

Act quickly and fairly on climate change and disasters

SIGNIFICANT INITIATIVES

- **Bushfire relief and recovery**

\$145.1m in 2026-27 (\$421.7/5 yrs) to meet relief and recovery needs of 2026 bushfire-affected communities. This reflects a number of previously announced recovery initiatives, including the:

- Clean-up program
- Personal Hardship Assistance program
- Temporary accommodation measures
- Case management support
- Psychosocial and mental health supports.

- **Solar Homes program – hot water rebates**

\$28.1m in 2026-27 (\$28.1m/1 yr) to extend existing rebates for energy efficient electric heat pump water heaters, and solar hot water systems, installed in homes through Solar Victoria.

- **Electrification training program**

\$1.7m in 2026-27 (\$5.1m/3 yrs) for Solar Victoria to extend the electrification training program for plumbers and other tradespeople to install efficient electric appliances in homes.

- **Delivering a Vic Renewable Energy TAFE Centre of Excellence**

\$7.6m in 2026-27 (\$25.0m/4 yrs) to deliver a Renewable Energy TAFE Centre of Excellence at Gippsland TAFE in Morwell, with connecting hubs in Ballarat and Warrnambool. This will assist the transitioning of workers from fossil fuel careers to careers in the renewable energy sector.

- **Improving bus and ferry services**

\$23.2m in 2026-27 (\$105.0m/4 yrs) to deliver upgraded and extended bus routes in Melbourne's South-Eastern suburbs, new and extended bus services for Melton South growth areas, upgraded bus routes and expanded operating hours in Melbourne's Northern suburbs, additional bus services in regional areas, and continuation of ferry services.

- **Agricultural sector electrification and emissions reduction**

\$4.9m in 2026-27 (\$5.0m/2 yrs) to deliver electrification and energy efficiency activities on farms.

- **Victoria's artificial intelligence (AI) investment package**

\$5.5m in 2026-27 (\$13.7m/5 yrs) for the Digital Jobs – AI Career Conversion Support program to safeguard jobs in industries at risk from AI and upskilling workers, as well as implementation of the Sustainable Data Centre Action Plan. The Plan will support improved planning for data centre development, including water usage.

- **Data centres project team**

\$1.6m in 2026-27 (\$3.2m/2 yrs) to design and implement a framework for data centre investment and risk management. The framework will aim to minimize the impacts of data centres on household energy prices.

- **A stronger, safer Country Fire Authority**

\$17.8m in 2026-27 (\$22.4/4 yrs) to improve the safety and experience of Country Fire Authority volunteers, including volunteer wellbeing support services, additional personal protective clothing and equipment, improving internet connection across rural and remote brigades, and supporting the Get Fire Ready weekend in 2026-27.

- **Building more Country Fire Authority stations**

\$12.7m in 2026-27 (\$26.1/4 yrs) to deliver four new Country Fire Authority stations at Charlton, Mirboo North, Kingston and Woodvale, upgrade the station at Yarrambat, plan and design new stations at Barongarook West and Lakes Entrance, acquire land, plan and design Dereel, and acquire land for the Nar Nar Goon and Beveridge CFA brigades to support firefighting services.

- **Delivering new Country Fire Authority fleet**

\$10m in 2026-27 (\$40m/4 years) to deliver new firefighting vehicles. This is part of a total commitment of \$100m over the next 10 years to support the Country Fire Authority to protect communities.

- **Opening new Victoria State Emergency Service Units**

\$3.2m in 2026-27 (\$3.6/ 4 yrs) provided to operationalise two new Victoria State Emergency Service units in Kalkallo and Devon Meadows.

- **Strengthening Victoria's State Emergency Service**

\$8 million in 2026-27 (\$17.4/3 years) deliver two new Victoria State Emergency Service facilities for the Port Phillip unit and the Corio unit and acquire a land site for the Whitehorse unit to support emergency response and recovery.

- **Emergency Alert**

\$7.2m in 2026-27 (\$9.3/3 years) to support Victoria's contribution to operating and maintaining the national Emergency Alert system, enabling emergency services to send targeted voice and text message warnings to people in affected areas.

What's good

- VCOSS acknowledges Victorian and Commonwealth government support for communities to recover following the devastating 2026 summer fires. This has included swift investment in community and social recovery initiatives, including services such as financial counselling, the Emergency Recovery Support Program, and local recovery officers. Nonetheless, several gaps remain, which are outlined further below.
- Investment in jobs and skills to support Victoria's energy transition is welcomed. More workers are needed to realise the transition, and investment in jobs and skills has the potential to benefit Victorians on low incomes if efforts centre on equity and inclusion. These investments must have a focus on inclusion of women, those living in rural and regional areas where renewables are being located, and those experiencing barriers to employment. Bringing in workers from out of town will not benefit local workers and has the potential to disrupt communities. VCOSS also notes we continue to await the release of the Victorian Energy Jobs Plan.
- VCOSS has continued to call for an expansion of bus services in Victoria's growth areas. This is important now more than ever to cut down on climate pollution from cars as the climate crisis is accelerating. Coupled with reduced public transport fares for the rest of the calendar year, it's also a critical component of cost-of-living relief during the fuel crisis. If done right, expansion of bus services is a quick and low-cost way to reduce personal car use. More information is needed to understand whether

the scale of investment matches what's needed to give everyone the option of taking public transport instead of a car, particularly in rural and regional areas. VCOSS has heard from rural and regional communities that access to public transport is insufficient to fully participate in life, leaving some stranded for hours while awaiting the next service.

- The agriculture sector relies heavily on fossil fuels. This contributes to climate change, which in turn threatens our ability to grow food to feed our growing population. Investment in on-farm energy efficiency and electrification has the potential to reduce food costs over the long-term by reducing input costs. It also has the potential to reduce the agricultural sector's contribution to climate change for better long-term resilience of our food system.

What's missing

- While VCOSS acknowledges Victorian and Commonwealth government support for relief and recovery following the 2026 bushfires, significant gaps for impacted communities remain and require substantial additional investment. VCOSS has identified critical gaps in our [submission to the Inquiry into the 2026 summer fires](#). These include:
 - Funding for the legal assistance sector to provide support to community members experiencing complex legal issues related to insurance, tenancy, and rebuilding.
 - Funding for cohort-specific and place-based community organisations supporting Victorians most impacted by the 2026 bushfires.
 - Additional financial assistance and other measures to support those experiencing acute housing stress following the 2026 fires.
 - Expanded investment in psychosocial and mental health supports, particularly place-based services in affected areas, beyond the \$4.9 million committed to Mental Health and Wellbeing Locals.
- This budget missed an opportunity to support disadvantaged Victorians to make their homes more climate resilient. Victorian households on low incomes have little financial support to make their home thermally safe as average temperatures increase, and to strengthen the resilience of existing homes to flood and bushfire. Investment could have been made to re-establish the Victorian Healthy Homes initiative for low-income households with a health condition, and to augment existing

investment in the Energy Efficiency in Social Housing Program, to support Victorians on low incomes to adapt to increasing heat through their home. Investment also could have been made towards the development of a resilient homes program to improve the resilience of Victorian homes at risk of future flood and bushfire.

- This budget also missed an opportunity to ensure all Victorians can benefit from the transition to clean energy and a safer climate. This budget extends rebates for energy efficient water heaters, but up-front costs will still make these out of reach for Victorians living in poverty.
- This budget missed an opportunity to invest in self-determination for First Peoples' disaster resilience, climate action and adaptation. Aboriginal and Torres Strait Islanders experience disproportionate and distinct impacts of climate change, including having been over-represented in communities flooded in October 2022.¹ VCOSS urges the Victorian Government to implement the Yoorrook for Transformation recommendations, including supporting an Aboriginal Climate Justice Strategy, First Peoples' Renewable Energy Strategy, reviewing Victoria's Emergency Management legislation, and resourcing First Peoples organisations to lead disaster resilience.
- This budget fails to invest at scale in disaster resilience and preparedness, despite the overwhelming evidence that preparation before disasters provides better outcomes for communities – and better return on investment for government. Increasingly, emergencies overlap, and communities are simultaneously preparing for, responding to and recovering from emergencies. These impacts do not affect all Victorians equally, and those experiencing poverty and disadvantage are on the frontline of climate change. VCOSS is calling for investment in community-led resilience, including an ongoing disaster resilience workforce in the community sector.
- Whilst investment in relief and recovery from the 2026 bushfires is critical, VCOSS is disappointed to see no significant additional investment to extend recovery support to communities still recovering from previous disasters. Recovery from disasters takes many years, and across regional and rural Victoria communities are grappling with the

¹ VCOSS, *Ripple Effects: Spatial Injustice and the 2022 Victorian Floods*, 2026.

compounding impacts of multiple recent disasters including drought, the 2022 floods, 2023 storms and floods, 2024 bushfires, and now the 2026 bushfires. Beyond individual recovery initiatives, a new emergency management approach is needed in Victoria that recognises the compounding, overlapping and recurring nature of disasters in rural and regional Victoria.

- Victorians living in poverty and experiencing disadvantage are living the impacts of climate change now. This budget did not make any investments to support communities facing the greatest climate risks through investment in place-based, community-led climate adaptation and disaster resilience. Investment could have been made in an ongoing Community Climate Adaptation Fund to make funding available for local climate adaptation projects, and for grants that enable community service organisations and ACCOs to adapt their operations.
- Data centres and use of artificial intelligence (AI) are water- and energy-intensive. They will also have a not-yet-fully-understood impact on jobs – potentially impacting those in low-paid work – plus energy and water prices for households. Newly built or under-construction data centres are already affecting local communities, particularly in Melbourne’s west. Development of plans and frameworks should acknowledge social impacts of this industry and its contribution towards the state’s climate pollution, and include co-design with communities to avoid entrenching disadvantage and environmental injustices.