wrap-around support to clients to ensure exits from homelessness are sustainable.

- Three years of funding to continue youth accommodation services, including models that integrate education, employment and training pathways with supported housing. Models like the Education First Youth Foyers are a proven approach to disrupting trajectories into adult homelessness.
- **Housing Support Program – Priority Works**
\$104.8m in 2025-26 (\$166.1m/2 yrs¹) has been provided to Victoria by the Commonwealth Government. Part of this funding is to support access to social housing and increase housing supply across the state, with at least 10 per cent quarantined for Aboriginal housing outcomes. VCOSS is pleased to see this funding in the Budget as the Commonwealth Government has a role to play in supporting States and Territories to address our national housing crisis. This Commonwealth investment is a result of strong and sustained advocacy from the Victorian Government.

What's missing

- Despite Victoria's landmark *Big Housing Build* in the 2020 State Budget, decades of under-investment in social housing by previous governments has left the state with the lowest proportion of social housing in Australia. While the 2025-26 Budget papers show more than 2,000 new homes will be added next financial year, there is no ongoing pipeline.

The Victorian Housing Peaks Alliance's recently-launched '[Growing Social Housing](#)' report paints a stark picture of unmet demand. The data modelling from SGS Economics & Planning shows the critical need to turbocharge the construction of new social housing. VCOSS is calling on the Victorian Government to:

- Set a target to build 7,990 new social housing dwellings every year for the next 10 years, as part of a pathway to reach the additional 377,000 new social homes required by 2051.
- Establish a long-term strategy to enable that growth, including direct government investment, grants and measures that require developers to contribute to social housing growth – for example, the introduction of mandatory inclusionary zoning.

We are disappointed to see that this Budget does not create the conditions for strong and sustained social housing growth.

- ACCOs are calling for an Aboriginal Homelessness Target and an Aboriginal Social Housing Growth Policy. These two measures are central to the continued implementation of [Mana-na woorn-tyeen maar-takoort](#).

¹ This funding includes both asset and output initiatives.

- The Budget papers highlight that 10 percent of Big Housing Build social homes are supporting Aboriginal housing needs, with 731 Aboriginal Victorian households already in new homes. However, we understand that there continues to be uncertainty in the quantum, form, and timing of longer-term funding, which creates challenges for Aboriginal Community Controlled Organisations and Traditional Owners to plan for the future.
- Victoria’s program investments in youth homelessness would be strengthened by a co-designed Victorian Youth Homelessness Strategy. A Strategy would guide whole-of-government policy-making, improve service system coordination and drive investment to end youth homelessness. A key priority would be to deliver 500 supported housing places for young people experiencing homelessness and mental ill health, as committed to as part of the [Royal Commission into Mental Health](#). VCOSS will continue to amplify sector advocacy on this, which is centring the voices of young people with lived and living experience.
- Implementation of the Social Housing Regulation Review is a priority for VCOSS members and the people they support. The independent Panel’s [Social Housing Regulation Review Final Report](#) and the [Government’s formal response](#) were both published in December 2024 and provide a roadmap for social housing regulatory reform. Victoria needs contemporary regulation that supports the growth and development of the social housing sector and meets the long-term interests of residents. Delivering the package requires strong government investment.
- Victoria can better use revenue levers to create a fairer housing system. A reduction in government revenue of \$3.6m in 2025-26 (\$61.2m/4 yrs) to extend the land transfer concessions for off-the-plan apartments, townhouses and units for an additional 12 months has been implemented as a strategy to incentivise home buyers to take interest in new builds. While this will make a difference for some Victorians, it does not address the key structural issues that lock Victorians out of the housing market. VCOSS has long recommended that [stamp duty be phased out and replaced with a broad-based land tax](#), with suitable exemptions. This tax reform would create a fairer housing system, and free government revenue from the volatility of the property market – assisting the Government to deliver essential services (including social housing) to Victorians.

Providing cost-of-living relief to those who need it most

Significant initiatives

- **Free public transport for kids**
\$40.9m in 2025-26 (\$308.2m/4 yrs) to provide free public transport for under 18s.
- **Free weekend public transport for seniors**
\$0.4m in 2025-26 (\$2.2m/4 yrs) for free weekend public transport for seniors.
- **Providing more no-interest loans to vulnerable Victorians**
\$1.3m in 2025-26 (\$5.2/4 yrs) to renew the Good Money program which provides no-interest loans for essentials and affordable financial services.
- **Power Saving Bonus for vulnerable consumers**
\$50.6m in 2025-26 for one-off \$100 payments for households with eligible Victorian concession cards that use the Victorian Energy Compare website, and a \$600,000 investment in a small expansion of the Energy Assistance Program to meet high demand.
- **Victorian Energy Upgrades Program – Insulation upgrades**
\$4.6m in 2025-26 (\$10.2m/3 yrs) to develop a safety and quality assurance framework as part of the reintroduction of insulation as an eligible activity under the VEU program.
- **Solar Homes Program – Hot water rebates**
\$29.7m in 2025-26 to extend the Solar Victoria hot water rebate program, which provides eligible households with rebates to install energy efficient electric heat pumps and solar hot water systems. This extension will provide for upgrades in 27,000 households.
- **Strengthening food security across Victoria**
\$12.7m in 2025-26 (\$17.9m/3 yrs) for food relief in regional Victoria, and an expanded Community Food Relief grants program for place-based community organisations, neighbourhood houses and large-scale food relief providers.

What's good

- A great public transport system is at the heart of an inclusive community. Making public transport free for our kids seven days a week and on weekends for seniors will reduce a key cost-of-living pressure for many Victorian households. It will make it easier to get to school, visit friends and family, and be part of the community. VCOSS, WEStjustice and allies have long advocated for free public transport for children and young people, informed by evidence from the landmark [Travel Assistance Program established by WEStjustice](#) in Wyndham. This is a terrific example of the impact that sustained sector advocacy can achieve. Further analysis on public transport can be found in *Children, Young People and Families, Inclusive Communities, Justice, and Climate and Resilience*.
- The renewal of the Power Saving Bonus will provide relief for Victorians who are struggling the most with high energy costs. VCOSS strongly supports the decision to target this round of the payment to concession card holders. The one-off \$100 payment from the state will augment support from the Commonwealth Government, which has committed to a rebate of \$150 on energy bills this year. Energy consumers will need to use the Victorian Energy Compare website to access the Power Saving Bonus. VCOSS supports the rationale, but notes that some people will face digital barriers. In previous rounds of the PSB, the Victorian Government provided funding for community service organisations to support consumers to engage with the information and access the payment. We encourage the Government to re-invest in these partnerships to ensure that all eligible Victorians can benefit.
- Home energy upgrades reduce the cost of energy bills, but some come with high upfront costs. As such, low-income households who stand to benefit the most from upgrades are also the households least likely to afford them. Government subsidies and rebates are the best way to address cost barriers and ensure lower-income households can access crucial energy upgrades. That's why VCOSS is pleased to see the renewal of Solar Homes rebates for energy efficient hot water heat pumps and solar hot water systems in this Budget. While the Budget does not re-fund the Victorian Government's lapsed no-interest loans scheme for home batteries, we are aware that the Commonwealth Government has committed to a rebate scheme for home batteries.
- The Victorian Government recently announced that, from 2026, ceiling insulation will be added to the Victorian Energy Upgrades program as an eligible activity. Ceiling insulation is one of the most cost-effective ways to improve thermal comfort and reduce energy usage in the home, thereby improving health, reducing bills, and lowering residential greenhouse gas emissions. This Budget provides for the development of essential safety and quality assurance as part of this roll-out.

- The last [Victorian Population Health Survey \(undertaken in 2022\)](#) found that 8.1 per cent of Victorian adults had experienced ‘severe food insecurity’, meaning they had run out of food at times and been unable to afford to buy more. The problem has only continued to grow during the cost-of-living crisis, so increased support for Victoria’s six Regional Foodshares in this Budget is welcome. These hubs source and supply food to local organisations that provide food relief for people in need. Importantly, the Budget also includes funding for the Regional Food Security Alliance, which coordinates services and manages the complex logistics of supplying food relief across rural and regional Victoria.

What’s missing

- While a further targeted round of the Power Saving Bonus is welcome, given [Essential Services Commission data](#) showing that the number of energy consumers in debt to their retailer has increased, as has the size of the average energy debt, VCOSS would like to have seen an increase in the Utility Relief Grant to \$1,000 for each utility type or \$2,000 for households with a single source of energy.
- Looking ahead, VCOSS is keen to see further progress on tackling the structural drivers of high energy costs and other forms of energy hardship. We are aware that the Victorian Government, the state regulator (the Essential Services Commission) and the Commonwealth Government have policies and regulatory processes in the pipeline aiming to tackle high energy costs, most of which are operating on timelines separate to this year’s Budget. In our pre-Budget submission, some of the opportunities we highlighted were to:
 - Make energy affordable for low-income households by establishing a social tariff (a special low rate for those most in need).
 - Establish regulatory safeguards such as a ban on disconnections, caps on energy debts, and mechanisms to remove high priced energy offers.
 - Advance the Victorian Government’s policy direction on the electrification of homes by proceeding with the introduction of minimum energy efficiency standards in rental homes, as well as using the revived State Electricity Commission to create programs to electrify households at scale, support community-led energy solutions such as local power hubs, and – long-term – enter the energy retail market as a public option.
- We note that the expansion of the Community Food Relief Program without an increase to core funding for food relief providers shifts the role of these vital community organisations – from community development to emergency relief provision – while leaving them out of pocket for this work. The design of these grants incentivises growth of food relief provision, which will likely further increase demand for food relief as it reaches new cohorts. We note that recommendation 21 of the [Final Report of the Victorian Parliamentary Inquiry into Food Security](#) called for recurrent funding for the food relief sector.

- While investment in food relief is welcome, the Budget does not address systemic drivers of food insecurity. VCOSS reiterates the call for a whole-of-government Food Security Strategy and long-term funding to support its implementation. Food relief should be a last resort.
- The 2025 Budget does not include additional funding for the financial counselling sector. While most existing services continue to be funded on an ongoing basis (except for the statewide small business financial counselling provided through Small Business Victoria), the financial counselling sector is experiencing very high demand, and clients are presenting with increasingly complex challenges. This means service wait times are long and growing. Too often, people can only get help when they are already in crisis. In our pre-Budget submission, VCOSS called for increased funding for the financial counselling sector to ensure more Victorians can access timely assistance. We look forward to the outcome of the review of Consumer Affairs Victoria-funded financial counselling services, which has acknowledged the pressures on the sector in its consultation processes.

Centring early intervention, wellbeing and future generations

Significant initiatives

- **Continued investment through the Early Intervention Investment Framework (EIIF)**

\$702.2m over 5 years across 30 initiatives designed to achieve diverse outcomes including improved health and wellbeing, education, skills and employment outcomes, and reduced acute services use. It's estimated that these programs will collectively support 375,000 Victorians and enable \$300 to \$600m of economic benefit over the next 10 years. Example programs funded through the EIIF include:

- **Strong Families, Safe Children: connecting, strengthening and restoring families**

\$86m in 2025-26 (\$161m/2 yrs) for a range of early intervention programs that strengthen and restore families and divert clients from acute statutory Child Protection services.

- **Supporting Aboriginal women on their journey into motherhood**

\$3.8m in 2025-25 (\$15.8m /4 yrs) to provide Aboriginal women with culturally-safe care and support in their journey into motherhood.

- **Victorian Social Investment Model (VicSIM)**

\$2.7m in 2025-26 (\$5.4m /2yrs) for the VicSIM data modelling tool that enables analysis and insights about service usage to inform policy development and social investment.

What's good

- While the total volume of funding provided for early intervention initiatives through the EIIF is a significant reduction on last year's \$1 billion investment, it's positive that the Government is maintaining its commitment to maturing the EIIF model and continuing funding for essential programs that were lapsing.
- Working collaboratively with communities, community organisations and people with lived experience to develop programs enables better outcomes to be achieved. VCOSS is pleased to see that some initiatives funded through the EIIF were designed in close collaboration between departments and community organisations, including the *Supporting Aboriginal women on their journey to motherhood* initiative. While there is still a long way to go to see

50 per cent of EEIF initiatives co-designed with communities and organisations (as called for in VCOSS' pre-Budget submission), efforts have been made to encourage collaboration.

- Using data and outcomes to develop, test and refine social programs is an important part of understanding what works for whom in intervening early and improving wellbeing. The continued funding into VicSIM is a welcome investment to bolster government practice in this area. Likewise, the introduction of additional information about outcome areas, the number of people supported, avoided costs and economic benefits of EEIF initiatives in Budget papers improves transparency about the framework's purpose and intent.

What's missing

- While the government continues to back the EEIF, this Budget did not provide the funding required to strengthen the model by enabling effective partnerships between the community sector, Treasury and commissioning departments to develop community-led, evidence-based, impactful early intervention initiatives. This could have been achieved by continuing and expanding the Empowerment Fund, which provided grants to organisations to build capability, measure impact and codify knowledge – essential for effective collaboration and innovation.
- Alongside working to improve outcomes for Victorians today, the government must also protect and promote the wellbeing of future generations. Best Start Best Life – Victoria's \$14bn 10-year transformation of early childhood education and care – is nation-leading, but should be augmented by connected policies and investments across whole-of-government that centre the wellbeing of children.
- Mitigating the worst impacts of climate change, enabling adaptation and taking steps to build resilience in the face of escalating disasters is a form of early intervention, and an investment into the wellbeing of current and future generations. This Budget did not make funding available for these areas that match the scale and urgency of the challenge before us.

Keeping all Victorians healthy

Significant initiatives

Aboriginal Health

- **Dandenong and Districts Aborigines Co-operative accommodation**

\$9.7m in 2025-26 to fit-out and lease accommodation for the Dandenong and Districts Aborigines Co-operative Limited.

- **Supporting Aboriginal women on their journey into motherhood**

\$3.8m in 2025-26 (\$15.9m/4 yrs) to boost the capacity of Aboriginal Community Controlled Organisations to deliver culturally-safe antenatal and postnatal care, establish Shared Care Arrangements with hospitals and midwifery group practices, and increase continuity between perinatal care and maternal and child health services, delivering on the priorities and commitments in the Victorian Aboriginal Health and Wellbeing Agreement.

Mental Health

- **Expanding Mental Health and Wellbeing Locals services**

\$18.7m in 2025-26 (\$34.4m/2 yrs) to expand the Mental Health and Wellbeing Locals service network in seven additional locations. Funding also continues delivery of community-based mental health and wellbeing supports through the Mental Health and Wellbeing Hubs and the statewide intake hotline and wellbeing support program.

- **Community Mental Health Supports**

\$12.8m in 2025-26 (\$27.2m/4 yrs) to continue delivery of statewide community mental health programs that provide specialist support to cohorts experiencing mental ill-health and prevention initiatives that reduce mental distress and promote wellbeing, including Social Inclusion Action Groups.

- **Supporting groups disproportionately impacted by suicide**

\$6.1m in 2025-26 (\$7.5m/2 yrs) to prevent and respond to suicide amongst groups disproportionately impacted by suicide, including young people, LGBTIQ+ and Aboriginal and Torres Strait Islander people.

- **Life-saving supports for trans and gender diverse young people**

\$3.6m in 2025-26 (\$15.3m/4 yrs) to support trans and gender diverse young people in Victoria to continue to access the care they need, including through specialist services at the Royal Children's Hospital and community-based mental health, peer and family support services

Public Health and Community-Based Health Care

- Victoria's Frontline Public Health System**
 \$35.5m in 2025-2026 (\$38.3m/4 yrs) for the continued operation of Local Public Health Units including intelligence and surveillance systems that strengthen public health prevention, protection, regulation and emergency response activities.
- Delivering the right care at the right time**
 \$27.6m in 2025-26 (\$30m/4 yrs) funding is provided to maintain 12 Urgent Care Clinics to treat patients who require urgent, non-emergency care, as well as strengthening local primary care services in targeted communities.
- Supporting our pharmacists to deliver community care**
 \$5.3m in 2025-2026 (18.1m/4 yrs). Part of this funding will be used to broaden the program to incorporate treatment of straightforward health conditions and chronic disease management by community pharmacists.
- Improving women's health**
 \$1.7m in 2025-2026 (\$5.6m/4 yrs) to support the health of Victorian women and girls by improving access to sexual and reproductive healthcare.
- Support for asylum seekers and newly arrived refugees**
 \$3.4m in 2025-26 to maintain healthcare support for refugees and asylum seekers, including general practitioner care, case coordination, and basic needs and homelessness assistance for people ineligible for Commonwealth supports or services.

Alcohol and Other Drugs

- Alcohol and other drug community support services**
 \$8.2m in 2025-26 (\$10.7m/2 yrs) to continue to mitigate alcohol and other drug related harms across Victoria. This includes outreach services in North Richmond for people who inject drugs, the Aboriginal Metropolitan Ice Partnerships program and addressing pharmacotherapy service gaps. Funding will also support First Step, providing mental health and addiction support services.
- Mental Health Capital Renewal Fund 2025-26**
 \$10.0m in 2025-26 to improve the quality and amenity of mental health and alcohol and other drugs facilities across Victoria.
- Strengthening alcohol and other drug residential rehabilitation services**
 \$8.7m in 2025-26 (\$33.5m/4 yrs) to maintain the treatment capacity of alcohol and other drug services in residential settings.
- Supporting Community Sector Jobs**
 \$2.2m in 2025-26 (\$8.8m/4 yrs) for the community sector workforce in the AOD sector

What's good

- Investment in community health has been maintained in what was expected to be a tough Budget, and the Local Public Health Units, whose funding was lapsing, will continue to be in place (although their funding is significantly lower than in previous budgets). Continued funding for the Epidemic

Thunderstorm Asthma Program and extreme weather alert system is welcome – these initiatives enable Victorians to prepare for the health-related impacts of climate change.

- The 2025-26 Budget makes positive investments in Urgent Care Clinics and community pharmacy, although these and other investments in community-based care are outstripped by record expenditure on hospitals. The Victorian Government will provide hospitals with an additional \$9.3 billion of operating expenditure over the next four years and invest \$643 million for new and expanded hospitals. While this will be welcomed by Victorians needing urgent care close to home, some of this money could be more productively spent on prevention, early intervention, and home and community-based care delivered by independent community health services.
- After extensive advocacy from the Aboriginal Community Controlled health and wellbeing sector, the Dandenong and Districts Aborigines Co-operative will finally have the resources it needs to move into fit-for-purpose accommodation to deliver clinical, social and emotional wellbeing services for Aboriginal and Torres Strait Islander people in Melbourne’s south-east. This has been a top infrastructure priority for the sector. Looking ahead, the Victorian Government should deliver funds to respond to Infrastructure Victoria’s advice that, across the state, \$100–\$150 million is still needed to meet immediate infrastructure needs of Victorian health and wellbeing ACCOs and an extra \$30 million for urgent infrastructure maintenance.
- VCOSS welcomes funding for outreach services in North Richmond, the Aboriginal Metropolitan Ice Partnerships program, and funding to address pharmacotherapy service gaps, which will reduce drug-related deaths. We are pleased to see some funding allocated to strengthening the capacity of residential AOD services, though we note the allocation is smaller than previous budgets. There is also some continued investment in the AOD workforce to meet demand and start to address the capacity issues. More will be required on this front, to support the sector to reduce wait times and meet growing demand for services.
- Across almost every measure of health and wellbeing, LGBTIQ+ people fare significantly worse than non-LGBTIQ+ people. This is a consequence of the stigma and discrimination that many LGBTIQ+ people encounter – including in the health system. This Budget includes welcome investments such as funding to support trans and gender diverse young people in Victoria to continue to access the care they need, including through specialist services at the Royal Children’s Hospital and community-based mental health, peer and family support services. Looking ahead, there are further opportunities for government to strengthen access to essential healthcare for LGBTIQ+ Victorians, including a LGBTIQ+ Women’s Health Hub that can provide more tailored psychosocial, mental and sexual health promotion for queer women.

What’s missing

Aboriginal Health

- Aboriginal Victorians are more likely to experience ill-health and to die young than the rest of the population. Self-determination is key to closing this health equity gap. This includes strong investment in Aboriginal Community Controlled Organisations. VCOSS shares the community’s disappointment

that, despite some wins, the Budget falls short in several key areas. [VACCHO has particularly highlighted](#) the failure to allocate funding to implement key recommendations from the Royal Commission into Victoria's Mental Health System, despite the well-documented mental health crisis in Aboriginal communities.

Public Health and Community-Based Health Care

- Victoria's independent registered community health services put essential healthcare in reach for Victorians who are struggling with the cost of living and other health inequities. They prevent illness and disease through health promotion and early intervention. They also provide assessment, treatment, health maintenance and continuing care in people's homes and community settings, reducing pressure on hospitals. In the past year, the number of Victorians accessing independent registered community health services grew by 20 per cent. This Budget has not delivered the sector with the increased resources it needs to meet growing demand.
- While it is promising to see some funding for pharmacists to deliver chronic disease management, the Budget has failed to invest in preventative health initiatives in line with Australia's National Health Prevention Strategy. Preventative health action is key to achieving healthy and thriving communities, a more sustainable health system, and a healthier budget bottom line. Our pre-Budget submission called for an expansion of access to rural and regional drop-in clinics for chronic disease health checks, health education and assistance with service navigation, delivered by the 11 independent registered rural and regional community health services.
- The Budget has failed to deliver what's needed to strengthen public dental health. VCOSS called for an additional \$40 million a year for a minimum of five years in our 2025-26 pre-Budget submission. Currently, funding only allows for dental visits every seven years (on average) and up to 1.5 million people are missing out on adequate care. This puts people at increased risk of oral health diseases, diabetes and other chronic conditions. It's completely out-of-step with best-practice early intervention and cost avoidance approaches.

Mental Health

- Consumers, carers, service providers and peak bodies have expressed universal concern about the status of system reform in light of Budget outcomes. While VCOSS is pleased to see a commitment of funding to roll out another seven Mental Health and Wellbeing Locals, [we are aware that Mental Health Victoria \(MHV\) has raised some questions](#) about the quantum of funds compared with the level of investment in the first 15. Like MHV, VCOSS is keen to understand the detail and impact.
- The Government's updated reform plan shows that the *Statewide Wellbeing Strategy* and the *Diverse Communities Mental Health and Wellbeing Framework* are due for imminent release. However, they are not identified in the Budget. VCOSS will be seeking clarification about whether provision has been made for implementation. We are concerned that there appears to be no new funding for the *Diverse Communities Grants Program*.

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.

Supporting children, young people and their families to thrive

Significant initiatives

- **Improving outcomes for children and young people in care**
\$77.3m in 2025-26 (\$90.2m/4 yrs) to support children and young people in care by:
 - responding to the need for residential care placements to support children and young people
 - delivering vital training support for permanent carers
 - continuing case contracting capacity for children and young people in stable kinship care
 - maintenance of Secure Care residential facilities.
- **Strong Families, Safe Children: connecting, strengthening and restoring families**
\$86.0m in 2025-26 (\$167.5m/2 yrs) to help Family Services divert clients from more intensive, acute and statutory child protection services through a range of early interventions with the aim of connecting, strengthening and restoring families, including:
 - evidence-based therapeutic interventions and wrap-around supports for families with significant and enduring needs
 - evidence-based coaching and individual supports for vulnerable families with escalating needs to restore safety and wellbeing, and prevent further trajectories into Child Protection
 - group-based early interventions for families with emerging needs to build parenting capacity, prevent child abuse and neglect, and improve developmental outcomes.
- **Investing early in young Victorians**
\$10.3m in 2025-26 (\$20m/2 yrs) is provided to continue to support young people facing disadvantage and at risk of disengagement from the community. Initiatives include:
 - Community Support Groups targeted at young people from diverse backgrounds in Melbourne's north, west and south-east
 - the Le Mana Pasifika Project, which provides targeted support and delivers community programs

- the Youth Alcohol and Other Drugs (AOD) wrap-around support for multicultural youth
- continuing the Regional Presence Project to deliver education and employment programs for young people in regional areas.

Funding is also provided to support young people getting involved in their community, including upgrades to local facilities.

- **Living Learning: innovative support to re-engage young people**
\$3.7m in 2025-26 (\$7.5m/2 yrs) to continue the innovative Living Learning program which provides wrap-around services to young people, including mental health, education, psychosocial and vocational support.
- **Mental health and wellbeing support for children and young people**
\$16.6m in 2025-26 (\$28.3m/4 yrs) is provided to:
 - Continue the delivery of the Youth Outreach Recovery Support, Youth Live4Life, and Healthy Equal Youth programs. These programs provide support to young people experiencing psychological distress and mental illness and promote mental health and wellbeing in young people, including regional communities and LGBTIQ+ young people.
 - Support the continuation of group-based parenting sessions at eight regional Infant, Child and Youth Area Mental Health and Wellbeing Services.
 - Maintain the community-based Youth Justice Mental Health Initiative and the custodial mental health programs for young people, and support the establishment of the Parkville Youth Mental Health Wellbeing Service.
- **Continuing support for First Nations organisations and events**
\$2.2m in 25-26 (\$3.8m/2 yrs) is provided to continue investment in First Nations organisations and continue delivering the First Nations cultural events and awards program, including the Victorian Aboriginal Honour Roll, Victorian Aboriginal Remembrance Service and the NAIDOC State Reception. The Koorie Youth Council and Koorie Heritage Trust will receive support to continue critical service delivery for First Nations young people and members of the Stolen Generations.
- **Continuing support for Victorians with Disability**
\$24.1m in 2025-26 to maintain critical supports for people with disability including:
 - the Victorian Disability Advocacy Program (same amount as last year, with indexation)

- supporting Victorians with disability who are ineligible to receive services from the NDIS
 - autism assessment grants
 - delivery of an integrated child and family services response for the most vulnerable children with disability. (VCOSS understands this includes funding for Specialist Disability Practitioner and Children with Complex Disability Support Needs)
 - building the capacity of mainstream services to support people with complex disability needs.
- **Supporting Aboriginal women on their journey into motherhood**
\$3.8m in 2025-26 (\$15.8m/4 years) to provide Aboriginal women with culturally-safe care and support in their journey into motherhood.
 - **Advancing Self-determination for Aboriginal children and families**
\$5.6m in 2025-26 (\$24.8m/4 yrs) to increase capacity for Aboriginal Community Controlled Organisations (ACCOs) to undertake child protection investigations and lead case planning and case management; continue the Aboriginal Children’s Forum to develop and monitor the Wungurilwil Gaggapduir action activities; and supporting the Victorian Aboriginal Children and Young People’s Alliance to work with and represent its member ACCOs.
 - **Victorian Early Parenting Centre service network**
\$5.4m in 2025-26 is provided to continue services at the new Ballarat, Bendigo, Casey, Geelong, Whittlesea, and Wyndham Early Parenting Centres. Early Parenting Centres will provide specialised and targeted support for babies and toddlers until they are four-years-old and help families navigate the early years of parenthood.

What’s good

- Victoria continues to invest in a once-in-a-generation transformation of the early childhood education and care system, with a key focus on ensuring that Aboriginal and Torres Strait Islander children, children from refugee and asylum seeker backgrounds, and children who have had contact with Child Protection get priority access to the expanded programs in 2026. Read more about the Best Start Best Life investment in the Education section.
- This Budget contains significant cost-of-living measures that will support children and young people’s participation in school and social inclusion more broadly. Key investments include free public transport for under 18s and an expansion of the Get

Active Kids vouchers and the targeted Camps Sports and Excursion Fund. See VCOSS's analysis of these initiatives in the cost-of-living section.

- VCOSS' pre-Budget submission expressed strong support for VACCHO's bid for funding to boost the capacity of Aboriginal Community Controlled Health Organisations to deliver culturally-safe antenatal and postnatal care, establish Shared Care Arrangements with hospitals and midwifery group practices, and increase continuity between perinatal care and maternal and child health services, delivering on the priorities and commitments in the Victorian Aboriginal Health and Wellbeing Agreement. This four-year investment will change lives – reducing the incidence of preterm birth, low birthweight and stillbirth, and decrease the rate of child removal.
- A number of programs supporting vulnerable children and families were facing lapsing funding – the Budget delivers a two-year reprieve. Like family violence and homelessness, which faced similar challenges leading into Budget, the two-year extension is a positive outcome in a challenging fiscal environment. However, the Victorian Government has a lot more work to do to strengthen the child and family services system.
- VCOSS' pre-Budget submission called for re-investment in the state-funded Family Services Specialist Disability Practitioners and the Children with Complex Disability Support Needs program. Together, these programs help Victorian families to navigate complex service systems, access the NDIS, and stay together. The Budget confirms continued funding to help families raising children with disabilities to access the strengths-based supports they need in an uncertain reform environment.
- The Victorian Government has committed three years of funding to continue youth accommodation services, including models that integrate education, employment and training pathways with supported housing. Models like the Education First Youth Foyers are a proven approach to disrupting trajectories into adult homelessness. However, more is needed. In our pre-Budget submission, VCOSS put a spotlight on the need for a co-designed Victorian Youth Homelessness Strategy and for funding to deliver the 500 supported housing places for young people experiencing homelessness and mental ill-health, as committed to as part of the [Royal Commission into Mental Health](#).

What's missing

- The new Children's portfolio – with a whole-of-government mandate – provides an unparalleled opportunity to drive joined-up work in Victoria. However, it requires a

strategic driver for child-centred planning and investment. VCOSS' pre-Budget submission called for the development of a contemporary cross-departmental child and youth outcomes framework, led by the Minister for Children and co-designed with children, young people and their families/carers as well as the services that support them. This would support policy cohesion and ensure that resources are well coordinated and targeted, interventions are earlier and more effective, and the system is better equipped to improve outcomes for all children and young people, particularly those facing vulnerability or disadvantage.

- Currently around 10 per cent of Aboriginal children in Victoria are in out-of-home care – nearly twice the national average. VCOSS welcomes the investment to increase capacity for Aboriginal Community Controlled Organisations (ACCOs) to undertake child protection investigations and lead case planning and case management (in line with recommendation 1 of the Yoorrook Justice Commission, which recommended to the Victorian Government to transfer decision-making power, authority, control and resources to First Peoples, giving full effect to self-determination in the Victorian child protection system). VCOSS stands in allyship with leaders of ACCOs who are calling on the Victorian Government to make stronger upstream investments that would enable ACCOs to deliver more help earlier to keep Aboriginal children with their mothers, siblings and families, and connected to Country and community – including focusing on culturally informed early intervention and family supports.
- Too many women are locked up in Victorian jails, poverty and disadvantage the root causes of their offending. A significant proportion are mothers, including Aboriginal mothers. VCOSS continues to advocate for the Victorian Government to deliver funding to fully implement all recommendations made in the *Final Report of the 2021 Parliamentary Inquiry into Children Affected by Parental Incarceration*. This would reduce the harmful impacts of parental incarceration on children and families, and generate economic as well as social dividends that ripple through future generations. The Committee's recommendations should be packaged up and funded under the Early Intervention Investment Framework.
- Foster and kinship carers play a vital role in creating safe, enriching, and therapeutic environments for children and young people. The majority of Victorian carers report that providing care is highly rewarding, but mounting cost-of-living pressures are taking a toll. While Victoria provides carers a fortnightly allowance to contribute to care costs, Victoria's base rate is the lowest in the country. This is contributing to carer dissatisfaction, carer churn and a significant long-term decline in the overall number of foster carers. The loss of experienced carers creates instability for children and young people, reduces options for home-based care, and leads to greater use of

contingency care (e.g. hotel rooms with workers) and residential care. VCOSS is disappointed that this Budget did not raise – and index – the Care Allowance to cover the true costs of providing a safe and therapeutic environment, nor did it provide equity in the rates and levels of Care Allowance provided for children and young people in care based on their needs, not placement type.

- The Budget does not provide clarity about the status of disability reform stemming from the NDIS Review. A new tier of Foundational Supports will need to be developed for Victorian children aged 0 to 9 with developmental concern, delay or disability, who are not eligible for the NDIS. We look forward to progress being made with the Commonwealth. VCOSS continues to highlight the need for strong investment in co-design with children and families, self-advocates and disability advocates, as well as peak bodies, unions, and service providers. The state must also provide resources that ensure sector readiness, systems transformation and workforce capacity and capability to meet the needs of children and families.

Better schools and early childhood education

Significant initiatives

Early childhood education

- **Best Start, Best Life**
\$160.3m in 2025-26 (\$1957.5m/4 yrs) to continue the rollout of the Best Start, Best Life reforms, including Free Kinder, Pre-Prep, 50 government-owned Early Learning and Care Centres and Three-Year-Old Kindergarten.
- **Self-determination for Aboriginal early childhood education**
\$0.7m in 2025-26 (\$5.4m/4 yrs) is provided for kindergartens and other early years services run by Aboriginal Community Controlled Organisations to support self-determination through implementing culturally sensitive and flexible approaches to kindergarten curriculum and service delivery.
- **Supporting equal participation in early education and care**
\$3.9m in 2025-26 (\$16.3m/4 yrs) to continue delivery of tailored programs to support vulnerable children to access early childhood education. This includes: the Access to Early Learning program, flexible support packages helping up to 135 children and families overcome barriers to regular kindergarten attendance, specialist LOOKOUT staff who support children in vulnerable circumstances to access early learning, and Yalingbu Yirramboi – The Royal Children’s Hospital School – ensuring children with complex medical needs stay connected to, and engaged in, early learning.
- **Early childhood intervention services for non-permanent residents**
\$3.1m in 2025-26 to deliver early childhood intervention services, such as inclusive education and therapy supports, to children with disability or developmental delay who are not eligible for the National Disability Insurance Scheme due to residency status.
- **Supporting settlement outcomes in Victoria**
\$1.8m in 2025-26 (\$3.6m/2 yrs) is provided to support newly-arrived migrant communities, particularly in regional Victoria. Part of this funding is for the Supported

Playgroups initiative, which will promote pathways to kindergarten and primary school.

School education

- **Increasing the Camps, Sports and Excursions Fund**
\$38.1m in 2025-26 (\$152.4m/4 yrs) is provided to increase payments from the Camps, Sports and Excursions Fund to \$400 for eligible government and non-government school students. This targeted payment will assist families with the cost of camps, sporting activities and excursions at schools.
- **Free public transport for kids**
\$40.9m in 2025-26 (\$318.2m/4 yrs) to make all public transport travel in Victoria free for children aged under 18. This includes all train, tram and bus travel across public transport in metropolitan and regional Victoria, commencing from 1 January 2026. Ahead of this, free travel on public transport for students in crisis will continue to be available during 2025 to ensure they can travel to school and support services.
- **Excellence in mathematics education and Excellence in reading and writing education**
 - \$15.3m in 2025-26 (\$46.5m/4 yrs) to enhance the delivery of numeracy curriculum in Victorian schools.
 - \$10.7m in 2025-26 (\$34.6m/4 yrs) to enhance the delivery of literacy curriculum in Victorian schools.
- **Koorie literacy and numeracy program**
\$4.1m in 2025-26 (\$18.5m/4 yrs) to improve literacy and numeracy outcomes for Aboriginal and Torres Strait Islander students in Victorian government schools.
- **English as an Additional Language**
\$28.3m in 2025-26 (\$56.6m/2 yrs) to increase the number of students supported by the English as an Additional Language program for the 2026 school year, in line with growth in enrolments. The program supports government school students who do not speak English as their first language at home to become proficient in English, including Australian-born students, newly-arrived migrants and students from refugee and asylum seeker backgrounds.
- **Statewide rollout of Disability Inclusion**

\$237.3m in 2025-26 (\$319.8m/4 yrs) to continue the rollout of improved disability and inclusion practices in Victorian government schools.

- **Continue education supports for children in out-of-home care**
\$6.2m in 2025-26 (\$30.7m/4 yrs) to continue education supports for children in out-of-home care. This includes the continuation of the Education Support for Children in Care program, the Education Needs Analysis process and the LOOKOUT program.
- **School-wide positive behaviour support**
\$2.3m in 2025-26 (\$10.4m /4 yrs) is provided to expand the delivery of training to schools and staff to promote positive student behaviour. This includes specialist coaches to work with schools to improve teacher capability to effectively manage student behaviour and foster a respectful environment. Funding is also provided to deliver training to school staff to promote Positive Classroom Management Strategies.
- **Address chronic absenteeism and support students to remain in learning**
\$3.0m in 2025-26 (\$25.6m/4 yrs) to continue to address chronic student absenteeism and support disengaged young people to re-engage in education through the Navigator program. Navigator will continue to provide identification, outreach and case management services to schools to improve outcomes for vulnerable students.
- **Locally Driven Education Programs**
\$5.9m in 2025-26 (\$15.6m/4 yrs) is provided for a suite of programs including the School Lawyer Program, delivered by WEstjustice; the Safe Socials Program, a partnership between the Department of Education and Sexual Assault Services Victoria to help prevent the spread of unhealthy forms of masculinity and keep young Victorians safe online; the Passion and Pathways Program (an upper primary school career-related learning program, aligned to the Victorian curriculum and the Australian Blueprint for Career Development); and Learning for Life Program, delivered by the Smith Family.
- **Targeted investment to improve educational outcomes in youth justice**
\$0.7m in 2025-26 (\$1m/2 yrs) to continue targeted support for young people involved in, or at risk of, involvement in the youth justice system. This includes continued funding for Education Early Intervention Support Officers to re-engage young people with their education and facilitate supports to improve educational achievement and outcomes.

- **Supporting rural and regional students**
\$1.4m in 2025-26 (\$1.7m/2 yrs) for outreach and aspiration programs to continue to address the barriers that contribute to educational performance differences across Victoria.
- **Enabling equitable pathways reform**
\$11.3m in 2025-26 (\$27m/4 yrs) to continue the delivery of initiatives under the Senior Secondary Pathways Reform agenda, including Jobs, Skills and Pathways Coordination funding and the Victorian Pathways Certificate. Funding will also assist schools to ensure that students who leave school early are supported into alternative pathways in the labour force or further education.
- **Increasing community use of school facilities**
\$0.6m in 2025-26 (\$1.5m/2 yrs) is provided for a dedicated support team to assist up to 40 recently-opened schools in Melbourne’s west and south-west Victoria to enable community use of their facilities by coordinating local community outreach, brokering agreements and administrative support.

What’s good

- The Victorian Government’s landmark \$14 billion Best Start Best Life reform package represents a historic transformation of early childhood education and care. Children’s participation in high-quality early childhood education benefits everyone – but we are particularly pleased to see this Budget deliver resources to children who have *the most* to gain. As part of this investment, Aboriginal and Torres Strait Islander children, children from a refugee or asylum seeker backgrounds, and children who have had contact with Child Protection will be provided with early access to the expanded programs from 2026.
- Excellence in teaching and learning is one of five key Education State pillars. This Budget delivers funding to support excellence in maths education and in reading and writing education. VCOSS particularly welcomes the implementation of a new on-entry literacy test and Year 1 phonics check and a new Year 1 numeracy check. This is smart early investment. VCOSS’ [previous policy work has highlighted Year 1 as an important window for targeted early intervention in literacy and numeracy](#). As we noted in our 2022 state election platform, it’s 75 per cent cheaper to address a literacy problem during Grade 1 than in Grade 4 – and evidence from the Productivity Commission shows the negative lifetime effects of low literacy on labour market participation and productivity if we don’t act early. These two Budget lines

also include funding for small group tutoring for literacy and numeracy in primary schools. This model of support is proven to close learning gaps between disadvantaged students and their peers and has been long championed by VCOSS.

- The Victorian Government’s Disability Inclusion reforms have so far established:
 - A new tiered funding model for school students with a disability, with additional funding for schools to help students with a disability take part in their education on the same basis as their peers.
 - System initiatives that increase access to specialist expertise, coaching, evidence-based guidance and resources to help build knowledge and skills across the school system.

This Budget supports the continued rollout of measures intended to improve disability and inclusion practices in Victorian government schools, plus new funding to improve students’ access to school facilities through the Accessible Buildings Program. It also includes separate investment to strengthen school capability in positive behaviour support.

These investments are welcome; however, further work will be required to address Disability Royal Commission findings and implement recommendations that prevent discrimination and assure safe, high-quality, inclusive education for Victorian students with a disability. VCOSS continues to be concerned about reports of school exclusion from our members and rising rates of “school can’t” because students with disabilities don’t feel safe or included.

- Learning doesn’t just happen in the classroom. School camps, school sports days and school excursions are all part of an enriching education. The boost to the Camps Sports and Excursions Fund will help to put these experiences in reach for families struggling with the cost of living and out-of-pocket school expenses. It will also alleviate pressure on community information and support agencies who have faced unprecedented demand for financial assistance from school families. Outside of school, students will also benefit from a further two years of investment in the \$200 Get Active Kids Voucher. This will help families cover the cost of memberships, registration fees, equipment and uniforms for sport and popular activities.
- The flagship investment in free public transport for under 18s is a highlight of this year’s State Budget. Alongside WEstjustice, VCOSS has advocated strongly for this measure since 2019, when WEstjustice established a pilot Transport Assistance Program in Wyndham. Free public transport is a powerful enabler of educational and wellbeing outcomes for school-age children. Access to free public transport will help improve school attendance and punctuality, and improve wellbeing by increasing

access to support services, opportunities to work, attend sport and visit friends, and eliminate fines for fare evasion.

- This Budget delivers continuing funding to a range of statewide, place-based and cohort-specific initiatives that are targeted to students 'at risk' of not realising the benefits of school education. Initiatives like the Education Early Intervention Support Officers recognise that factors "outside the school gate" impact learning and wellbeing. Students experiencing poverty, homelessness or other challenges need additional support to engage in education. A further four years of funding for Navigator will sustain an important partnership between the community services sector and the Department of Education to support students who are at-risk of disengaging from school, or who have already disengaged from school. Navigator is available to 12- to 17-year-olds who have attended 30 per cent or less of the previous school term or are not attending an education setting at all. Future Budgets should explore opportunities to expand the program to support earlier intervention.
- New investment of \$7.4 million from the Department of Education in partnership with Sexual Assault Services Victoria and its members will help support schools to respond to peer-to-peer sexual violence, helping support victim-survivors and respond to harmful sexual behaviour. Refer to 'Creating a Victoria free from violence' analysis for more detail.
- We understand that funding for the 31 Local Learning and Employment Networks is in recurrent spending, however we are seeking further confirmation on this.

What's missing

- The Budget makes strong investment in programs that support students from disadvantaged backgrounds and initiatives from falling behind and disengaging. These are unequivocally great investments. However, the most effective way to achieve excellence and equity in our education system, and ensure schools have the resources they need to break the link between disadvantage and educational outcomes, is to fully fund public schools in line with the school funding model identified in the Gonski review.

While VCOSS welcomed the announcement in January that the Victorian and Commonwealth governments had signed the *Better and Fairer School Funding Agreement*, VCOSS is concerned that Victoria has delayed by three years its commitment to fully fund the Gonski education reforms.

- The Budget does not provide clarity about the status of disability reform stemming from the NDIS Review. A new tier of Foundational Supports will need to be developed for Victorian children aged 0 to 9 with developmental concern, delay or disability, who are not eligible for the NDIS. We look forward to progress being made with the Commonwealth. VCOSS continues to highlight the need for strong investment in co-design with children and families, self-advocates and disability advocates, as well as peak bodies, unions, and service providers. The state must also provide resources that ensure sector readiness, systems transformation and workforce capacity and capability to meet the needs of children and families.
- While we welcome the investment in positive behaviour support, VCOSS notes that growing food stress is resulting in an escalation of classroom behavioural issues, poor focus, and declining mental health. VCOSS will continue to advocate for the Victorian Government to introduce a school lunch program, building on the successful School Breakfast Club initiative. This would ensure that students are ‘clear for learning’ through the whole school day, helping to break the link between disadvantage and educational attainment.

Inclusive communities

Aboriginal Self determination

Significant initiatives

- **Dandenong and Districts Aborigines Co-operative accommodation**
\$10.4m in 2025-26 (\$12.5m/4 years) to fit-out and lease accommodation for the Dandenong and Districts Aborigines Co-operative Limited (DDACL) to deliver clinical, social and emotional wellbeing services for Aboriginal and Torres Strait Islander people in Melbourne's south-east.
- **Delivering First Nations community infrastructure**
\$5.3m in 2025-26 (\$5.4m/2 years) to invest in infrastructure for First Nations organisations, including funding to extend the Aboriginal Community Infrastructure Program.
- **Supporting Aboriginal women on their journey into motherhood**
\$3.8m in 2025-25 (\$15.8m/4 yrs) to provide Aboriginal women with culturally safe care and support in their journey into motherhood.
- **Advancing First Peoples' interests and delivering on Victoria's commitment to Closing the Gap** \$6.7m in 2025-26 (\$13.4m/2 years) to meet Victoria's commitments under the National Agreement on Closing the Gap, including supporting Victoria's formal Closing the Gap implementation partner.
- **Advancing Self-determination for Aboriginal children and families**
\$5.6m in 2025-26 (\$24.8m/4 years) to increase capacity for Aboriginal Community Controlled Organisations (ACCOs) to undertake child protection investigations and lead case planning and case management; continue the Aboriginal Children's Forum to develop and monitor the Wungurilwil Gapgapduir action activities; and support the Victorian Aboriginal Children and Young People's Alliance to work with and represent its member ACCOs.
- **Closing the Gap for First Nations Victorians in VET**
\$6.8m in 2025-26 (\$17.6m/4 years) to support the Aboriginal Community Controlled and First Nations-owned training sector to design training models to support VET completion rates of First Nations Victorians. This initiative is funded from the National Skills Agreement Commonwealth Revenue.

- **Continuing support for First Nations organisations and events**
 \$2.2m in 2025-26 (\$3.8m/2 years) to provide continued investment in First Nations organisations and continue delivering First Nations cultural events and awards programs. This includes support for the Koorie Youth Council and Koorie Heritage Trust to continue critical service delivery for First Nations young people and members of the Stolen Generations.
- **Maintaining investment in Aboriginal community-based justice solutions**
 \$6.9m in 2025-26 (\$14m/2 years) to enable Aboriginal organisations to continue programs that improve Aboriginal justice outcomes, including regional legal service hubs operated by VALS and Koori men’s and women’s diversion programs delivered by Aboriginal organisations.
- **Koorie literacy and numeracy program**
 \$4.1m in 2025-26 (\$18.5m/4 yrs) to improve literacy and numeracy outcomes for Aboriginal and Torres Strait Islander students in Victorian government schools.
- **Self-determination for Aboriginal early childhood education**
 \$0.7m in 2025-26 (\$5.4m/4 yrs) is provided for kindergartens and other early years services run by Aboriginal Community Controlled Organisations to support self-determination through implementing culturally sensitive and flexible approaches to kindergarten curriculum and service delivery.
- Analysis of further significant initiatives related to Aboriginal Self Determination can be found in other sections, including:

 - **Community Safety Package**
Refer to our Justice budget analysis
 - **Supporting a safe and effective corrections system**
Refer to our Justice budget analysis
 - **Continuing early intervention and resolution legal services**
Refer to our Justice budget analysis
 - **Justice system costs associated with court programs**
Refer to our Justice budget analysis
 - **Housing Support Program – Priority Works**
Refer to our Housing budget analysis

What’s good

- VCOSS welcomes the Victorian Government’s investment in infrastructure for Dandenong and District Aborigines Co-Operative, which VACCHO has recommended for a number of

years and VCOSS supported in our pre-budget submission. As noted by VACCHO, this investment is long-overdue and will allow the DDAACL to reopen its services in a new location, following one of its buildings being forced to close in August 2024 after it was condemned due to asbestos. This is a much needed investment in a vital hub for Aboriginal health and wellbeing services.

- The *Closing the Gap for First Nations Victorians in VET* initiative, which will provide funding to Aboriginal Community Controlled Registered Training Organisations (ACC-RTOs) under the National Skills Agreement, is welcome and has been [described by VACCHO](#) as “a fundamental milestone in recognising the role of ACC-RTOs in delivering community-based education and developing the pathways of critically needed Aboriginal workforces.”

What’s missing

- Although funding of \$13.4m/2 years is provided to meet Victoria’s commitments under the National Agreement on Closing the Gap, this Budget does not allocate resources to address the recommendations of the historic Yoorrook Justice Commission, due to conclude in June 2025. Fully investing in the Treaty process and implementing all recommendations of the Yoorrook Justice Commission is foundational to closing the gap and advancing self-determination, addressing systemic racism and discrimination, and improving outcomes for Aboriginal and Torres Strait Islander people in Victoria.
- VCOSS is disappointed to see no direct funding in the Budget allocated to deliver an [Aboriginal-led model of care in custody](#). An Aboriginal-led model of care has been a recommendation to Government since the Royal Commission into Aboriginal Deaths in Custody and numerous other reports, investigations and reviews in the almost 40 years since then. For more, see our Justice budget analysis.
- Although support has been provided for several significant initiatives, as described above and throughout this analysis, more needs to be done overall to adequately invest in supporting Aboriginal self-determination across the social services system, including for Aboriginal Community Controlled Organisations and for preventative and early intervention initiatives run by First Peoples organisations across justice, health, education, child and family services, and housing. For example, as outlined by the Victorian Aboriginal Legal Service, the [Budget invests \\$43.4m into youth custodial programs, compared to \\$1.9m for a youth outreach program](#). For more, see our Justice, Education, Health and Housing analyses.
- According to VACCHO, the \$5.4m allocated to infrastructure needs across the Aboriginal sector, outside of the funding allocated to DDAACL, falls well short of what is required. Infrastructure Victoria has recommended that an investment of \$100–150m is needed.

- The Budget fails to provide funding to implement key recommendations from the Royal Commission into Victoria’s Mental Health System, including no commitment to fund urgent mental health services for Aboriginal children and their families, and two on-Country Healing Centres, as recommended by VACCHO and supported by VCOSS in our pre-budget submission.

Victorians with disabilities

Significant initiatives

Refer also to our Education, Justice and Health budget analyses.

Advocacy, Capacity Building and Support Services

- **Continuing support for Victorians with Disability**
\$24.1m in 2025-26 to maintain critical supports for people with disability including:
 - The Victorian Disability Advocacy Program.
 - Supporting Victorians with disability who are ineligible to receive services from the NDIS.
 - Autism assessment grants.
 - Delivery of an integrated child and family services response for the most vulnerable children with disability.
 - Building the capacity of mainstream services to support people with complex disability needs.
- **Supports for people with disability outside of the NDIS**
\$22m in 2025-26 to maintain delivery of the Home and Community Care Program for Younger People, which enables independent living in the home and community for people with disability outside of the NDIS. Funding is also provided to assess people with disability seeking to have allied health supports included within their NDIS plans.
- **Early Childhood Sector Supports and Regulation**
\$3.1m in 2025-26 towards early childhood intervention services, such as inclusive education and therapy supports, to children with disability or developmental delay who are not eligible for the NDIS due to their residency.
- **Additional Supports for Students with Disabilities: Transport assistance**
\$33.4m in 2025-26 to continue transport assistance for eligible students to travel to their government specialist school. New services will also be introduced from the 2026 school year to meet growth in demand.

- **Additional Supports for Students with Disabilities: Accessible Buildings Program**
\$9.3m in 2025-26 (\$18.6m over 2 yrs) to improve access to school facilities for students with disability and additional needs. Facility modifications may include ramps and handrails, alterations to toilet and shower facilities, and adjustments for students with vision or hearing impairments.
- **Community mental health supports**
\$12.8m in 2025-26 (\$27.2m/4 yrs) to continue delivery of statewide community mental health programs that provide specialist support to cohorts experiencing mental ill-health and prevention initiatives that reduce mental distress and promote wellbeing. This includes funding to support Forensicare’s community forensic disability mental health service.

Regulation and oversight

- **Maintaining regulation of disability and social services**
\$13.6m in 2025-26 (\$27.5m/2 yrs) to support the operation of the Disability Worker Regulation Scheme through the Victorian Disability Worker Commission and the Disability Worker Registration Board of Victoria.
- **Maintain identity and worker screening services**
\$23.5m to continue worker screening checks, including working with children and NDIS screening checks.

What’s good

- VCOSS is pleased to see continued funding for the Victorian Disability Advocacy Program, and the provision of a further 12 months of demand funding (on top of core funding). Both the Disability Royal Commission and NDIS review highlighted the important role that state funded disability advocacy organisations have in the prevention of violence, abuse and neglect towards people with disabilities and the vital role they play in identifying and reporting systemic issues. While this is a welcome addition, we note that sustainable and ongoing funded is needed for this program to reflect the level of demand, quantum of unmet need, complexity of cases and the true cost of service delivery, especially given the current complex reform environment disability advocacy organisations are operating in.
- We are pleased to see continued funding to support people with disabilities who are ineligible to receive services from the NDIS. Given the current complex reform environment where it is yet to be determined how foundational supports will be funded and rolled out, it is vital to ensure those who are at risk of falling through the cracks are able to receive the critical supports they need. The allocation of funding towards Autism assessment grants is

also a welcome addition to this Budget; however, this needs to be complemented with ongoing funding for any therapies that may be required after a diagnosis for non-NDIS participants.

- VCOSS is pleased to see a continuation of funding for the Family Service Specialist Disability Practitioners and Children with Complex Disability Support Needs Program. This funding ensures families raising children with disabilities can access the strengths-based supports they need. These high value programs together play a critical role in supporting around 1,075 Victorian families (a total of 2,150 children) to navigate complex service systems, access the NDIS, and promote the sustainability of care that prevents families from breaking down.

What's missing

- The recommendations from the Disability Royal Commission and NDIS Review have presented us with a blueprint for clear, positive change. While negotiations continue at the Commonwealth level, we continue to be concerned about the lack of investment into laying the groundwork to prepare the mainstream and community sector for the reform that is to come. While we welcome this Budget's investment into building the capacity for mainstream services to support people with complex disability needs, VCOSS calls for:
 - The release of the Victorian response to the NDIS review.
 - Investment into building up the capacity of mainstream, community and the Victorian Public Sector services in readiness to engage with substantial work that lies ahead with implementing the recommendations of Disability Royal Commission and the NDIS Review.
 - Investment in sector readiness initiatives focusing on disability co-design, sector capacity building and other change management/transition activities.
 - Re-establishing the Disability leadership Program for emerging leaders and providing grants for self-advocacy groups and peer support networks to coordinate under-represented and lesser-known voices.
- Community Visitors undertake unannounced visits to specialist disability accommodation settings to monitor residents' wellbeing, safety and rights, acting as a vital safeguard. No additional funding has been allocated in this Budget towards the Community Visitors Program, despite strong recommendations from the Disability Royal Commission and calls from the Community Visitors Disability Services board for more funding.

Multicultural communities

Significant initiatives

- **Supporting our multicultural and multifaith communities**

\$3.1m in 2025/26 (\$5.6m/2 yrs) to support multicultural and multifaith communities to build or upgrade facilities, connect with culture and traditions, and foster positive community engagement.

- **Migrant Workers' Centre**

\$1.9m in 2025/26 (\$7.6m/4 yrs) to support the continued operation of the Migrant Workers' Centre which promotes safe and secure employment and raises awareness about workplace rights for migrant workers.

- **Supporting settlement outcomes in Victoria**

\$1.8 in 2025/26 (3.6m/2 yrs) to support newly arrived migrant communities, particularly in regional Victoria.

- **Support for Victoria's multicultural seniors**

\$2.1m in 2025/26 to support multicultural seniors' groups in Victoria and reduce isolation by strengthening connections with the community.

What's good

- VCOSS is pleased to see the support for multicultural communities in regional Victoria in this Budget. This includes funding for regional ethnic communities' councils and community organisations supporting migrants to settle in the regions. These organisations not only provide critical support to individuals and families, but also engage in important systemic advocacy to improve outcomes for the communities they serve.
- It is pleasing to see continued investment to support multicultural seniors' clubs. This program improves wellbeing outcomes for senior citizens from culturally and linguistically diverse backgrounds by promoting social and community connections, which are protective factors for both physical and mental health.
- VCOSS welcomes funding to deliver family violence prevention and early intervention work within multicultural and faith communities. This will help to ensure that victim-survivors can access culturally appropriate support. See the Family Violence section for more detail.
- The investment in physical infrastructure for multicultural communities in this Budget is welcome, as it shows the Victorian Government's commitment to ensuring more people

have access to purpose-built spaces to connect to faith, culture and community. This includes continued funding for the Multicultural Multifaith Infrastructure Fund and a specific allocation of funds to complete Australia's first Vietnamese Museum. VCOSS also welcomes continued investment to improve access to healthcare, education and training for asylum seekers and newly arrived refugees.

What's missing

- It is disappointing that the Budget does not include funding to implement Victoria's Anti-Racism Strategy 2024–2029. The strategy promises to tackle racism and discrimination and create a more equitable state, but implementation will be fettered without government investment and meaningful collaboration with multicultural organisations who are embedded in and trusted by their communities.
- While it is pleasing to see an investment in embedding multicultural organisations within the family violence sector, it is also crucial that mainstream service providers are supported to build capacity to provide high-quality care to clients from migrant and refugee backgrounds. This should include funding to employ bicultural and bilingual workers and provide their staff with cultural competency training to ensure the whole service system is truly accessible and inclusive.
- It has become increasingly difficult for multicultural Victorians to access interpreters and translators, particularly in healthcare and justice settings. While this Budget includes welcome funding for English as an Additional Language programs, qualified translators and interpreters are needed in the immediate term, and it is disappointing that there is no investment to increase access to these services. This reinforces inequities experienced by people who do not speak English.

LGBTIQA+ Victorians

Significant initiatives

- **Supporting Victoria's LGBTIQA+ communities**

\$1.5m in 2025-26 (\$1.5m/1 year) to continue the QHub program, which supports the mental health and wellbeing of young people and their families in western Victoria's LGBTIQA+ communities. Funding for the Trans and Gender Diverse Peer Support Program is also continued to support the health and wellbeing of trans and gender diverse Victorians.

- **Mental health and wellbeing support for children and young people**

\$16.6m in 2025-26 (\$28.3m/4 years) for continued delivery of the Youth Outreach Recovery Support, Youth Live4Life, and Healthy Equal Youth programs, which promote mental health and wellbeing in young people, including in regional communities and LGBTIQA+ young people. Funding will also support the continuation of group-based parenting sessions and the community-based Youth Justice Mental Health Initiative.

- **Supporting groups disproportionately impacted by suicide**

\$6.1m in 2025-26 (\$7.5m/2 years) to prevent and respond to suicide among groups disproportionately impacted, including young people, LGBTIQA+ people and Aboriginal and Torres Strait Islander people.

- **Life-saving supports for trans and gender diverse young people**

\$3.6m in 2025-26 (\$15.3m/4 years) to support trans and gender diverse young people in Victoria to continue to access care through specialist services at the Royal Children's Hospital and community-based mental health, peer and family support services.

What's good

- VCOSS is pleased to see continued investment in mental health support for the LGBTIQA+ community, including nearly doubled investment in suicide prevention initiatives compared to last year's Budget, investment for mental health support for LGBTIQA+ communities in western Victoria and LGBTIQA+ young people, and investment in specialist care and community-based supports for trans and gender-diverse young people. For further analysis of the Budget's mental health initiatives, please see Health, Children and Young People and Climate.

What's missing

- As in our pre-budget submission, VCOSS continues to call for funding to establish an LGBTIQA+ Community-controlled Social Delivery Fund to support programs and services delivered by LGBTIQA+ led organisations. This fund would provide organisations that are

governed and operated by and for the LGBTIQ+ communities with dedicated funding to deliver programs and services that address the evolving needs of their communities. It would ensure equitable funding access for smaller and medium sized organisations and enable the development of a stable, skilled workforce through multi-year contracts.

Senior Victorians

Significant initiatives

- **Support for Victoria’s multicultural seniors**
\$2.1m in 2025-26 funding is provided to support multicultural seniors’ groups in Victoria to reduce isolation by strengthening connections with the community through regular social outings, cultural events and activities, promoting health and wellbeing.
- **Free weekend public transport for seniors**
\$400,000 in 2025-26 (\$2.2m/4 yrs) to make all weekend public transport travel in Victoria free for Victorian Seniors Card holders.
- **Strengthening public sector residential aged care services**
\$34.6m in 2025-26 for public sector residential aged care services to continue delivering high-quality care and assist in meeting nurse-to-resident ratios. Funding will also support additional public sector residential aged care places at the redeveloped Kingston Centre and Hesse Rural Health.
- **Victorian Aids and Equipment program**
\$2.7m in 2025-26 to support the aids and equipment needs of Victorians, including older people and people with permanent or long-term disability under 65 years of age who may be ineligible for the NDIS.

What’s good

- VCOSS is pleased to see free weekend public transport for all Victorian Seniors Card holders, helping increase older Victorians connection to community, social and essential mainstream services.
- VCOSS welcomes continued investment into strengthening public sector residential aged care services. This investment is essential to help them continue to provide high quality care and service delivery for senior Victorians.
- This Budget also includes continued funding for multicultural seniors groups in Victoria for regular social outings, cultural events and activities and promoting health and wellbeing,

which will help strengthen connection with community and reduce isolation for senior Victorians.

- We noted in our recent pre-budget submission that the NDIS review highlighted service gaps and inequities for older Victorians with a disability who are not eligible for the NDIS and are reliant on the aged care system and mainstream services. Some of these gaps related to the provision of aids and equipment. It is good to see some funding allocated to the Victorian Aids and Equipment program, which will support the needs of older people and people with permanent or long-term disability under 65 years of age who sit outside the NDIS. As noted in our pre-budget submission, VCOSS would like to see some funding in future budgets allocated to the exploration of strategies to close service gaps for older Victorians with a disability.

What's missing

- VCOSS is disappointed that there was no new investment in Seniors Rights Victoria, which is the only integrated legal and advocacy service specialising in elder abuse that covers the whole state. We highlighted in our pre-budget submission that Seniors Rights Victoria was struggling to meet increased demand, and we would like to have seen more investment in this Budget in elder abuse prevention, awareness and tailored response services.

Community Transport

What's good

- VCOSS is pleased to see continued funding for the delivery of the Multi-Purpose Taxi Program which provides for improved availability of crucial wheelchair accessible vehicles. This is a crucial service for people with mobility needs.

What's missing

- VCOSS is disappointed to see no new funding for Community Transport. This will compound challenges the sector is facing with demand soaring and providers struggling to keep services running. Community transport fills an important gap by connecting people with disabilities, older Victorians and people living in geographically remote areas to community, local shops, health services, libraries or social services and more. Without adequate and sustainable funding, some of the state's most marginalised and excluded community members are at risk of experiencing social isolation.

Creating a Victoria free from violence

Significant initiatives

- **Supporting Victoria's response to family violence**

\$27.3m in 2025-26 (\$79.8m/4 yrs) to maintain service capacity in family and gendered violence prevention and response by:

- Extending Victoria's primary prevention leadership through Respect Victoria.
- Delivering prevention and early intervention work within multicultural and faith communities.
- Sustaining frontline family violence specialist support programs including specialist case management, Adolescent Family Violence in the Home, flexible support packages, family violence crisis brokerage for the statewide 24/7 crisis service and specialist support for children in refuges.
- Continuing intensive high-risk perpetrator interventions.

- **Family violence risk assessment and information sharing schemes**

\$8.5m in 2025-26 (\$16.9m/2 yrs) to enable departments and agencies to support prescribed organisations to meet obligations under the Multi-Agency Risk Assessment and Management (MARAM) framework and Child and Family Violence Information Sharing Schemes.

- **Supporting Victoria's response to sexual violence**

\$13.1m in 2025-26 (\$26.5m/2 yrs) to support frontline sexual assault support services to adults, children and young people who have experienced sexual abuse. This includes flexible funding for victim survivors of sexual assault and the statewide Sexual Assault Crisis Line with after-hours counselling line; and delivering Sexually Abusive Behaviour Treatment services for children and young people demonstrating harmful sexual behaviour.

- **Court security at Specialist Family Violence Courts**

\$3.1m in 2025-26 (\$15.4m/4 yrs) for security officers at dedicated Specialist Family Violence Courts.

- **Remote Hearing Support Service**

\$1.6m in 2025-26 (\$3.2m/2 yrs) to continue the operation of the Remote Hearing Support Service. This will deliver resources for specialised trauma-informed support for affected

family members (AFMs) seeking a family violence intervention order through a remote court hearing, that would otherwise only be available for AFMs who attend court.

- **Improving women's health**

\$1.7m in 2025-26 (\$5.6m/4 yrs) to improve access for women and girls to reproductive and sexual healthcare.

- **Gender responsive budgeting**

\$0.5m in 2025-26 (\$2.0m/2 yrs) is provided to continue the work undertaken by the Gender Responsive Budgeting unit within the Department of Treasury and Finance to ensure that outcomes for women are measured and considered as part of the resource allocation and decision-making process.

What's good

- VCOSS welcomes the commitment of two years of funding for several critical family and sexual violence initiatives, which allows organisations to maintain current levels of service. However, we remain concerned that funding for this vital work continues to be short-term and insecure and doesn't sufficiently address increasing demand and pressure on services.
- Almost half of Victorians were born overseas or to migrant parents. It's vital that this is reflected in our policies, programs and services, including the family violence system. This Budget makes a positive investment in prevention and early intervention work in multicultural and faith communities. Migrant and refugee women often face intersecting issues related to visa insecurity, language-based discrimination, and limited access to culturally responsive services. Investment in specialist family violence services that provide holistic, wraparound support tailored to the needs of migrant and refugee communities is vital.
- In the prevention space, the Government continues to deliver funding for Victoria's primary prevention leadership through Respect Victoria. In a tight fiscal environment, this investment is welcome. However, future budgets should ramp up the total spend on primary prevention activities and deliver strong ongoing funding to Respect Victoria to support evidence-informed primary prevention work. This is absolutely crucial to stop all forms of family violence before it starts, by changing the norms, practices and structures that allow it to happen.
- [Recent research published by Our Watch](#) found 40 per cent of 16- to 17-year-olds had experienced sexual harassment in a place of study. VCOSS welcomes new investment of

\$7.4m from the Department of Education to partner with Sexual Assault Services Victoria and its members to assist schools to respond to peer-to-peer sexual violence, help support victim-survivors and respond to harmful sexual behaviour.

- VCOSS understands that funding for 1800 My Options continues, a vital information service about sexual and reproductive health.

What's missing

- Family and sexual violence is a significant contributor to homelessness. The Victorian Government has missed an opportunity to better support families experiencing family violence through the housing system. VCOSS continues to call for the Victorian Government to build 80,000 new social homes in the next decade, to meet demand from victim-survivors and other priority cohorts.
- Family violence refuge capacity is too low to meet demand. Many victim-survivors escaping violence – including women with children – are placed in motels and other unsuitable accommodation. The 2025-26 Budget does not address this problem. Crucially, it has missed the opportunity to leverage Commonwealth investment in Safe Steps' Sanctuary Model, a leading alternative to motels. The Commonwealth has provided funding to build 28 new crisis accommodation apartments to support the delivery of the Sanctuary Model. An additional \$3.9m is needed to make these apartments operational.
- There is no new investment to tackle the scourge of elder abuse. VCOSS' pre-Budget submission highlighted increased unmet demand from the community. More resources are needed to support elder abuse prevention, awareness and tailored response services.

Making the justice system work

Significant initiatives

- **Continuing early intervention and resolution legal services**

\$12.9m in 2025-26 (\$40m/3yrs) to continue critical legal services and improve access to justice for marginalised Victorians.

- **Embedded Youth Outreach Program**

\$1.9m in 2025-26 (\$3.8m/2yrs) to continue the Embedded Youth Outreach Program (EYOP) in the existing locations of Werribee and Dandenong.

- **Community safety package**

\$278.1m in 2025-26 (686.1m/2yrs) to increase corrections and youth justice custodial operation capacities to support new bail laws and community safety reforms.

- **Supporting a safe and effective youth justice system**

\$43.4m in 2025-26 (93m/4yrs) to support Youth Justice system operations, including training to custodial staff, the implementation of the Youth Justice Act 2024, custodial rehabilitation services, and programs that support diversion and early intervention, including continuation of the South Sudanese Australian Youth Justice Expert Working Group.

- **Locking in the lower cost of phone calls from prison announced earlier this year**

Part of the funding under 'Supporting a safe and effective corrections system' (\$9.8m in 2025-26; \$19.4m/2yrs) has been earmarked to reduce the cost of phone calls for people in custody.

- **Victims of Crime Financial Assistance Scheme (FAS) continued operations**

\$74.2m in 2025-26 (\$284m/4yrs) is provided for the continued operations of the FAS, which commenced in November 2024 replacing the Victims of Crime Assistance Tribunal (VoCAT). The FAS is aimed at making it easier for victims to get financial assistance and other support without having to go to court.

What's good

- Access to justice is a cornerstone of a fair and equal society. Community legal centres are a key pillar. The Budget provides continued funding for critical legal services and early intervention services that improve access to justice for Victorians who can't afford lawyers, don't have access to legal aid and face barriers to legal help because of discrimination and stigma associated with disability, mental health, gender and sexuality, culture and language, or geographic remoteness.
- This Budget measure ('Continuing early intervention and resolution legal services') includes funding for Integrated Services and Health Justice Partnerships. These partnerships have shown that integrating legal and non-legal supports is a highly effective way to address service gaps, silos and access issues for people with multiple and complex needs.

We understand this funding specifically includes:

- Continued investment in 16 existing Community Legal Centres Integrated Service Partnerships (ISPs) and Health Justice Partnerships (HJPs).
 - Continuation of the CLC Family Violence Assistance Fund.
 - Funding for the early Resolution Service/Pre-Court Engagement model which provides more support in family violence matters at an earlier stage of court proceedings to enable earlier risk assessments, increase safety for victim-survivors and streamline court processes to better meet demand.
 - Funding community legal and Aboriginal legal services to operate at the new Wyndham Law Courts.
 - Funding for the Victorian Aboriginal Legal Service to deliver culturally-safe legal assistance to Aboriginal communities across Victoria, including regional hubs operated in Mildura, Bendigo, Morwell, Warrnambool and Melbourne's West.
- The Budget makes some important investments in evidence-based youth crime prevention initiatives. In Justice, the Embedded Youth Outreach Program provides a youth outreach response as part of a police response. [Evidence](#) shows the program provides good outcomes in assisting young people to address the root causes of offending behaviour.

Two key game changer investments include:

- Best Start, Best Life (Free Kinder, Pre-Prep, 50 government-owned Early Learning and Care Centres in childcare deserts, and Three-Year-Old Kindergarten). Children

facing educational barriers and exclusion are more likely to enter the criminal justice system. For example, in 2019, [68 per cent of children in custody were recorded as having been suspended or expelled from school](#). Providing access to high-quality, inclusive education is one of the best forms of crime prevention.

- The introduction of free public transport for children aged under 18. This initiative will play a critical role in alleviating the financial and social impacts of Victoria's hefty fare evasion fines, which have disproportionately impacted young people. It will also disrupt the 'fine to crime' pipeline.

These are the kind of smart investments VCOSS will continue to advocate for, as part of our commitment to the [Working Together Action Plan to End the Over-Representation of Certain Groups of Young People in the Justice System](#).

- This Budget locks in the lower cost of phone calls from prison. As canvassed in the [Yoorrook Justice Commission](#), the exorbitant price of phone calls from prisons has created barriers for people in prison to maintain contact with loved ones, impacting wellbeing and their right to family and culture. VCOSS welcomes the provision of this funding, as recommended by the Yoorrook Justice Commission. VCOSS also welcomes another 12 months of boost funding for the Victorian Disability Advocacy program, which includes support for Victorians with disabilities caught up in the prison system.

What's missing

- The funding for 'community safety initiatives' represents a missed opportunity. Community safety is a key priority for VCOSS and the broader social and community sector; however, this Budget line is focused on measures that involve community surveillance, not community care. This investment would be more strategically directed to community-based youth, family, mental health, and alcohol and other drug services, and housing. These represent a more effective upstream investment in community safety.
- This Budget strengthens carceral youth justice responses that tackle youth offending from the wrong end. The [Youth Justice Act](#) principles specify 'responses to offending and alleged offending by children and young people are to emphasise prevention, diversion and minimum intervention'. But this Budget allocates \$43.4m in 2025-26 (\$93m/4yrs) to Youth Justice operations and the Government has announced it will establish 88 new prison beds in youth prisons Cherry Creek and Parkville as part of the Community Safety package. Kids in prisons will not make the community safer. These resources should be repurposed for prevention, early intervention and rehabilitation and directed to community-led initiatives, alongside investment in stronger, more inclusive universal services for 'at risk' cohorts.

- The Budget does not make sufficient investment to support the increased number of people on remand. The most recent bail reforms announced by the Victorian Government will see alarming increases in unsentenced people. To mitigate the worst impacts of tightened bail laws, there must be a corresponding uplift in access to legal assistance.
- The Budget invests in increased prison capacity (more beds), but under-invests in support services – both in-prison and in the community. In terms of in-prison supports, VCOSS will continue to advocate for increased funding for family violence counselling as well as a public health model for delivery and oversight of health services. VCOSS is also disappointed there is no direct funding allocated in the Budget to deliver an [Aboriginal-led model of care in custody](#). An Aboriginal-led model of care has been a recommendation to Government since the Royal Commission into Aboriginal Deaths in Custody and reinforced in other reports, investigations and reviews in the four decades since then.
- The Budget does not deliver the necessary investment for non-custodial supports that ensure Victorians can safely re-integrate into society post-release. Post-release supports are integral to reducing recidivism. In this Budget, part of the funding under ‘Supporting a safe and effective corrections system’ (\$9.8m in 2025-26 / \$19.4m/2yrs) continues employment hubs services at select prisons. Much more is needed. VCOSS’ pre-Budget submission called for the expansion of the Second Chance Jobs Program across all Victorian prisons. We also highlighted the need for expanded health and social supports available for people exiting prison, and the introduction of a Housing Guarantee so that nobody exits prison into homelessness.
- Victoria should not be growing prisons. It should be growing social housing. (Refer to ‘Fixing our housing system’).
- The Budget does not provide funds to create a new independent police oversight body to investigate complaints against police. The Yoorrook Justice Commission identified that First Peoples do not have confidence in Victoria’s police complaints system because it is not independent of police. We understand that the [Victorian Government is currently considering this recommendation](#). With the recent tightening of bail laws and a Budget that funds prison expansion, it is now more critical than ever to adequately resource a new independent police oversight authority, headed by a statutory officer who has not been a police officer.

Acting quickly and fairly on climate

Significant initiatives

- Improving bus and ferry services**
 \$39.6m in 2025-26 (\$39.7m/2 years) to deliver new and extended bus routes in a limited number of areas in Melbourne’s western suburbs, continuation of a limited number of regional bus services, and late-night services for selected bus routes in Melbourne’s west.
- Victorian Energy Upgrades Program – Insulation upgrades**
 \$4.6m in 2025-26 (\$10.2m/3 years) to ensure safety and quality of the re-introduction of insulation into the Victorian Energy Upgrades Program.
- Solar Homes Program – Hot water rebates**
 \$29.7m in 2025-26 (\$29.7m/1 year) to extend the rebate program for installation of energy efficient electric heat pumps and solar hot water systems in homes.
- Offshore wind program**
 \$10m in 2025-26 (\$13.2m/2 years) to progress Victoria’s first offshore windfarm to increase Victoria’s renewable energy capacity.
- Accelerating approvals for large scale renewable energy projects**
 \$3.7m in 2025-26 (\$3.7m/1 year) to ensure timely approvals for large-scale renewable energy processes to increase Victoria’s renewable energy capacity.
- Victoria’s frontline public health system**
 \$35.5m in 2025-26 (\$38.3m/4 years) for continued operation of Victoria’s Local Public Health Units, water regulation functions to protect Victoria’s drinking water, and the Epidemic Thunderstorm Asthma Program and extreme weather alert system.
- Addressing recovery needs from the Western Victoria Bushfires**
 \$27.7 million in 2025-26 (\$44.3 million/2 years) for the Department of Energy, Environment, and Climate Action and \$3.1 million (\$3.5 million/2 years) to the Department of Jobs, Skills, Industry and Regions for a range of recovery initiatives related to biodiversity, environment, industry and tourism.
- Further supporting our emergency services and volunteers**
 \$13.1 million in 2025-26 (\$53.1 million/4 years) to support emergency services and volunteers with tools and resources to respond to emergency events and help communities to recover, including equipment support for CFA and SES units in the Dandenong Ranges.

What’s good

- Measures that reduce climate pollution generated in homes, and help Victoria to transition to renewables, are critical. Residential buildings account for around 24 per cent of overall electricity use and more than 10 per cent of total carbon emissions in Australia. The re-introduction of insulation to the Victorian Energy Upgrades (VEU) program means that more households will be able to improve the thermal comfort and energy efficiency of their

homes as temperatures increase. We're pleased that this will be scaffolded by a quality and safety framework funded through this Budget. Extending rebates for hot water upgrades will also help to address Victoria's contribution to climate change and reduce climate impacts. More detailed analysis is provided in cost of living.

- VCOSS has been calling for an expansion of bus services, particularly in Victoria's growth areas. This is important now and for future generations, to avoid locking people into climate-polluting and traffic-inducing car use. In this Budget, the Government has acknowledged the need for this investment in Melbourne's west and some parts of regional Victoria. The Budget also includes flagship investment in two cost-of-living initiatives – free public transport for under 18s seven days a week and free public transport for seniors on weekends – that will encourage more people to switch from private transport to public and reduce emissions and air pollution. (Refer to more detailed analysis in cost of living.)
- Victoria's Local Public Health Units (LPHUs) have been providing place-based support for climate change response. Renewed funding for the LPHUs ensures system architecture is in place for this critical work to continue; however, we note that the funding allocation is significantly lower than in previous budgets. VCOSS will monitor this space. Continued funding for the Epidemic Thunderstorm Asthma Program and extreme weather alert system is welcome – these initiatives enable Victorians to prepare for the health-related impacts of climate change.
- The mental health impacts of climate change are well established, with [two-thirds of young Australians saying climate concerns are having a negative impact on their mental health](#). Climate change also has the potential to exacerbate the mental health concerns people are already facing from cost-of-living pressures and other drivers of mental ill-health. Funding to roll out another seven Mental Health and Wellbeing Locals is welcomed. However, we note that [Mental Health Victoria has raised some questions about the quantum of funding](#), as the Budget allocation for the seven new services is less than that committed to the existing 15.

What's missing

- Average temperatures in Victoria are increasing, with 2025 the world's hottest year on record so far. This has the greatest impact on those with the fewest resources. [VCOSS' 2025-26 pre-Budget submission called for strong investment in adaptation](#). We are disappointed that the initiatives we advocated for have not been funded this time. VCOSS will continue to highlight the need for the Victorian Government to reinstate the Community Climate Change Adaptation program and to provide funding to cohort-specific organisations to produce tailored resources for the people they support.
- All Victorians should be able to benefit from the transition to clean energy and a safer climate. This Budget missed an opportunity to invest in solar panels and electrification for public housing properties.
- With disasters such as bushfires, floods, drought and storms becoming more frequent and severe due to climate change, VCOSS has been advocating for investment in proactive, long-term community disaster preparedness and resilience. This Budget does not deliver the

funding that's needed to establish an ongoing disaster resilience workforce in the community sector and community resilience hubs. We will continue to call for investment in these strategic initiatives so that recovery does not need to start from scratch each time disaster strikes.

- The Western Victoria 2024-25 bushfires have been devastating for communities, many of whom are still recovering from the earlier fires in February 2024. While this Budget makes positive investment in recovery initiatives related to the environment, biodiversity, industry and tourism, it does not renew funding for several social recovery initiatives that will lapse on 30 June. Disaster recovery takes many years, and additional funding is needed so that community services can continue vital recovery programs that are still in demand. We acknowledge – and welcome – the Victorian Government's 15 May announcement of \$15.9m for farmers impacted by drought, but note that this addresses a different set of needs to the social recovery initiatives about to lapse.
- The [Government's response](#) to the *Inquiry into the 2022 Flood Event in Victoria*, released in January 2025, supported 16 of the 73 recommendations in full, 43 in principle and six in part. Two were not supported. Another six are still under review – including a recommendation (Recommendation 15) to increase the accessibility of flood risk and planning information in a way that is appropriately accessible to people with additional needs, including people with disability. This was flagged as under review and subject to budgetary processes. VCOSS continues to highlight the importance of Budget investment to support implementation of recommended measures.
- The Victorian Government has led the way nationally on gender responsive budgeting by making it a requirement under the Financial Management Act. The establishment of a climate responsive budgeting requirement would build on this existing foundation. Looking ahead to the next Budget, the Victorian Government should scope and trial a fit-for-purpose climate responsive budgeting framework for Victoria. This would ensure climate change is considered as part of key revenue and expenditure decisions.

Valuing the community sector

Significant initiatives

- **Supporting community sector jobs**
\$2.5m in 2025-26 (\$10m/4 yrs) across the Department of Health and Department of Justice and Community Safety for community service organisations that deliver social services on behalf of the Government.
- **Support for people with lived experience**
\$5m in 2025-26 (\$10.1m/2 yrs) to continue services that support people with lived experience of mental illness and their carers, including the Victorian Mental Illness Awareness Council (VMIAC) and Satellite Foundation.
- **Maintaining regulation of disability and social services**
\$13.6m in 2025-26 (\$27.5m/2 yrs) to continue the operation of the Disability Worker Regulation Scheme through the Victorian Disability Worker Commission and the Disability Worker Registration Board, as well as the Worker Carer Exclusion Scheme administered by the Social Services Regulator.
- **Family violence risk assessment and information sharing schemes**
\$8.5m in 2025-26 (\$16.9m/2 yrs) to enable departments and agencies to support prescribed organisations to meet obligations under the Multi-Agency Risk Assessment and Management (MARAM) framework and Child and Family Violence Information Sharing Schemes, including for workforce training and change management guidance.

What's missing

- This Budget invests \$240m into supporting business and industry via the Economic Growth Statement, but recognition and support for the community services industry is notably absent from this agenda and meaningful investment into the sector is missing from the Budget. The community sector is critical to the economy and is one of the largest employers in the state, yet there is insufficient recognition of rising cost pressures facing community services, including superannuation guarantee increases from 1 July 2025. Investment in

social and community services – and “paying what it takes” to deliver safe, high-quality services – is vital for a thriving and inclusive Victorian economy.

- Long-term, strategic investment into the community sector workforce is lacking in this Budget. To strengthen the community sector and amplify the economic and social contribution it makes, the 2025 Budget could have invested in developing Victoria’s care workforce of the future. This funding is urgently needed as Victorian Government modelling indicates that over 83,000 new workers will be needed in the health care and social assistance workforce by 2026. We are not on track to meet that target, and strategic, holistic solutions are required. In our pre-Budget submission, VCOSS called for several workforce development initiatives, including:
 - Funding the development and first-phase implementation of a community sector workforce strategy, including funding to scope a Community Services Academy that would promote excellence in social service delivery via sector-led professional learning, governance and capacity-building programs.
 - Strengthening rural and regional workforces.
 - Supporting the supply of high-quality student placements across the community sector.

- VCOSS understands that the \$2.5m funding allocated to support community sector jobs in this Budget relates to indexation payments to match award wage increases from 2024–25 for a number of service providers in health and justice. These payments are critical to ensure the ongoing operations of the organisations that benefit. However, this Budget did not include a broad base funding uplift to “pay what it takes.” Existing funding levels for government-funded community service organisations do not cover the full cost of service delivery, which includes increases to wage-related costs as well as indirect costs such as safety and risk requirements and workforce retention measures. VCOSS continues to call on the Government to:
 - Adjust base funding to the community sector to reflect the full cost of delivering services, including specific allocations recognising increases to the superannuation guarantee, portable long service leave contributions and WorkCover premiums.
 - Commit to funding any award wage changes arising from the Fair Work Commission’s review of the Social, Community, Home Care and Disability Services Industry Award and other priority awards reviewed on the basis of gender undervaluation; as well as making funding available to organisations to transition to any new award structure.

- While this Budget includes much-needed funding to continue the vital work of organisations like VMIAAC and Satellite Foundation in supporting people with lived experience of mental illness and their carers, the funding allocated is short term. Long-term, sustained funding is

needed to support people with lived experience and embed lived experience leadership into the service system.

- While the Budget includes funding to support the important work of emergency services volunteers, there is no funding for place-based Volunteer Support Services or for the implementation of the Victorian Volunteer Strategy 2022–27. Volunteers are a vital part of the community and social services workforce, but the promotion, training and coordination associated with volunteering is costly. Failure to invest in volunteering represents a false economy as volunteers not only offset the costs of service delivery, but also contribute to social cohesion, address loneliness and social isolation, and create employment pathways.

Ensuring a fair and sustainable revenue base and savings

Significant initiatives

- **Extending the temporary off-the-plan stamp duty concessions**

A reduction in government revenue of \$3.6m in 2025-26 (\$61.2m/4 yrs) to extend the land transfer concessions for off-the-plan apartments, townhouses and units for an additional 12 months.

- **Whole of Government savings and efficiencies**

Savings of \$544.6m in 2025-26 (\$3.25b/4 yrs) achieved through re-sizing and restructuring the Victorian Public Service based on recommendations to be made in the Independent Review led by Helen Silver AO.

What's missing

- This Budget did not include any new revenue initiatives or significant changes to existing measures. In our pre-Budget submission, VCOSS highlighted opportunities for reform that would enable the state to make strong sustainable investment in critical services, while ensuring the costs are shared more equitably. A revenue base that is both fair and sustainable is key to supporting our communities, economy and service systems to be resilient in the face of uncertainty. VCOSS continues to call for:
 - Reform to property tax to create a fairer housing system (as outlined in *Housing*).
 - Reform to fees and fines so they are more equitable and effective.
 - Revenue measures targeted to commercial actors whose practices and products contribute to the state's disease burden and cause broader economic harms.
- VCOSS recognises that finding savings in leaner times is an important part of ensuring the long-term sustainability of government finances. However, we note that the savings expected to be realised through cuts to the public service off the back of the Silver Review are significant. While the details of this remain to be seen, VCOSS urges due consideration be given to the potential impacts of these cuts on the community – including the opportunity cost of reduced public service in terms of

capacity to co-design policies and programs with impacted communities, service users and the community sector, progress much-needed reform and deliver critical services.