



State Budget Submission 2026



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About VCOSS

The Victorian Council of Social Service (VCOSS) is the peak body for Victoria's social and community sector and the state's premier social advocacy body.

VCOSS exists to end poverty and disadvantage in Victoria. We do this by supporting organisations and activities, through research and advocacy, and by connecting, convening, and working with others.

VCOSS' strength comes from our members and the people at the heart of their work. VCOSS members include frontline service organisations, peak bodies and advocacy groups, working across a wide range of areas including health and wellbeing, children and family services, family violence, early childhood, housing, food systems, economic and civic participation, justice, disability, and disaster response.

Across this diversity in size and services, VCOSS members share our ultimate goal to eliminate all forms of social and economic disadvantage in Victoria. The social and community services sector is part of the largest employing and fastest growing industry in Victoria, which is expected to deliver more than 335,000 new jobs over the next decade.*

* 'Health care and social assistance' sector forecast in *State of the Victorian Labour Market Report*

Acknowledgement of Traditional Owners

VCOSS acknowledges the Traditional Owners of Country, and pay respect to Elders and Ancestors. Our office is located on the sovereign, unceded lands of the Wurundjeri Woi Wurrung people of the Kulin Nation.



Message from the CEO



Tough times are exactly when we must invest in what matters most.

When things are hard, it's tempting to tighten our belts and batten down the hatches.

But that's not how you build a strong, safe, thriving Victoria.

Every Budget tells a story about the state of our State — what we value, what we fear, and what we're willing to walk past.

Right now, Victoria's story sits against a backdrop of growing economic inequity and social fragmentation — fuelled by the realities of rising cost of living, the housing crisis, community safety concerns, reverberations of international conflicts and intensifying climate impacts. Our social and economic fabric is under real strain.

Meanwhile, the public purse is under pressure. There's lots of talk about debt, budget repair, fiscal austerity and 'efficiencies'.

In this context, some might say that now is not the time to invest in tackling root causes of entrenched problems like housing insecurity, family violence, climate-related impacts, social cohesion or the sharp edge of poverty. Some might say that's in the 'too-hard basket.'

They'd be wrong.

Now is precisely the time for smart investments that prevent social and economic problems from escalating and compounding, or ideally from starting in the first place.

With the political will to prioritise what matters most, we can break vicious cycles of crisis-end spending, avoiding long-term costs through prevention and early intervention.

By investing in what will pay off in the long run, Victorians can have secure housing, good healthcare, and genuine safety and security in their families and communities.

And critical to this is Victoria's community sector — the fastest growing industry in the State, whose workforce shows up every day for people doing it tough.

Community services are operating under immense pressure, with rising demand, a changing regulatory landscape and a highly feminised workforce carrying the emotional load of the state's most difficult and complex social issues.

Our sector deserves respect, fair funding and industry development support to meet the challenges of our times and keep doing what Victorians rely on.

If we want a stronger, safer, fairer Victoria, we must invest across the whole spectrum of support — from crisis response to long-term recovery — but especially in the early intervention and prevention efforts that stop harm before it takes root. And we must invest in a skilled, flourishing, future-focused community sector that delivers across that spectrum of support.

That is how we stabilise our communities.

That is how we strengthen our economy.

And that is how ensure the things that matter most are never pushed into the too-hard basket.

Juanita Pope
CEO, VCOSS

Raise revenue responsibly and fund what matters



Global headwinds buffeting Australia are being felt here in Victoria. We face big challenges as a state: rising inequality, climate change, a cost-of-living and housing crisis.

To tackle these problems and ensure our economy and community is resilient in the face of uncertainty, the government needs to maintain a strong and fair revenue system. This is essential to public trust, safety and community cohesion.

Big businesses – who benefit from efficient government services, infrastructure and a healthy, skilled workforce – need to pay their fair share.

What that money is spent on – and how it is spent – is also important. Revenue, when raised fairly and spent wisely, delivers essential support and services for millions of Victorians, and investment into building the Victoria we want.



Key Budget Priorities



Avoid long-term costs to government by increasing investment in prevention and early intervention

- Provide the community sector with increased resources to deliver targeted early help – and make this funding long-term. Each section of this Budget submission identifies specific opportunities for the sector to work more upstream.
- Maintain investment in the Early Intervention Investment Framework – and ensure the community sector has the data and evaluation capability to participate through a re-booted \$20 million Empowerment Fund.
- Maintain investment in VicHealth as a strong, independent and fully-funded health promotion body.



Adopt wellbeing budgeting to drive greater impact

- Fund the development of a whole-of-government framework that drives policy and investment decisions to achieve one clear goal: the wellbeing of current and future generations. This framework would set indicators and track outcomes and progress in all areas of government investment, including initiatives funded through the existing Early Intervention Investment Framework.



Tackle intergenerational wealth inequality

- Introduce an estate tax.
- Establish a Future Fund. Tax receipts from the estate tax would be paid into this fund rather than consolidated revenue, so that people's inheritances were leaving a lasting legacy (in the same way that many charities attract and treat bequests).



Establish a long-term investment strategy to support social housing growth

This should include:

- A sustained and predictable level of direct government investment in new public housing and grant funding to community housing organisations.
- The introduction of a mandatory inclusionary zoning scheme for private developers to contribute to the social housing growth pipeline.
- Quarantining Short Stay Levy revenue for new social housing.



Hit up harmful industries

- Introduce new revenue measures targeted to industries whose practices and products contribute to disease burden and broader economic harms.
- Continue to resource VicHealth as an independent entity to:
 - provide expert advice on other levers that can be used to reduce commercial harms and generate long-term avoided costs to government.
 - lead health promotion activity that protects community safety and wellbeing.



Reform fees and fines

- Identify ways to change fees and fines to make them more equitable, as well as more effective. This work should be undertaken collaboratively with the community services sector, including community legal and consumer advocacy organisations. In the meantime, the Government should abandon its proposal to remake fines regulations and increase late fees, as this will exacerbate hardship and inequity.

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



Victorians have been living with rising costs for groceries, utilities, rents and mortgages since the Covid-19 pandemic.

For the 800,000 Victorians who were already living in poverty at the time of the last Census, the level of disadvantage has only deepened.

Food insecurity now affects one-in-five Victorian children. Australia is now the second most-expensive nation for housing globally, and Melbourne is one of four major markets in Australia identified as “impossibly unaffordable”.¹

The Victorian Government has made welcome efforts to reduce cost-of-living pressures. However, there are additional levers it should use to address the structural drivers of high costs of essentials, bring the excesses of market forces under control, and prevent and disrupt hardship. In the face of an uncertain global economic outlook and growing economic inequality, the task has never been more urgent.



Key Budget Priorities



Drive down housing costs for Victorians

- Grow the supply of social housing for people on low and very-low incomes – this will deliver an added benefit of decreasing demand and lowering rents in the private market. See the housing section of this submission for more detail.
- Fund the Essential Services Commission to develop a Rent Increase Fairness Formula that can be legislated to deliver more certainty and fairness for renters, rental providers and property managers in the private market.



Increase affordability, reduce energy debt, and help Victorians navigate the market

- Introduce an affordable social tariff for essential energy for those who cannot afford ongoing costs in the market.
- Increase the Utility Relief Grant to \$1,000 to reflect current rates of energy debt.
- Scale innovative place-based models (for example, 'Bring Your Bills' days) that have demonstrated success in identifying people in hidden energy hardship and connecting them to support. This new investment would augment the existing statewide Energy Assistance Program.
- Continue to invest in ambitious regulatory reform of the energy market by moving towards banning disconnections, reducing barriers to accessing cheaper plans, reforming embedded networks, and improving retailer hardship support.
- Utilise the State Electricity Commission as a public and affordable energy retailer and continue to direct the SEC to be an impact investor in the renewable transition, especially in community-led place-based initiatives in rural and regional areas.
- Refer to the climate section of this submission for additional measures related to energy efficiency.



Continue to reduce transport costs by removing barriers to public transport

- Improve bus transport coverage to under-served outer-suburban, rural, and regional areas – build a new bus rapid transit network, with stepped investment as recommended by Infrastructure Victoria in its update to *Victoria's 30-Year Infrastructure Strategy*.²
- Accelerate progress on the *Disability Standards for Accessible Public Transport* – fund the highest priority upgrades to public transport stops and stations and aim to finish them by 2030.



Realise the fundamental right to adequate and nutritious food

- Fund recommendations of the Victorian Parliamentary Inquiry into Food Security. Initial investments should include:
 - The development of a Victorian Food Security Strategy to address the drivers of food security and drive long-term investment in building a resilient, sustainable food system (Recommendation 15).
 - A comprehensive audit of food relief services to identify service gaps. This data would be used to build and maintain a real-time Food Relief Services Map for providers and the public, enabling better coordination across the system (Recommendation 20).
 - A change to the funding model for the food relief sector – moving from short-term grants to recurrent funding (Recommendation 21).
 - A school lunch program that builds on the strong foundations of the School Breakfast Clubs (Recommendations 7 and 8). As a starting point, VCOSS advocates for a trial and evaluation in 50 low socio-economic schools.



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



Make education affordable

- Continue to drive down out-of-pocket school costs for families. See the education section of this submission for more detail.



Provide affordable healthcare to more low-income Victorians

- Deliver a minimum 10 per cent increase in annual funding to the Community Health Program to reduce wait lists and establish a dedicated Community Health Infrastructure Fund to expand reach to under-served communities. See the health section of this submission for more detail.



Fund services that help Victorians who are experiencing financial hardship

- Fund the implementation of Yoorrook Justice Commission recommendations, including recommendations to support First Peoples struggling with cost of living and food security. See the inclusive communities section of this submission for more detail.
- Maintain all Victorian concessions, and work with other system actors to establish automated application of concessions on eligible bills.
- Increase investment in free financial counselling. The quantum and scope of investment should address the demand pressures and system reform imperatives identified by the sector as part of the Consumer Affairs Victoria Funded Services Review. Financial Counselling Victoria's pre-Budget submission makes the case for a quadrupling of funding over 10 years to meet the increasingly complex and diverse needs of the Victorian community.
- Increase the capacity of local Community Information and Support services:
 - Fund new Volunteer Coordination roles – to arrest a significant decline in volunteer participation and enable safe and sustainable service delivery.
 - Establish a supported Community Meals Program that provides a pathway for socially-isolated Victorians to build trust and connect with other services that will strengthen their wellbeing.
 - Fund Workforce Mental Health Support – safeguard the wellbeing of volunteers and staff who are increasingly exposed to complex, high-risk situations. Refer to CISVic's pre-Budget submission for detailed proposals and costings.



Further reading – supporting evidence

Reflections on Victoria's Housing Statement two years on – Aboriginal Housing Victoria, Council to Homeless Persons, Justice Connect, Safe and Equal, Tenants Victoria, Victorian Council of Social Service and Victorian Public Tenants Association

Cost of Living Index: Minimum Wage Households – Anglicare

Growing Financial Counselling in Victoria: The Next 10 Years – Financial Counselling Victoria

Victoria's infrastructure strategy 2025–2055 – Infrastructure Victoria

A focus on homes, not power plants, could halve energy bills – Institute for Energy Economics and Financial Analysis

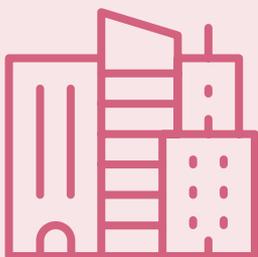
Food security in Victoria – Legislative Council Legal and Social Issues Committee

The Energy/Health Hardship Nexus: A case for systematic change – Victorian Council of Social Service

Growing Social Housing: Data, insights and targets – Victorian Housing Peaks Alliance

Yoorrook for Transformation: Third Interim Report Volume 4 – Yoorrook Justice Commission

Fix the housing system



Safe housing is the foundation for a good life. Right now, too many Victorians are missing out.

With home ownership increasingly out of reach – and demand for social housing outstripping supply – the private rental market is experiencing a ‘perfect storm’. In many areas of Victoria, the median rent is no longer affordable relative to the income of an average rental household³.

High housing costs are compounded by broader cost-of-living pressures, pushing more renters further into housing stress or poverty, fearful of asserting their tenancy rights when there are breaches.⁴

Rates of homelessness are rising. The last Census found that on any given night, more than 30,000 Victorians did not have a safe place to sleep.

While the government is taking steps to address problems that have been decades in the making, there’s a need to re-focus some elements of its 10-year Housing Statement, stretch further and achieve greater impact for Victorians on low and very-low incomes.



Key Budget Priorities



Turbocharge and transform social housing

- **Set an ambitious social housing growth target to drive policy making and investment.** An additional 377,000 new social homes will need to be built in Victoria by 2051 to meet total demand⁵. To get the state on that pathway, the Victorian Government should set a target to add 7,990 new social housing dwellings to the system every year for the next 10 years. This should be a mix of new public housing and community housing.
- **Establish a long-term investment strategy to meet that target.** At a minimum, this should include:
 - A sustained and predictable level of direct government investment in new public housing and grant funding to community housing organisations.
 - The introduction of a mandatory inclusionary zoning scheme for private developers to contribute to the social housing growth pipeline.
 - A re-set of the Urban Renewal Initiative to deliver a more substantial uplift of social housing on the impacted high-rise estates, beyond the current Housing Statement commitment of a 10 per cent increase. The process to identify the revised target – and the pathway to achieve that – should centre the rights and aspirations of residents on the impacted sites. All public land should be retained in public ownership.
- **Deliver funding to fully implement all recommendations in the Social Housing Regulation Review Final Report.**



Get the most from Victoria's ambitious rental reforms

- Increase the monitoring, enforcement and frontline dispute resolution capacity of the regulator, Consumer Affairs Victoria.
- **Fund the Essential Services Commission) to develop a Rent Increase Fairness Formula** that can be legislated to deliver more certainty and fairness for renters, rental providers and property managers in the private market.
- **Boost resources for VCAT to provide timely dispute resolution** for complex disputes, including family violence matters, **and establish a new internal appeals mechanism** that improves the consistency of decision-making.
- **Strengthen investment in renter services, to address the demand pressures and system reform imperatives identified in Consumer Affairs Victoria's review of Funded Services. At a minimum, this Budget should deliver funds to:**
 - Scale up the provision of existing renter services⁶ to accommodate increased demand from Rental Dispute Resolution Victoria.
 - Continue investment in renter services specifically funded through the Rental Stress Support Package and augment the current investment with additional funds to reach even more renters.
- **Fund social and community sector organisations to provide training and ongoing professional development for real estate agents, property managers, owners corporation managers and conveyancers in approaches that are trauma-informed, safe and inclusive for groups who face barriers in the rental market** – for example, Aboriginal renters, those from culturally and linguistically diverse backgrounds, renters with a disability, those who are LGBTQIA+, and family violence victim survivors.



Fix the housing system



Make homelessness rare, brief, and non-recurring

- Uplift funding to meet demand levels at Victoria's homelessness entry points – including greater investment in staffing and brokerage.
- Fund more workers to deliver assertive outreach to provide support to people who are marginally housed to address the high levels of invisible homelessness, and risk of homelessness, in our communities.⁷ This should include expanded rooming house outreach – refer to detail in Tenants Victoria's pre-Budget submission.
- Expand high-fidelity 'Housing First' programs, including the Home at Last service and From Homelessness to a Home packages.



Cohort-specific initiatives

- Deliver the necessary funding to implement all Yoorrook Justice Commission housing recommendations:
 - Fully fund the implementation of the Victorian Aboriginal Housing and Homelessness Framework *Mana-na worn-tyeen maar-takoort: Every Aboriginal Person Has a Home* and the *Blueprint for an Aboriginal-specific homelessness system in Victoria*. As part of this, provide funding to grow Aboriginal social housing, to be owned and operated by the Aboriginal community.
 - Provide ongoing funding for the two Aboriginal-specific homelessness entry points at Ngwala Willumbong Aboriginal Corporation in St Kilda and Wathaurong Aboriginal Co-operative in Geelong and expand these pilots to two additional sites in priority locations to be self-determined.
 - Extend funding for the Aboriginal Homes Thrive: early intervention support for Aboriginal renters program for a further three years.
 - Provide direct funding to Aboriginal Community Controlled housing agencies to enhance financial, governance and partnership capabilities.
- Strengthen prevention and early intervention of youth homelessness:
 - Fund the development of a co-designed Victorian Youth Homelessness Strategy that responds to the unique drivers of youth homelessness.
 - Allocate resources for Homes Victoria to work with the community services sector to establish a new funding model for youth housing. This new model will need to include higher subsidies for providers to enable access for young people.



- Build at least 5,000 social properties for young people experiencing homelessness.
- Ensure 10 per cent of all youth housing stock is allocated to Aboriginal young people, and fund two Aboriginal-specific Youth Foyers in locations based on demand and capacity⁸.
- Fund the promised 500 supported housing places for young people experiencing homelessness and mental ill health⁹.
- Address housing disadvantage for Victorians with disabilities:
 - Fund a review of Supported Residential Services, to improve quality of service delivery and resident wellbeing. This would strengthen the Victorian Government’s implementation of recommendations 7.37 and 7.38 of the Disability Royal Commission.
 - Provide resources for legislative reform of group homes and residential services, addressing concerns identified in the Royal Commission.
 - Fund disability advocacy organisations and specialist disability legal services to provide advice, advocacy and support for people with disability to understand and explore their housing options, make decisions about transitioning to the housing of their choice, and receive support for that transition.
- Meet the housing needs of trans and gender diverse Victorians:
 - Build and provide operational funding for a dedicated crisis-transitional housing facility for transgender and gender diverse Victorians.
 - Increase investment in research and practice development activities to better understand and meet the housing and homelessness needs of transgender and gender diverse Victorians.



Further reading – supporting evidence

[Growing Social Housing](#) – Victorian Housing Peaks Alliance

[Reflections on Victoria’s Housing Statement two years on](#) – Aboriginal Housing Victoria, Council to Homeless Persons, Justice Connect, Safe and Equal, Tenants Victoria, Victorian Council of Social Service and Victorian Public Tenants Association

[Social and affordable housing regulation in Victoria](#) – Victorian State Government

[Renting in Victoria Report 2025](#) – Victorian Council of Social Service

[Renting in Reality](#) – CPRC

[From Homelessness to a Home H2H Outcomes Evaluation Snapshot Report](#) – Australian Housing Urban Research Institute

Supporting children, young people and their families to thrive



Victorian children and young people thrive when they are healthy, feel valued in safe and loving environments, are learning, have material basics, have a positive sense of identity and culture, and participate in the decisions that affect them.

Too many children and young people are missing out.

VCOSS' 2023 Poverty Maps found more than 215,000 Victorian children (one in six) were living in poverty. More recent data shows the rising cost-of-living and the long-tail effects of the COVID-19 pandemic are entrenching disadvantage and giving rise to new challenges.

Projections show that, for the first time in history, this generation will not live longer than the generation before it.¹⁰ This is unacceptable. Victoria must use every means at its disposal to disrupt this trajectory.



Key Budget Priorities



Use state levers to turn the tide on childhood poverty and disadvantage

- **Leverage First Nations wisdom and expertise** via the mechanisms established under Treaty and invest in self-determined measures that enable Aboriginal children, young people and families to thrive. See the inclusive communities section of this submission for more detail.
- **Adopt wellbeing budgeting** to drive strong, cohesive and impactful whole-of-government investment in prevention and early intervention. See the revenue section of this submission for more detail.
- **Invest in specific measures that will:**
 - **Fix the housing system** – See the housing section of this submission for more detail.
 - **Address food stress** – See the cost-of-living section of this submission for more detail.
 - **Use the education system to build protective factors** – See the education section of this submission for more detail.

- **Deliver \$1.6 million to reverse the closure of the Parentline phone-based counselling and support service.** Victoria is now the only Australian jurisdiction without a dedicated helpline for parents and carers of children. Other phone-based services are not an effective substitute.
- **Scale Right@home, the sustained nurse home-visiting program,** so that it is accessible to vulnerable families in all parts of the state.



Ramp up investment in early childhood development

- **Introduce a new universal *Kids Hearing Screening* voucher** for all children commencing kindergarten to enable early identification and support.
- **Pending the introduction of Thriving Kids, fund independent community health services** to provide more early help to families who are on waitlists for paediatric and allied health assessment and care.
- **Scale existing innovative telehealth models that address service gaps for children in regional and rural Victoria.** The *Wimmera by 5 Paediatric Model of Care* is one example of a successful approach.



Provide more early parenting help

- **Strengthen investment in Child and Family Hubs:**
 - Provide all Early Parenting Centres (EPCs) with the quantum of recurrent operational funding needed to fully deliver the model of care across all sites. This should include restoration of funding cut in the last Budget.
 - Get more out of the EPC system by establishing a Statewide Central Referral, Assessment and Intake Digital Care Hub.
 - Deliver sustainable long-term funding to Victoria's Child and Family eHub to:
 - Keep the current online platform operational and up-to-date.
 - Strengthen linkages between the eHub and the 90+ physical hubs across the state (including EPCs) by funding dedicated roles that drive collaboration and undertake relational work that enables integration ('the glue').



Supporting children, young people and their families to thrive



Enable Aboriginal Community Controlled Organisations to deliver more help earlier to keep Aboriginal children with their mothers, siblings and family, and connected to Country and Community

- Invest in new models of care that support healing and strengthen social and emotional wellbeing – refer to specific health system measures identified in the health section of this submission.
- Fund self-determined community connection activities that strengthen protective factors – including playgroups, homework clubs, dance groups, youth groups, and men’s and women’s business.
- Invest in place-based initiatives that support greater access to timely, culturally-safe support for family violence, mental health and alcohol and other drug needs.



Address child safety

- Fund the implementation of all child safety reforms in the early childhood education and care system that were identified in the Rapid Child Safety Review.
- Take stronger action on sexual violence and family violence, and provide more tailored supports for children and young people who are victim-survivors. See detailed Budget measures in ‘A Victoria free from violence’ section.
- Strengthen child and family services:
 - Provide adequate and secure funding to the child and family services sector so services can meet demand and provide high-quality care, and undertake more early intervention and family preservation and reunification.

- Increase the Care Allowance rate to support more people to become foster and kinship carers – Victoria has the lowest Care Allowance rate for foster, kinship and permanent care in Australia and is losing more foster carers than any other jurisdiction in Australia. It should be increased to be on parity with the rates in NSW and other neighbouring states and indexed to keep pace with the rise in cost of living.



Support First Nations self-determination in child and family services

- Fund further research to understand the high number of unsubstantiated reports to Child Protection and use this to help design early intervention supports that enable families to stay together.
- Back-in self-determined Budget proposals from Aboriginal Community Controlled Organisations for family support that can be provided prior to Child Protection engagement, including pre-birth responses.
- Provide ACCOs with the resources they need to expand the provision of care for Aboriginal children who are in the child and family services system. This should include – but not be limited to – funding to expand the *Aboriginal Children in Aboriginal Care Community Protecting Boorais* program.



Increase access to youth work

- Provide infrastructure and workforce investment to expand the availability of safe, accessible and inclusive spaces where young people can engage in activities, events and programs outside of school.



- Support Budget proposals from community sector organisations to sustain and scale innovative models of youth engagement in settings such as train stations and shopping centres.
- Ramp up investment in specialist programs that wrap support around young people who have had contact with the youth justice system, or are at risk of justice system involvement – refer to ‘A safer Victoria’ section for detailed Budget asks.



Strengthen mental health and wellbeing supports

- Contribute funding to the national Kids Helpline to ensure it is resourced to assist more Victorian children and young people. Victorian children represent more than 25 per cent of calls to Kids Helpline, with a 62 per cent turn away rate. Victoria is the only jurisdiction not to contribute to funding.
- Scale community-led mental health and wellbeing initiatives that have been identified as leading practice in regional and rural Victoria.
- Fund the design and establishment of a new service for young people in the out-of-home care system who are experiencing acute mental health distress.
- Fund the promised 500 supported housing places for young people experiencing homelessness and mental ill health¹¹.
- Improve responses to children and young people who present to hospital Emergency Departments in mental health crisis – refer to Mental Health Victoria’s Budget proposal for a system-wide Centralised (Remote) Mental Health Consultation Liaison.



Further reading – supporting evidence

[*Someone Else’s Problem*](#) – Anglicare

[*Evaluating the ‘right@home’ randomised trial of nurse home visiting using linked administrative data at school transition*](#) – International Journal of Population Data Science

[*Wellbeing strategies for children and young people*](#) – Centre for Policy Development

[*Child and Family eHub*](#) – Centre for Community Child Health

[*Carer household data year on year*](#) – Foster Care Association of Victoria

[*Victoria has the lowest Care Allowance rate in the country*](#) – Foster Care Association of Victoria

[*Submission to the 2026–27 Victorian State Budget*](#) – Mental Health Victoria

[*Integration in early years services*](#) – Social Ventures Australia

[*Live4Life*](#) – youth mental health model evaluations

Delivering high-quality and inclusive early childhood and school education



Every child and young person in Victoria has a right to access safe, high-quality and inclusive early childhood education and school education.

A well-funded, high-quality and welcoming public education system supports community cohesion. It provides the knowledge, skills and opportunities that set young people up for success in employment and training and helps break the cycle of intergenerational poverty and disadvantage.

While Victoria has an education system we can be proud of, more is needed to improve equity, as well as excellence. The importance of Best Start Best Life – the state’s transformation of the early childhood education and care system – cannot be over-stated. The latest Australian Early Development Census shows that little more than half of children are on track in all five of the key development areas in their first year of school.



Key Budget Priorities



Ensure all children can access safe, high-quality, inclusive early childhood education and care

- Fund all actions arising from the Rapid Child Safety Review. Additionally, resource the sector to conduct in-person facilitated mandatory child safety training and lift standards by providing targeted intensive support to services.
- Sustain investment in initiatives that support early intervention for children who experience additional barriers to kindergarten access and participation.¹²
- Increase funding for the Kindergarten Inclusion Support (KIS) program to reach more children with disability and strengthen workforce capability.



Strengthen equity in the school system

- Recommit to providing 75 percent of the School Resourcing Standard by 2028 through the *Better and Fairer Schools Agreement*.
- Take immediate steps to address specific needs of priority cohorts:
 - Implement all recommendations of the Commission for Children and Young People’s Let Us Learn report, to address disparities in educational outcomes for **children and young people in the care system**.
 - Build on the Disability Inclusion program – continue to invest in and embed initiatives that focus on building inclusive education capability so that all **students with disability** can thrive.
 - Partner with the community sector to improve school inclusion for **students at risk of justice system involvement**, implementing recommendations from the Smart Justice for Young People Working Together Action Plan.
 - Fund innovative community sector models that ensure **children and young people experiencing family violence and/or homelessness** don’t miss out on education during periods of instability, including in-person and online flexible models that are delivered in, or to, temporary crisis accommodation.



Advance the design and implementation arrangements for Thriving Kids

- Provide the public sector and stakeholders with the resources needed to progress reform co-design and implementation. This is necessary to ensure that all children receive foundational supports they need to learn and develop.



Reverse the decline in school attendance

- Scale up innovative models to close support gaps for students in the middle years (aged 8–14) such as TeachAR, In2School and Hands on Learning.
- Extend funding to the Navigator pilot trial for 10 to 11-year-olds from four sites to 10 sites.



Delivering high-quality and inclusive early childhood and school education



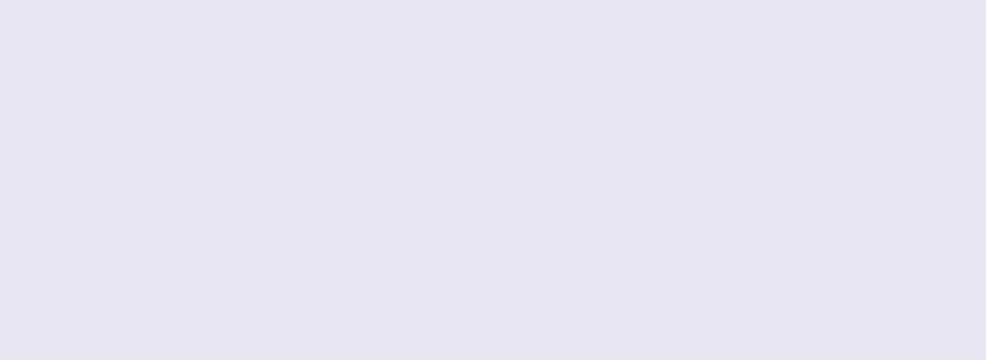
Reduce barriers to participation and engagement

- Continue to drive down out-of-pocket school costs for families by ensuring digital devices, textbooks, stationery and graphic calculators are funded for all students as part of the standard curriculum.
- Trial and evaluate a free school lunch program in 50 low socio-economic schools, providing a pathway to a universal free hot school lunch program.
- Building on strong investment in the 2025–26 Budget, provide an additional boost to existing flagship initiatives. Community information and support services have specifically identified the need for:
 - Expansion of the successful *Glasses for Kids* program to all government schools.
 - An additional increase to the *Camps, Sports and Excursions Fund* (from \$400 to \$500 for eligible primary and secondary students).
 - An additional increase to the *Get Active Kids Voucher* (from \$200 to \$300 for eligible primary and secondary students).
 - Introduction of a new \$300 *Get Creative Kids Voucher* for low-income primary and secondary school students to subsidise the costs of participating in creative activities such as music, drama and visual art.
- Invest in new Family Engagement Officer roles at 50 low socio-economic primary and secondary schools. These roles would act as ‘the glue’ between students, families, schools and community support agencies, helping to improve communication and linking families with services where needed. They could be located in the same catchments as the 20 Early Intervention social workers.



Support students with the transition from school to training and work

- Continue to partner with the 31 Local Learning and Employment Networks (LLENs) over the long term to deliver place-based support and coverage across all areas of Victoria.



Further reading – supporting evidence

Making kindergarten more inclusive for children with disability and their families – Association for Children with Disability

TEACHaR, Specialist Education Support – Anglicare Victoria

In2School Program – Travancore School

Hands on Learning – 54 Reasons

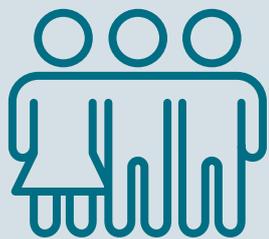
McAuley Learning Support – McAuley Community Services for Women

Impact Report FY2024 – Safe Steps

'No child misses out': Education Pathways Program – Launch Housing

Let us Learn Inquiry – Commission for Children and Young People

Inclusive communities



An inclusive community is one where all people are welcomed, valued and supported to thrive, regardless of their background, identity, or abilities.

Victoria has made significant strides to advance equality. However, discrimination and stigma are deep-rooted. These continuing challenges – sexism, racism, ableism, ageism, and trans and homophobia – have been laid bare by recent systemic inquiries (for example, Victoria’s Yoorrook Justice Commission, the Multicultural Review, the Inquiry into Women’s Pain, and Royal Commissions into disability and ageing).

The Government must continue to listen and work alongside communities to deliver on the promise of existing policy commitments and respond to new and emerging issues.



Key Budget Priorities



Embed self-determination – continue to invest in Truth and Treaty

- Ensure Gellung Warl has the resources it needs to fulfil its role as the vehicle for **statewide Treaty** following the passage of Victoria’s landmark Treaty legislation.
- Fund implementation of all recommendations of the **Yoorrook Justice Commission**, investing in measures that:
 - Address racism, discrimination and stigma in mainstream systems and services (such as education, health, housing, policing and courts) and in statutory systems (such as Child Protection and Youth Justice).
 - Redress the intergenerational impacts of colonisation by strengthening investment in Aboriginal Community Controlled Organisation infrastructure and service delivery capacity.
 - More detail can be found in the children and families, education, housing, health and safety sections of this submission.



Keep advancing gender equity

- Establish an independent **Gender Equality Budget Group** modelled on the United Kingdom Women’s Budget Group, to strengthen gender responsive budgeting practices.
- Ensure strong foundations are in place to achieve **Our Equal State**:
 - Apply a gender-budgeting lens to entities reform and other public sector cuts recommended in the Silver Review – ensure Respect Victoria, the Commission for Gender Equality in the Public Sector and the Office for Women are protected from Budget cuts.
 - Ensure organisations and groups that are key to its delivery have access to adequate and sustainable funding.
 - Invest in leadership programs for women and gender diverse people.
- Address **gender undervaluation in the Victorian community sector – the state’s fastest-growing workforce, which is highly-feminised**. See the community sector section of this submission for more detail.



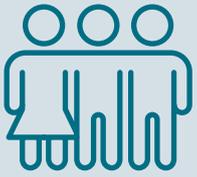
Support a more cohesive and resilient multicultural Victoria

- Fund the delivery of Victoria’s **Anti-Racism Strategy 2024–2029**. This should involve grassroots organisations – including youth and sporting clubs and ethnic seniors’ groups – who are trusted by their communities.
- Fund the implementation of all recommendations from **Victoria’s Multicultural Review** to address current challenges.
- **Build the cultural capacity of mainstream service systems to ensure multicultural clients receive quality care and equitable access to services**. This should include funding bi-cultural worker positions as well as ongoing cultural competency training.
- **Invest in data capability across government and services, supported by a consistent data collection framework**. VCOSS advocates for data collection to align with the ABS dataset that allows individuals to record their primary ancestry, country of birth, need for interpreter and language spoken at home. Data should be analysed and published on a regular basis to inform service delivery and policy.



Strengthen existing safeguards for Victorians with a disability

- Increase funding for the **Community Visitors Scheme** to fulfil its functions and expand monitoring of residents’ wellbeing, safety and rights in more accommodation settings.
- Increase **core investment in Victorian Disability Advocacy Program funded organisations to improve access to independent disability advocacy**. Current core funding does not reflect the level of demand, quantum of unmet need, complexity of cases, or the true cost of service delivery. This should form part of a new multi-year sustainable funding model for the sector.
- More detail can be found in the housing, education and health sections of this submission.



Inclusive communities



Invest in the foundations of next-wave disability reforms

- Provide grants to self-advocacy groups and peer support networks to ensure Victorians with a disability can participate in reform co-design and coordinate under-represented and lesser-known voices. This scheme should remain in place until National Cabinet establishes a sustainable funding model for the self-advocacy sector.
- Fund and reinvigorate the Disability Leadership Program for emerging leaders (scholarships, mentoring, role shadowing and networking).
- Fund sector readiness activities, sector capacity and capability building projects and other change management/transition activities so that mainstream services and the community services sector are ready to play their part in systems transformation.



Tackle loneliness and strengthen community connection

- Increase annual funding to Neighbourhood Houses by \$11.7 million or risk the closure of 200 program sites across Victoria.



Strengthen inclusion, visibility and equality for Victoria's diverse LGBTIQ+ communities

- Establish an LGBTIQ+ Community-controlled Social Delivery Fund with long-term funding to support health, wellbeing and social support programs and services delivered by and for the LGBTIQ+ community. This would make access to funding more equitable for small and medium organisations.
- Invest in data capability across government and services, supported by a consistent data collection framework for LGBTIQ+ people to help build an evidence base so change can be measured over time.¹³
- Provide multi-year funding for LGBTIQ+ programs and services to advance LGBTIQ+ equality and support the growth of a skilled and experienced workforce. More detail can be found in the community sector, health and housing sections of this submission.



Support senior Victorians to age well

- Invest in scaling up evidence-based pilot services that provide targeted support to the most severely isolated older people in Victoria, including those with psychosocial disabilities.
- Close gaps in service provision for senior Victorians by allocating funds to boost capacity and capability in community health, disability and mental health services.



Provide more support for unpaid carers

- **Fund early intervention – invest in the Step into Care program.** This funding would deliver practical supports to new carers and help them maintain their own health and wellbeing, generating avoided costs to government.
- **Strengthen local systems of support:**
 - Get more out of what already exists (for example, programs run by local councils and Neighbourhood Houses) by investing in measures that improve program/service connectivity and make carer navigation and access simpler.
 - Fill support gaps in under-serviced local government areas, including expanded access to carer respite supports to allow more carers across Victoria a much-needed break from their caring roles.
- **Provide a one-off financial relief package for Carers Card Holders to alleviate the impacts of the current cost-of-living crisis.** This package would provide carers with expanded access to utility bill and public transport concessions, plus additional targeted relief for young carers.



Further reading – supporting evidence

[Carer Wellbeing Survey 2025 Report](#), Carers Australia and the University of Canberra

[Investing in Ageing Well](#), COTA Victoria and Seniors Rights Victoria

[Building Our Bicultural Workforce](#), Ethnic Communities' Council of Victoria

[Statewide Treaty \(subject to assent\)](#), First Peoples' Assembly of Victoria and the State of Victoria

[Victorian Government response to the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability](#) – Victorian Government

[Victoria's Multicultural Review](#) – Victorian Government

[Understanding reporting barriers and support needs for those experiencing racism in Victoria](#) – Victoria University

[Reports and recommendations](#) – Yoorrook Justice Commission

Keeping all Victorians healthy



All Victorians should have equal opportunities for health – but they don't.

Data on death and disease, life expectancy, self-perceived health, health behaviours, health risk factors and health service utilisation shows significant differences for different groups. This is because of the unequal distribution of social and economic resources.

Health inequity hits poor and excluded people hardest. But everyone loses. Health inequity erodes community cohesion and depresses economic growth. Preventable chronic conditions (such as diabetes and heart disease) cost Victoria billions of dollars a year in disease expenditure, reduced workforce participation and lost productivity.

The 2026 Victorian Budget must drive greater equity in the healthcare system.



Key Budget Priorities



Close the Aboriginal health gap

- Fund the Balit Durn Durn Centre for Aboriginal Social and Emotional Wellbeing to establish a statewide Healing Aboriginal Victoria Service and co-design and manage two Healing Centres (Recommendation 33.1 of the Mental Health Royal Commission).
- Implement the Nest, a statewide, Aboriginal-led mental health, social and emotional wellbeing service for Aboriginal children aged 0–11 years and their families.
- Directly fund ACCOs to deliver additional episodes of preventative oral healthcare and general dental care per year. See the 2026–27 VACCHO Budget Submission for more detail.
- Make urgent investment in Aboriginal Community Controlled infrastructure to deliver safe and effective care, implementing recommendations from the joint VACCHO-Infrastructure Victoria report *Aboriginal health and wellbeing infrastructure: securing safe and sustainable community-controlled care*.



Promote good mental health and wellbeing for all Victorians

- Invest in meaningful implementation of the 10-year Wellbeing Strategy by funding all actions in the first two-year *Wellbeing Action Plan*.
- Immediately scale Victorian's Early Intervention Psychosocial Support and Response program and expand eligibility to include those not currently provided case management by an Area Mental Health Service. This is necessary to address a critical service shortfall currently affecting around 130,000 Victorians.
- Achieve the full potential of the Mental Health and Wellbeing Local Services ('Locals') – invest in a program of work that standardises the foundational elements of the model and deliver adequate funding to ensure treatment, care and support to the 'missing middle'.



Put essential healthcare in reach for more low-income and disadvantaged Victorians and reduce demand for hospital services

- Deliver a minimum 10 per cent increase in annual funding to the Community Health Program to reduce wait lists. In 2026–27, this would equate to an extra \$7.5 million, enabling an additional 60,000 hours of care to around 12,000 patients.
- Establish a dedicated Community Health Infrastructure Fund to sustain and expand reach to under-served communities, as recommended by Infrastructure Victoria. The initial allocation should be a minimum of 1.5 per cent of the state's total health infrastructure spending, increasing progressively over five years to get to a 3 per cent share.



Keeping all Victorians healthy



Minimise alcohol and drug related harms

- Provide implementation funding for the 10-year Alcohol and Drug Strategy. Enable its delivery by strengthening AOD system foundations (through a pricing review, funding model reform, and workforce development).
- Provide ongoing funding for the Public Intoxication Response and the Victorian Pill Testing Service, securing these key harm reduction initiatives in the long-term.
- Build capacity and capability in other systems of care to help the treatment system achieve the best outcomes for people using alcohol and other drugs – for example, increased investment in tenancy sustainment programs, more funding for integrated legal services.



Address health inequity for women, gender diverse and LGBTIQ+ people in Victoria

- Provide Women's Health Services with \$36.7 million over four years to sustain current services, scale up health system navigation, expand health promotion, education and community outreach, and deliver responses to the Inquiry into Women's Pain.
- Restore and maintain funding for Victoria's only HIV and sexual health social marketing targeting gay, bisexual and other men who have sex with men (\$1.2 million annually for a minimum of three years).
- Fund the establishment of a LGBTIQ+ Mobile Health Service Van to reach communities in outer-urban and regional Victoria.



Improve public oral health

- Fund 20 part-time Oral Health Promotion Officers in high-need rural municipalities, including ACCOs, to improve oral health equity and reduce long-term treatment costs.
- Expand water fluoridation infrastructure to three priority rural water catchments per year to reduce preventable dental disease and hospitalisations.



Ensure all Victorians have equal access to health-protecting and health-promoting resources in other systems

- Maintain investment in the state's independent health promotion body, VicHealth.
- Refer to VCOSS Budget asks related to early childhood, education, housing, climate and resilience, and more.



Further reading – supporting evidence

[Investing in Aboriginal health and wellbeing infrastructure](#) – Infrastructure Victoria and Victorian Aboriginal Community Controlled Health Organisation

[Developing an AOD Strategy for Victoria](#) – Victorian Alcohol and Drug Association

[Budget Submission 2026–27](#) – Community Health First

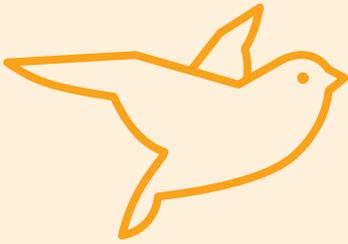
[Investing in community health infrastructure](#) – Infrastructure Victoria

[The next 10 years 2023–2033](#) – VicHealth (especially ‘The need for transformation’, pages 26–30)

[Improving Oral Health in Victoria: 2026–27 Budget Priorities](#) – Victorian Oral Health Alliance

[Victoria now has a wellbeing strategy, but where is the investment?](#) – Australian Health Promotion Association in Croakey

A Victoria free from violence

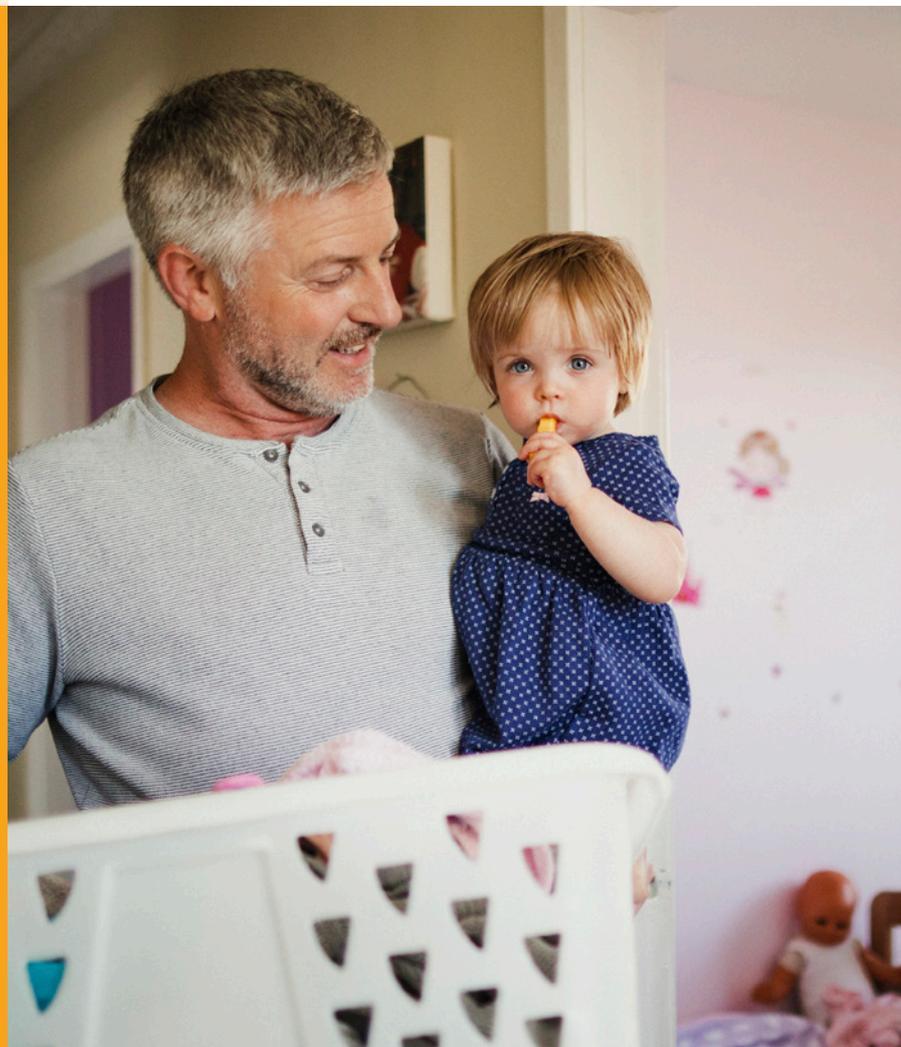


While Victoria has led the nation in efforts to prevent and respond to family violence, it remains the state's number one law and order issue. Victoria Police call-outs for family violence related incidents have increased nearly eight per cent from last year¹⁴. Barriers to reporting mean this figure under-represents the true extent of the problem.

Sexual violence also continues to be pervasive in our homes and in our communities, including in settings meant to protect and nurture children.

The Victorian Government's Third Rolling Action Plan to End Family and Sexual Violence acknowledges that while progress has been made, there is still much more to do.

The lived experience of victim-survivors must drive strong Budget investment in integrated responses across prevention, response and recovery, including work with people who use violence.



Key Budget Priorities



Prevent violence before it starts

- Shore up existing primary prevention activities – for example:
 - Continue boost funding for the Women’s Health Services Network (due to lapse in this Budget).
 - Ensure Respect Victoria has the resources it needs to play its part in delivering *Our Equal State*.
 - Sustain investment in community-led prevention for LGBTQIA+ communities, culturally and racially marginalised communities and women with disabilities – and provide a funding uplift where existing program demand outstrips supply.
- Resource Aboriginal Community Controlled Organisations (ACCOs) to scale proven programs, and develop and deliver new initiatives, as recommended by the Yoorrook Justice Commission. This is critical to achieving Closing the Gap Target 13.¹⁵



Give practitioners the tools they need to intervene earlier

- Fund services to collect, share and apply better, more nuanced data about people who use family violence¹⁶ and invest in Indigenous data sovereignty – as recommended by the Legislative Assembly Legal and Social Issues Committee.
- Adequately fund the Adult Using Family Violence Multi-Agency Risk Assessment and Management framework (MARAM) rollout by restoring workforce development funding to its original level.
- Provide at least double this amount to establish and embed the rollout of the new Children and Young Person MARAM.



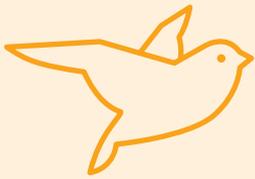
Ensure sustained core funding for family violence response services and brokerage

- **Maintain current service access** – continue the \$96 million resourcing that is due to lapse at the end of 2025–26, with a minimum annual allocation of \$48 million (indexed and ongoing).
- **Respond to increasing demand across the system** – bolster ongoing core funding for specialist family violence services (mainstream and targeted, including ACCOs) by 20 per cent.



Reform systems and strengthen oversight to improve victim-survivors’ safety

- **Tackle systems abuse:**
 - **Take stronger action on misidentification**¹⁷ – resource the sector to work with government and other system actors to:
 - Expand the current evidence base on misidentification of the predominant aggressor; and
 - Design and implement program and systems-wide strategies that can prevent and rectify misidentification.
 - **Fund a systems abuse audit** to reduce the weaponisation of government systems against victim-survivors and build safety-by-design principles into audited systems.
- **Strengthen The Orange Door:**
 - Task the newly created Statewide Partnership group for The Orange Door with a review of The Orange Door engagement approach to men using violence. Quarantine funding to implement recommended reforms.
 - Enable rapid referrals across The Orange Door network to ensure people using violence can reach services earlier and more often, and pair this with greater, and more sustainable, investment in the systems of support.
- **Establish a new whole-of-system family violence oversight and continuous improvement mechanism** – per recommendation 7 of the Parliamentary Inquiry into capturing data of on people who use family violence in Victoria.



A Victoria free from violence



Ensure safe exits from violence

- **Maintain current investment in Safe at Home responses**, through continued and indexed funding for the five at-risk Personal Safety Initiative (PSI) coordinator positions and statewide PSI coordination.
- **Protect current capacity in the refuge system** – sustain the \$26.2 million funding package (\$13.1 million per annum) for operational funding, currently due to expire at the end of this financial year.
- **Double refuge capacity in Victoria from 198 to 396 households per night** to reduce dependence on unsuitable emergency accommodation, such as motels.
- **Invest in pathways out of temporary crisis accommodation** – refer to specific details in the housing section of this submission.



More tailored supports for children and young people

- **Strengthen the support pathway for young victim-survivors to escape and recover from violence:**
 - Increase the capacity of the service system to provide more therapeutic one-to-one counselling to victim-survivors.
 - Bolster investment in other developmentally-appropriate trauma-responsive models. This should include models that respond to the needs of young people without a protective parent/carer (such as Amplify) as well as holistic, whole-of-family approaches where safe and suitable.
 - Improve housing options. More detail on specific youth-focused recommendations can be found in the housing section of this submission.

- **Reach more children and young people who use violence, or are at risk of using violence:**
 - Sustain and scale existing initiatives that help children and young people to stop when they are showing signs of using family violence.
 - Increase the capacity of existing programs that support behaviour change for young people using intimate partner violence.
 - Increase the capacity of existing Adolescent Violence in the Home programs.
 - Resource the sector to develop and roll out other new initiatives that respond to unmet needs.



Prevent and respond to elder abuse

- **Strengthen investment in Elder Abuse primary prevention**, with specific funding allocated for behaviour change campaigns supported by Victoria's Elder Abuse Prevention Networks.
- **Increase funding for specialist legal assistance, to provide more victim-survivors with access to help.** Senior Rights Victoria, the only statewide community legal centre dedicated to elder abuse, is struggling to meet increasing demand.



Take stronger action on sexual violence

- **Provide the specialist sexual assault and harmful sexual behaviour sector with secure, long-term funding that enables them to meet demand.**
- **Establish a world-leading collaborative centre for sexual violence data analysis** to improve responses to sexual violence.



- Fund the specialist sexual assault and harm sexual behaviours sector to work with the alcohol and other drug, mental health and criminal justice sectors to give survivors a consistent, sexual violence trauma-informed response regardless of where they first seek help.
- Improve responses to LGBTQIA+ Victorians – bolster capacity of Thorne Harbour’s LGBTQIA+ specialist sexual assault counselling. Currently, the average wait time for sexual assault counselling support from specialist LGBTQIA+ sexual assault services is 128 days, with some clients waiting as long as 225 days. This problem is set to get worse. The program currently has 1.7 FTE resourcing, and will drop to 1 FTE in 2026/27 without additional Budget investment.



Invest in a broader suite of interventions for people using violence

- Fund a dedicated strategy focused on people using violence.
- Introduce a cross-departmental fund to ensure availability of appropriately tailored interventions for people using violence.
- Make immediate investment to bolster:
 - Family Safety Contact work.
 - Men’s Behaviour Change programs – fund at least double the number of program places (from 4400 places to 8800) for the next two years.
 - Case management – fund at least double the number of case management places (from 1300 to 2600 a year) for the next two years for people using violence.



Further reading – supporting evidence

[The prevalence and impact of child maltreatment in Australia](#), Australian Child Maltreatment Study

[Inquiry into capturing data on family violence perpetrators in Victoria](#) – No to Violence

[Case study compiled by Thorne Harbour Health and No to Violence](#) – No to Violence and Thorne Harbour Health

[Early intervention in family and gender-based violence: Scoping paper](#) – Safe and Equal

[Measuring Specialist Family Violence Service Demand and Capacity](#) – Safe and Equal

[Ngagagee Ngulu Murrup Durra project](#) – Stronger Futures Centre of Research Excellence

[Victim Survivors’ Advisory Council statement \(September 2025\)](#) – Victorian Government

A safer Victoria



Poverty and disadvantage are the major drivers of criminal offending. Yet investment continues to skew towards police and prisons, rather than prevention and diversion.

This is a costly mistake.

For example, Victoria is spending \$8000 a day to keep a young person in prison – more than it costs to keep a young person in a public high school for a year – with no evidence that incarceration is a deterrence.

It's time for the Government to ramp up investment in what works, building on recent early intervention announcements.

Inclusive schools that wrap support around students at risk. Stable and affordable housing. Homes free from violence, abuse and neglect. Access to early help from health, legal and social services **before** things hit crisis.

These are the building blocks of crime prevention. Prioritising – and increasing – investment in these areas will improve community safety for everyone.



Key Budget Priorities



Set the foundations for a thriving community

- Improve trust, safety, access and participation in universal service systems to break the link between disadvantage and corrections. Refer to specific Budget asks in the children, youth and families, education and health sections of this submission.
- Fund the community sector to provide more early help – including family strengthening and community legal assistance.
- Deliver resources to Aboriginal Community Controlled Organisations (ACCOs) to undertake self-determined work with Aboriginal children and their families to prevent them from becoming system-involved.



Ensure Victorians can access legal help when and where they need it

- Fund the community legal sector to meet demand and respond to multiple and complex needs – including through integrated legal services (for example, community legal services in mental health hubs and specialist alcohol and other drug settings).
- Invest in early legal assistance for Aboriginal parents – including funding for a mandatory Aboriginal and Torres Strait Islander Child Protection Notification and Referral system for all Aboriginal mothers and mothers-to-be in contact with Child Protection.
- Continue to fund the Victims Legal Service (due to lapse)
- Provide uplift funding to legal assistance practitioners providing the Early Resolution Service/Pre-Court Engage service at Magistrates Courts in Victoria. While police have received additional funding to respond to new lists added at Magistrates' Courts, legal assistance providers have not received an equivalent uplift.



Make good on commitments in the Youth Justice Act¹⁸

- Ramp up investment in prevention and early intervention:
 - Augment recent funding announcements by:
 - Increasing investment in generalist youth work. See the children, young people and families section of this submission for more detail.
 - Stabilising established specialist youth work programs by restoring funding for the 11 Youth Support Service positions cut in last year's Budget and providing ongoing funding for the Embedded Youth Outreach Program.
 - Fund more family preservation and reunification work in the child and family services and community legal sectors.
 - Fund the establishment of a scheme – as outlined in the Act – that establishes alternative processes to a court proceeding for children who are alleged to have committed offences. This would include investment in measures such as early diversion group conferences.
- Invest in intensive trauma-informed case management services that work with young people who have engaged in repeated or particularly harmful offending. For example, the Act identifies the establishment of a scheme that includes measures such as early diversion group conferences.
- Strengthen investment in data collection and evaluation of programs to assess the impact of statutory decisions and the effectiveness of targeted interventions.



A safer Victoria



End the over-representation of particular groups of young people in the justice system

- Fund the implementation of *Smart Justice for Young People Working Together: An Action Plan to End Overrepresentation of Particular Groups of Young People in the Criminal Legal System*.
- Fully implement the *Framework to reduce criminalisation of young people in residential care 2020* and invest in evaluation to assess and strengthen outcomes.
- Maintain commitment to implement *Wirkara Kulpa: Aboriginal Youth Justice Strategy 2022–2032*¹⁹, by funding its key priorities, goals and actions.



Provide smart justice for women

- Deliver funding to fully implement all recommendations made in the *Final Report of the 2021 Parliamentary Inquiry into Children Affected by Parental Incarceration*.



Genuinely support people in the carceral system to rehabilitate and reintegrate

- Increase funding for on-remand and in-prison family violence counselling and other targeted programs for people who use violence, to meet demand and help prevent violent reoffending post-release.
- Invest in a public health model for delivery and oversight of health services in custody, co-designed by lived experience advocates. This should include sustainably funding and building the capacity of community health organisations – including ACCOs – to provide health support to people in prison and the development of comprehensive assessment by qualified doctors for all stages of criminal proceedings across policing, courts and corrections.
- Fund access to independent disability advocacy and specialist legal assistance, to ensure all people in prison can access NDIS and other healthcare support.
- Invest in disability-specific training and ongoing professional development delivered by community-based specialist disability organisations for all staff working in justice settings, to better identify and provide supports to people with disabilities.



Support Victorians post-prison and break the cycle of re-offending

- Build the capacity of mainstream reintegration programs such as the ReLink and Reconnect reintegration programs.
- Expand health and social supports available for people exiting prison across Victoria including the introduction of a Housing Guarantee so that nobody exits prison into homelessness, and funding the expansion of the Second Chance Jobs Program.



Fund the full implementation of the Yoorrook Justice Commission recommendations on child protection and the criminal justice system

- Strengthen the capacity for a human rights and Aboriginal cultural rights approach in all statutory services workforces.
- Create a new independent police oversight body to investigate complaints against police.
- Adequately resource ACCOs and expand funding for Aboriginal-led health services, including embedding Koori Maternity Services within existing ACCHOs, supporting cultural plan development and implementation, brokerage and early intervention and prevention services integral to a wraparound and holistic service delivery model involving legal and non-legal staff.



Make our fines system equitable

- Implement recommendation 9 of the Fines Reform Advisory Board report to increase the accessibility and sustainability of the Work and Development Permit (WDP) scheme and resource WDP sponsors, so more people on low incomes can access non-financial options to address their fine debt.
- Develop a “progressive punishment” model like Finland where fines are linked to individual income. This scheme would take into account a person’s life circumstances and address the limitations of the WDP scheme for people who aren’t able to work off their fines.
- Expand the Children and Young Persons Infringement Notice System to 18–25-year-olds²⁰.
- Expand the Covid-19 fines concession scheme to all fines, to enable people on low incomes to pay reduced amounts and exit the infringements system.



Further reading – supporting evidence

[‘Help way Earlier!’ How Australia can transform child justice to improve safety and wellbeing](#) – Australian Human Rights Commission

[Working Together: Action Plan to End the Over-Representation of Particular Groups of Young People in the Criminal Justice System](#) – Smart Justice for Young People

[Wirkara Kulpa: Aboriginal Youth Justice Strategy 2022-2032](#) – Victorian Aboriginal Justice Agreement, Victorian Government

[Yoorrook for Justice: Report into Victoria’s Child Protection and Criminal Justice Systems](#) – Yoorrook Justice Commission

Act quickly and fairly on climate change



2024 was Australia's second-hottest year on record. As climate change progresses, Victoria is experiencing not only hotter days and more frequent disasters, but significant impacts to people's health, wellbeing and livelihoods. Increasingly, emergencies overlap, and communities are simultaneously preparing for, responding to and recovering from emergencies.

These impacts are not felt by all Victorians equally. The gap between those who have the resources to adapt to a rapidly-changing climate, and those who don't, is widening. Victorians already living in poverty or facing other forms of disadvantage are experiencing the effects of climate change first and worst.

Victoria must continue to take strong action on climate on all fronts: mitigation, adaptation and resilience. But it's vital that no one is left behind. Equity must be front and centre.



Key Budget Priorities



Secure Victoria's net-zero emissions future

- Provide funding to translate Victoria's new 2026–2030 Climate Strategy into action – this should include dedicated funds to:
 - Implement the new Adaptation Action Plans which are required to be in place in 2026.
 - Protect kids, families and communities from the growing impacts of climate change:
 - Help break the link between climate change and energy and health hardship by funding VCOSS to establish and operate a cross-sectoral Energy/Health Alliance. This would bring energy and health system actors together to drive policy, program and practice change.
 - Support more low-income households to electrify their homes – refer to specific measures listed below under 'Support disadvantaged Victorians to make their homes climate resilient'.
 - Fund other measures (listed below) that enable community-led, place-based climate adaptation.
- Maintain momentum on the Gas Substitution Roadmap – this should include funding to enable the phased introduction of the new minimum energy efficiency standards in public housing and community housing.
- Support the development of a self-determined First Peoples' Renewable Energy Strategy for Traditional Owner groups and Aboriginal Community Controlled Organisations (ACCOs), as per recommendation 44 of the Yoorrook Justice Commission.



Support disadvantaged Victorians to make their homes climate resilient

- Re-establish the Victorian Healthy Homes initiative for low-income households with a health condition – starting with a three-year investment in the installation of insulation, draught sealing and efficient electric appliances in 1000 homes.
- Create a Resilient Homes Program targeted to disaster-prone areas – by making an initial investment in a co-design process with Victorian renters, low-income owner-occupiers and social housing providers who are located in parts of the state experiencing the greatest climate risk, to develop a program to strengthen their homes²¹.
- Electrify all social housing properties, where technically feasible, by augmenting current investment in the Commonwealth-State Energy Efficiency in Social Housing Program.



Act quickly and fairly on climate change



Enable community-led, place-based climate adaptation

- Support the development of a self-determined Aboriginal Climate Justice Strategy which provides perpetual funding for Traditional Owner groups to deliver projects on their Country, as per recommendation 45 of the Yoorrook Justice Commission.
- Establish an ongoing Community Climate Adaptation Fund comprising:
 - Grants for community groups²² to undertake localised projects that can help government meet its obligations under the Victorian Climate Change Act.
 - Grants that assist community sector organisations²³ and ACCOs to adapt their own operations and have capacity to support place-based adaptation.



Support Victorians to fully recover from the impacts of emergencies

- Increase and extend current drought assistance for Victorians in rural and regional areas; and
- Extend current disaster recovery programs for an additional 12 months, including for the 2023–2024 floods and storms and the 2024 bushfires and storms.



Invest in community-led disaster resilience and preparedness:

- Fund an ongoing disaster resilience workforce in the community sector. This should include place-based, specialist, statewide and cohort-specific services for people at higher risk from emergencies (including women, multicultural communities and people with disabilities), and an initial investment in co-designing the workforce. In the interim, agencies currently with disaster recovery workers should be funded to maintain 1 FTE capacity to retain capability.
- Implement Recommendation 46 of the Yoorrook Justice Commission to support First Peoples-led disaster resilience. This includes investing in a full review of all emergency management legislation; ongoing funding for Traditional Owner Groups, ACCOs and ACCHOs to prepare for, respond to and recover from emergencies; and giving weight to Traditional Owner voices regarding the protection of Country and cultural heritage.



Further reading – supporting evidence

Enabling electrification: Addressing the barriers to moving off gas faced by lower-income households – Brotherhood of St Laurence

What works for place-based approaches in Victoria? – Jesuit Social Services Centre for Just Places

The Victorian Healthy Homes Program research findings – Sustainability Victoria

Third Interim Report, Volume 2, Chapter 16: Climate change, renewables and emergencies – Yoorrook Justice Commission

Victoria's Climate Science Report 2024 – Victorian Government

Adaptation for all: Addressing Victoria's widening inequality with transformative adaptation – Victorian Council of Social Service

The Energy/Health Hardship Nexus: A case for systematic change – Victorian Council of Social Service

Value the community sector



The community services sector is the backbone of Victoria's social and economic wellbeing. It keeps people safe, connected and supported, yet it continues to absorb rising demand and costs without the sustainable investment needed to meet community need.

Now the fastest-growing industry in Victoria, expanding at around 7 per cent, more than twice the rate of the broader economy, and outpacing construction and manufacturing, the sector delivers far more value than its current level of investment reflects.

The 2026 Budget is a vital opportunity to recognise and fund the true cost of delivering services, strengthen the workforce, and build the infrastructure required to deliver high quality, timely and responsive supports. Investing in the three priority areas below will build the sector's capacity, relieve current pressures, and secure better outcomes for all Victorians.



Key Budget Priorities



Build a skilled workforce

This workforce is essential to keeping Victorians safe and healthy, while driving participation and productivity across the state. To meet demand and maintain quality, Victoria must build and sustain a skilled workforce that reflects the diversity and complexity of the communities it serves. This requires valuing a broad range of skills, providing secure employment, creating the conditions for long-term careers, and funding organisations to comply with rapid changes.

Create a strong workforce strategy for Victoria's fastest-growing industry

- Fund the development and first-phase implementation of a 'whole of industry' workforce strategy – delivered in partnership with the sector – that leverages existing programs and investments to build the core features of a mature workforce development system. This strategy should cover attraction, retention, mobility and leadership as well as AI and future skills development.
- As part of the first-phase implementation of the strategy, fund VCOSS to conduct a scoping study for a cross-sector academy to drive collective impact and excellence through shared resources, intersectional practice enablement and inspiring professional development.

Pay what it takes for workers to thrive

- Fund a transition support package to enable community sector organisations to understand, prepare for and implement new award requirements that will flow from the Fair Work Commission's gender undervaluation review of the Social, Community, Home Care and Disability Services Industry Award and other priority awards ²⁴.

- Provide supplemental indexation to community organisations meet increased labour costs arising from exceptional circumstances – including the Fair Work Commission's review (see above) and the cumulative impact of successive annual superannuation guarantee rate increases since 2021.
- Extend funding terms to seven years to improve the sector's ability to attract and retain skilled workers, build trust with communities we work with, enable place-based collaboration, and support long-term planning and innovation.

Support high quality student placements

- Introduce a funding model for placements, based on a 'per placement day' fee for community organisations. This payment would help host organisations by contributing to the costs associated with placement administration and coordination, teaching, training and office resources ²⁵, and enable host organisations to pay supervisors in recognition of their time and investment in growing the future workforce.
- Provide financial support for students undertaking key community sector TAFE qualifications (such as the Diploma of Community Services) that are currently ineligible for the Commonwealth Government's Prac Payment, building off the successful Victorian Government Inclusion Scholarships program.
- Strategically invest in, and work with, community sector peak bodies to support placement capacity and capability building across all parts of the sector.



Value the community sector



Support quality assurance, safety and good governance

Rapid regulatory changes are imposing additional cost and administrative pressures on community organisations. But without adequate infrastructure and support, smaller and cross-sector services struggle to meet their compliance obligations and embed continuous improvement, reducing efficiency and giving rise to risks for service delivery.

Develop a sector-wide resource to strengthen governance, quality assurance and regulatory compliance

- Fund the development of a sector-led resource to support quality, compliance, governance and consistent best practice service delivery across the sector. This could be co-led by VCOSS in partnership with specialist agencies to enable:
 - Design and implementation of the resource
 - Delivery of sector-based advice and resources
 - Capacity building support on key issues such as:
 - Social services safety and quality standards
 - Cybersecurity risks and requirements
 - New SCHADS award implementation (see above)
 - Governance expectations particularly in regional areas where it can be difficult for organisations to recruit and retain skilled volunteer board members.



Strengthen innovation, collaboration and technology

Community organisations face increasing risk of collapse due to limited capacity to modernise systems, adopt digital tools and maintain cyber-resilience. Without intervention, inefficiency and service loss will worsen.

Establish a \$20 million Community Sector Digital Capability and Innovation Fund

This fund would provide grants for community organisations to enable equitable access to modern technology, digital tools and data systems, as well as expert guidance needed to coordinate and implement changes. This would be distinct from the Early Intervention Investment Framework Empowerment Fund which addresses barriers to data and evaluation capability faced by the social service sector.



Further reading – supporting evidence

[Employment Projections Dashboard](#) – Victorian Government

[Supporting high-quality placements in the community services sector](#) – Victorian Council of Social Service

[Gender-based undervaluation – priority awards review](#) – Fair Work Commission

[Joint submission: Fair Work Commission review into gender-based undervaluation – priority awards](#) – Councils of Social Service (COSS) Network

[2025 Digital Technology in the Not-for-Profit Sector Report](#) – Infoxchange

References

- 1 Gruber, J 2025, 'Australian house prices close in on world record', Firstlinks, Australian house prices close in on world record
- 2 See Recommendation 10 – *Victoria's infrastructure strategy 2025–2055*
- 3 Commission for Residential Tenancies and SGS Economics and Planning, 'Renting in Victoria: 2024 Snapshot', <https://files.rentingcommissioner.vic.gov.au/2025-04/Renting%20in%20Victoria%20Snapshot%202024.pdf>.
- 4 This was a key finding of VCOSS's 2025 Renting in Victoria report: <https://vcoss.org.au/wpcontent/uploads/2025/08/Renting-in-Victoria-2025-1.pdf>
- 5 The Victorian Housing Peaks Alliance 2025, 'Growing Social Housing: Data, Insights, and Targets', [Growing Social Housing](#)
- 6 This should include the Private Rental Access Program, Tenancy Advocacy and Assistance Program, Aboriginal Private Rental Access Program, Aboriginal Tenancies at Risk program, Tenancy Plus, and community legal assistance.
- 7 The program would be underpinned by best practice elements of the High-Risk Accommodation Response and Community Connector programs that were previously delivered by community health services but only temporarily funded despite their positive impact.
- 8 Aboriginal Community Controlled Organisations currently supporting young people should guide the design and delivery of these foyers.
- 9 As committed to as part of the Royal Commission into Mental Health.
- 10 Goldfield et al, 2024, *Medical Journal of Australia*
- 11 As committed to as part of the Royal Commission into Mental Health.
- 12 For example, Access to Early Learning, Best Start, CALD Outreach Initiative, Early Start Kindergarten, Kindergarten Inclusion Support, School Readiness Fund and Preschool Field Officers.
- 13 The Standard for Sex, Gender, Variations of Sex Characteristics and Sexual Orientation Variables, 2020 ("2020 Standard") has been developed by the Australian Bureau of Statistics (ABS) and should be used by government funded services to ensure the comparability and quality of data, noting that the ABS will include questions about sexual orientation and gender in the 2026 Census.
- 14 Crime Statistics Agency Victoria cited by Safe and Equal in [SUB 20250822 -2026-27-Victorian-State-Budget-Submission- FINAL.pdf](#)
- 15 Target 13 commits the Victorian Government to contributing to national efforts to reducing all forms of family violence and abuse against Aboriginal women and children by 50 per cent by 2031, as progress towards zero.
- 16 Recommendation 2 of 'Building the evidence base. Inquiry into capturing data on people who use family violence' proposes: "The Victorian Government develop and distribute resources to assist stakeholders and researchers to consider nuance and context in data collection, sharing, linkage, use, analysis and research about people who use family violence, including how to recognise the limitations of data (for example, structural inequities or invisible and historically hidden violence) and involve people with lived experience and expertise to understand the complexities."
- 17 Misidentification of the predominant aggressor disproportionately impacts Aboriginal women, women from culturally and linguistically diverse backgrounds and LBGTQIA+ people. Expert community-controlled and user-led organisations, including ACCOs, are central to the development and implementation of solutions.
- 18 With many of the Youth Justice Act reforms to be implemented late 2025, it is critical the Victorian Government focus investment in health and community-based initiatives that address the root causes of youth offending.

- 19 This strategy – the first written for and by Aboriginal children and young people – captures the aspirations of Aboriginal children and young people and the changes they need to see for a culturally safe and responsive youth justice system. It focuses on supporting Aboriginal children and young people to remain outside the youth justice system and live culturally rich lives.
- 20 The CAYPINS system is more appropriate for young people who incur fines, as CAYPINS enforcement orders and any other related warrants expire after three years. While CAYPINS fines do carry a court risk, people won't get a criminal record for a finding of guilt relating to a CAYPINS offence. Expanding this system to 18–25-year-olds would prevent young people who can't afford to pay fines from getting caught in the fine-to-crime pipeline.
- 21 Consistent with Recommendation 23 of the Final Report of the Parliamentary Inquiry into the 2022 Flood Event in Victoria and Recommendation 46 of the Final Report of the Parliamentary Inquiry into Climate Resilience in the Built Environment
- 22 All investment decisions should align with the recommendations of [Victoria's Multicultural Review](#), which highlighted the need for all grant guidelines and procedures to be accessible and responsive to multicultural and multifaith communities. VCOSS notes that recent climate events, such as the 2022 floods, have had a disproportionate impact on multicultural communities.
- 23 Ibid.
- 24 <https://www.fwc.gov.au/hearings-decisions/major-cases/gender-undervaluation-priority-awards-review>
- 25 VCOSS, "Supporting high-quality placements in the community services sector – Insights Paper", September 2025, <https://vcoss.org.au/wp-content/uploads/2025/09/VCOSS-Supporting-high-quality-placements-in-the-community-services-sector-SEP25-Final.pdf>



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