



# State Budget 2009

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FROM THE OFFICE OF THE TREASURER

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## SHOULDER TO SHOULDER WITH THE COMMONWEALTH

The 2009 State Budget provides significant funding to work in partnership with the Rudd Federal Government to improve our education, health, housing and transport systems, and secure up to 35,000 Victorian jobs in the next financial year.

The Treasurer of Victoria, John Lenders, said only by working in partnership with all levels of government would Victoria be able to emerge strongly from the current global economic circumstances.

“The Brumby Labor Government is working shoulder to shoulder with the Rudd Federal Government to make the right investments to see Victorians through the Global Financial Crisis,” Mr Lenders said.

“We are taking action to deliver jobs now and support Victorian families in a new era of cooperative federalism.

“Working together with the Commonwealth to invest in infrastructure not only helps us to deliver core services but is also the best way to create and secure jobs in the current global economic climate.”

Mr Lenders said the Brumby Labor Government would work with the Rudd Federal Government to implement Victoria’s share of the *Nation Building – Economic Stimulus Plan*, a series of National Partnerships with the Commonwealth, and looked forward to implementing three Commonwealth Nation Building Funds to contribute to Victoria’s record infrastructure investment when they were announced by the Rudd Federal Government later this year.

### **Education**

In addition to a major increase in education funding from the 2009 State Budget the Commonwealth has contributed \$2.4 billion for better buildings and facilities in Victoria’s government schools through the *Building the Education Revolution* initiative.

This funding will provide for major new infrastructure for primary schools and special schools, including libraries, multipurpose halls, indoor sporting centres, performing arts centres and classrooms. Science and language centres will also be built at those secondary schools that have the greatest need, and a range of minor refurbishment projects and small scale works will also be delivered as part of the National School Pride program.

The 2009 State Budget also includes \$683 million from the Commonwealth which will deliver:

- universal access to early learning programs to improve children’s school readiness;
- evidence-based teaching to ensure all children attain sound literacy and numeracy skills;
- strong school leadership and high-quality principals and teachers in all our schools;
- a range of reforms that will support the educational and wellbeing needs of students in our most disadvantaged schools; and
- an increase in Year 12 or equivalent attainment and help address skill shortages in traditional trades and emerging industries.

**Media contact: Matt Nurse 9651 5799/0407 351 277**

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An additional \$508 million including a contribution from the Brumby Labor Government will be provided over five years to provide computers to students at Victoria's government and non-government schools through the Commonwealth's Digital Education Revolution initiative.

### **Productivity and Skills**

In addition to the 172,000 training places announced earlier this year by the Brumby Labor Government the 2009 State Budget includes \$50 million over three years for an extra 15,000 training places and \$183 million for the Commonwealth's *Trade Training Centres in Schools* program to reduce skills shortages and increase the number of students completing Year 12 or an equivalent qualification.

### **Health**

The National Healthcare Agreement and National Partnerships encompass the collective efforts of Commonwealth, state and territory Governments on prevention, primary and community care, hospital and related care and aged care. Victoria will receive an additional \$1.65 billion in Commonwealth funding over five years for health and hospital services.

The 2009 State Budget provides funding for a range of health and hospital services, including:

- \$781 million for hospital services. This includes \$350 million over five years to expand inpatient services and open a further 100 acute beds across the system;
- \$179 million to expand sub-acute services and improve patient flow;
- \$45.3 million over four years for hospitals to increase renal dialysis, chemotherapy and radiotherapy services; and
- \$64.5 million for critical care services.

In addition, the Budget provides \$45 million next financial year for an elective surgery boost to treat an additional 9000 elective surgery patients and \$25 million next financial year to fund clinical practice improvements and a range of cost control measures to better utilise hospital resources. The Budget also provides \$72.2 million to boost our health workforce and expand clinical placements across a range of specialties.

The 2009 State Budget also provides \$35 million to develop a nationally consistent Activity Based Funding system, \$27 million for Victoria's contribution to the work of the National E-health Transition Authority and \$2.7 million over two years for chronic disease prevention in Victoria.

In the 2009 State Budget, the Brumby Labor Government is investing \$246.3 million to build better hospitals, health and aged care services, including:

- \$55 million for the first stage of the redevelopment of Bendigo Hospital;
- \$20 million to redevelop facilities at Ballarat Hospital;
- \$30 million for new facilities and a theatre fit out at Geelong Hospital; and
- \$26.2 million to complete the redevelopment at Warrnambool Hospital.

### **Housing**

In partnership with the Rudd Federal Government, the Brumby Labor Government is providing a \$1.7 billion boost to social housing delivering over 5000 new houses in Victoria and providing safe and secure housing for disadvantaged Victorians.

The Brumby Labor Government will also provide opportunities for the not-for-profit housing sector to participate in the delivery and overarching management of these projects.

## **Transport**

The Brumby Labor Government will work with the Rudd Federal Government to deliver the \$38 billion transport plan.

Mr Lenders said the Brumby Labor Government would implement \$1.9 billion worth of funds through the Rudd Federal Government's Nation Building Program (AusLink II) for a number of projects including Stage 1A of the M80 Ring Road Upgrade project which will widen the road between Sydney Road and the Tullamarine Freeway.