

May 18, 2020

The Victorian Government's Building Works Package

On Monday May 18, Premier Daniel Andrews announced the Victorian Government's \$2.7 billion Building Works Package, which funds and supports a broad spectrum of shovel ready public projects.

The package will provide essential upgrades to public infrastructure and services including schools and public housing. It will serve to underpin demand in the state's construction sector and will create over 3700 direct jobs.

The package provides \$1.18 billion in education infrastructure projects, \$500 million in social housing infrastructure projects, \$382 million in tourist infrastructure projects, \$328 million in transport network upgrades, \$100 million to community facility upgrades and a \$180 million planning fund to support the efficient delivery of projects.

The projects were selected on a shovel ready basis. Many of the projects deliver on key 2018 election commitments.

Education Sector

The \$1.18 billion fund will be used primarily to develop ten new schools and to modernise current education facilities.

The education infrastructure projects will create space for more than 21,000 extra students in Victoria's education system and create more than 1,600 local construction jobs.

The package includes:

- \$438.6 million to build ten new schools and deliver a further four stages of new school projects to open in 2022.
- \$130 million to the Established Areas Program to provide additional capacity at nine metropolitan schools.
- \$114.5 million to purchase and refurbish relocatable school buildings.
- \$388.8 million to deliver 57 upgrades and modernisation projects at schools across Victoria.
- \$10 million to support infrastructure modifications for the 2021 school year, for schools that have students with disabilities, as part of the Accessible Buildings Program.
- \$20 million for a Minor Capital Works Fund to bring forward small priority projects identified by schools.
- A \$55 million Victorian TAFE maintenance fund
- \$27.7 million for the Building Blocks program, which provides grants for local governments and not-for-profit organisations delivering a funded kindergarten program

Social Housing

The \$500 million social housing package is the biggest spend on social housing since the global financial crisis.

The package will upgrade 23,000 dwellings and build 168 new homes across the state.

The package includes:

- \$58 million into new social housing units in Reservoir, Balaclava, Dandenong and Hampton Park.
- \$155 million, will go towards upgrading and repairing more than 15,000 public housing units.
- \$110 million is earmarked to build new kitchens and bathrooms for 2100 units.
- \$50 million to community housing providers to undertake similar repair and upgrade works on properties they own or manage.
- A \$50 million fund for repairing and upgrading public sector residential aged care facilities, as well as 450 specialist disability accommodation properties.
- A \$125 million fund will go towards projects that increase housing options for women and children fleeing family violence, Aboriginal people, and those leaving state-run services, such as prisons.

Maintenance and upgrade works will be prioritised by efficiency, that is - work that can be done in the immediate future such as painting and roofing. At least 25 per cent of this funding will be earmarked for regional areas.

Workers must be available to start on the projects immediately, and companies tendering for the social housing contracts will be required to find new employees through the [state government's jobs portal](#) before looking elsewhere.

Tourism

The Tourism package includes \$382 million for upgrades, maintenance, and new experiences at tourism destinations across the state.

Destinations marked for funding include, Ararat Hills, where 50 kilometres of mountain bike trails will be created, as well as Gippsland Lake, which will receive upgrades to zones servicing tourism.

Transport

Parts of Victoria's transport network will receive upgrades and maintenance as a part of the Building Works Package.

\$328 million is reserved for resurfacing and patching roads, 300 kilometres of regional track improvements and repairs at more than 15 train stations

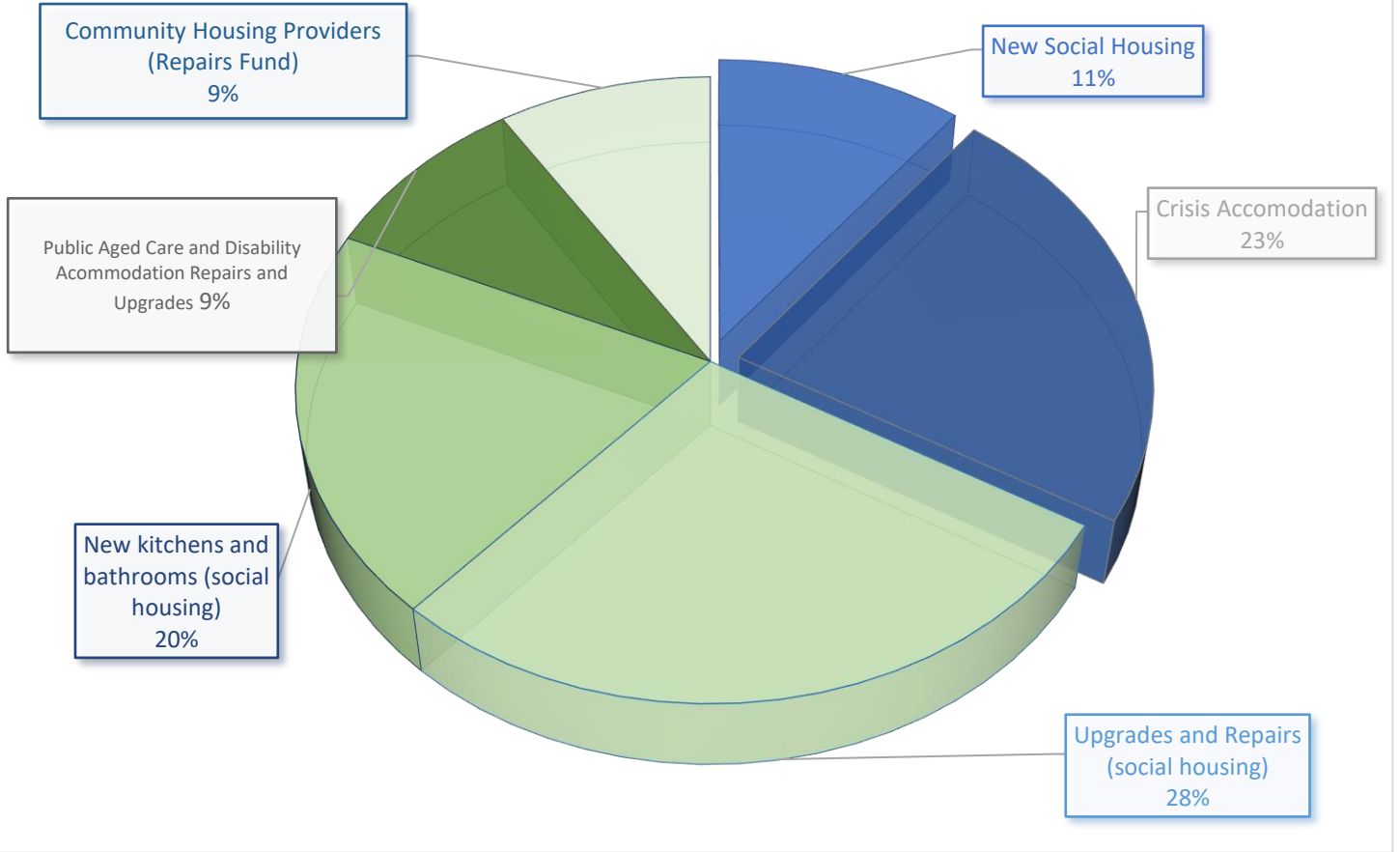
Community Facilities

The Government will also invest more than \$100 million for the critical upgrades of CFA and SES stations, disability accommodation, mental health, and aged care facilities across Victoria.

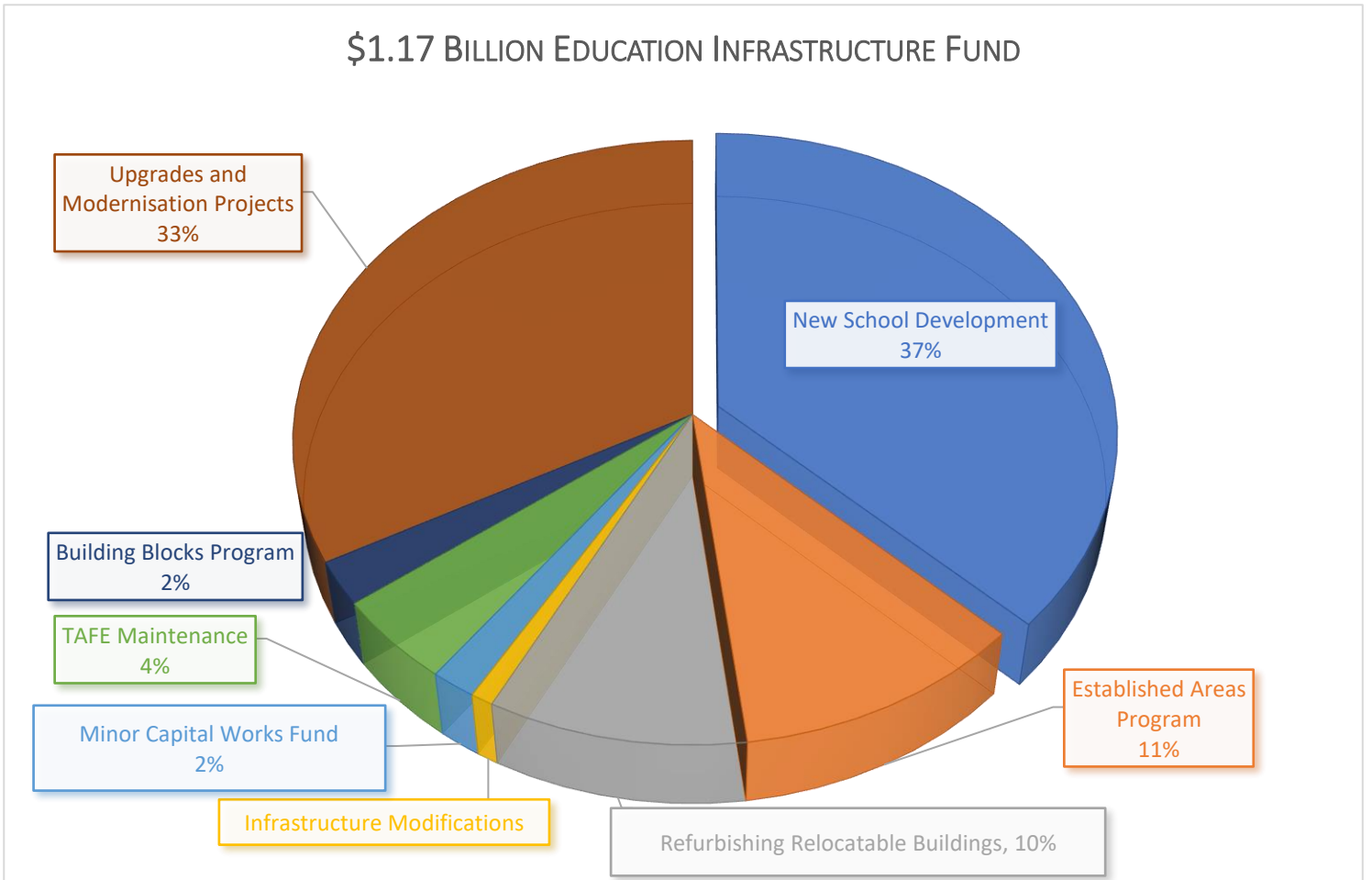
Planning

To ensure that works are delivered efficiently, the package includes a \$180 million planning and acceleration support fund.

\$500 MILLION SOCIAL HOUSING FUND



\$1.17 BILLION EDUCATION INFRASTRUCTURE FUND





Further Information

For more information, please contact your Hawker Britton consultant, Victorian Director, JP Blandthorn on +61 407 366 304 or Policy and Business Analyst, Raphael Mengem at rmengem@hawkerbritton.com.

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For further coverage of Labor Government Response Packages to the COVID-19 Pandemic see Hawker Britton Briefs [here](#).

For further coverage of Liberal Government Response Packages to the COVID-19 Pandemic see Barton Deakin Briefs [here](#).