



# South West Victoria Alliance

## 2026-27 Victorian Budget Submission

### Overview

**The South West Victorian Alliance (SWVA) brings together councils and regional leaders to advocate for investment that supports resilience and growth in our communities.**

SWVA advocates strongly for projects and policies that address disadvantage and create opportunities across the region. We are committed to making sure people have the housing, education, job opportunities, access to childcare and healthcare they need to live a happy, healthy and prosperous life.

### Investment and Funding Requests

The South West is one of Victoria's most productive regions, contributing significantly to the state's economy through agriculture, food manufacturing, energy, and tourism. However, the region faces growing challenges, particularly from drought and climate variability, as well as infrastructure pressures from visitor demand and heavy industry use of the road network.

The following budget priorities are targeted, cost-effective measures that will deliver immediate relief, boost economic activity, and enhance long-term safety and productivity.

Our 2026–27 Budget submission focuses on three targeted, high-impact priorities that will deliver immediate support to communities under strain, while strengthening the region’s long-term resilience, safety, and economic contribution.

**Summary of Requests:**

1. **Drought Support Package:** \$250,000 per council across South West Victoria to support urgent drought response and resilience measures (\$1.25 million total).
2. **Visitation Boost:** \$5 million to Visit Victoria to deliver a for a dedicated summer campaign promoting South West Victoria and encouraging visitation.
3. **Road Safety and Productivity Upgrades:** \$50 million to deliver targeted improvements on high-traffic roads used by industry and tourism.
4. **Regional Energy Plan:** \$2 million to deliver a comprehensive evaluation and plan for the region.

Together, these measures represent a modest, cost-effective investment that will:

- Provide urgent relief to farmers, small businesses, and communities experiencing severe drought.
- Stimulate visitor demand and regional spending during the peak summer season.
- Improve road safety outcomes, reduce fatalities and serious injuries, and support efficient freight and tourism movement.
- Prepare South West Victoria for renewable energy transition by identifying opportunities, gas and priorities before projects are rolled out.

## Broader Requests

In addition to the specific requests outlined above SWVA strongly supports the **WRAD Health : Lookout Residential Rehabilitation Centre** Budget submission. This project would see the provision of a purpose built 30 bed residential alcohol and drug treatment facility in Warrnambool with intensive, culturally appropriate wrap around supports.

This would be an important regional facility and allow for treatment to be done in the region, allowing patients to stay close to home. It would address the:

- The lack of a residential rehabilitation facility limits local wrap-around care AOD programs from protecting clients from relapse
- Anti-social behaviour associated with AOD use undermines community safety in Warrnambool
- Culturally unsafe services deter First Nations clients from accessing AOD programs

## Regional Jobs and Infrastructure Fund

*South West Victoria Alliance strongly urges the government to reinstate the Regional Jobs and Infrastructure Fund.*

*This dedicated fund would give councils and communities access to resources to deliver projects that create local jobs, improve infrastructure, and strengthen regional economies. A flexible and responsive fund is essential to ensure that regions like South West Victoria can seize opportunities, respond to challenges, and build long-term prosperity.*

# 1. Drought Support and Resilience

South West Victoria is experiencing prolonged dry conditions that are already having significant social and economic impacts. Farmers face rising feed and water costs, herd reductions, and declining productivity. Local businesses reliant on agriculture are under increasing strain. Councils, meanwhile, are dealing with rising service pressures and community wellbeing issues, particularly around mental health.

The South West is not alone — drought is now a systemic risk across rural and regional Victoria. Rural Councils Victoria (RCV) has called for drought to be recognised as a natural disaster, with expanded and more predictable government support.

## SWVA Proposal

- A dedicated **\$250,000 per council drought support package**, distributed directly to councils in South West Victoria.
- Funding would be used flexibly to meet urgent local needs, including:
  - Expanding community wellbeing initiatives.
  - Providing councils with resources to coordinate support at the community level.
  - Locally tailored community and economic stimulus projects. These include small business support and local infrastructure works.

## Benefits

- Direct, on-the-ground support targeted to local circumstances.
- Helps sustain farm businesses, jobs, and communities during difficult conditions.
- Ensures consistency across the region while allowing tailored responses.

Our member councils are best placed to understand what our communities need right now and what small scale supports could make a significant impact at local level. We would welcome the opportunity to partner with Regional Development Victoria to deliver these programs.

Previous programs such as *Small Events and Festivals Support* and *Town Activation and Revitalisation Programs* have been successful and this funding could be similarly used to encourage “buy local” campaigns, stimulate foot traffic and help sustain our communities through this difficult period.

## 2. Boosting Visitation

Tourism is one of the South West's most important industries, supporting thousands of jobs and small businesses across accommodation, hospitality, retail, and cultural sectors. While the Great Ocean Road and Shipwreck Coast remain major attractions, dispersal to smaller towns and experiences is inconsistent, leaving parts of the region under-visited.

Local operators are facing reduced bookings and revenue pressure, worsened by the impacts of drought on farming communities and flow-on effects to local economies. A targeted visitation campaign could provide immediate relief and sustained benefits.

### SWVA Proposal

- A **\$5 million investment** in a dedicated Visit Victoria campaign promoting South West Victoria over the summer months.
- Campaign elements to include:
  - High-profile promotion of iconic and emerging attractions.
  - Partnerships with local tourism boards, councils, and businesses.
  - Marketing designed to encourage dispersal and longer stays.

### Benefits

- Increases visitor numbers and expenditure across the region, especially to attractions such as the 12 Apostles which have previously received government investment.
- Delivers immediate benefits to small businesses at a critical time of year.
- Supports drought-affected towns by drawing in new revenue streams.
- Enhances Victoria's wider visitor economy, building on government's tourism investments.



### 3. Targeted Road Safety Upgrades

South West Victoria's roads carry a mix of heavy freight/industry traffic, agricultural vehicles, and visitor travel. While the state government has already invested in parts of the region's road network and the overall road maintenance budget — which is acknowledged and welcomed — there remain serious safety risks and productivity constraints.

Crash data highlights black spots, dangerous intersections, and high-risk stretches of road that continue to experience fatalities and serious injuries. Freight operators report delays and inefficiencies due to poor road conditions and limited overtaking opportunities.

#### SWVA Proposal

- An additional **\$50 million** in targeted road upgrades across South West Victoria, focused on:
  - Widening shoulders and strengthening pavement on freight and tourism routes.
  - Constructing new overtaking lanes on high-volume corridors.
  - Addressing black spots and dangerous intersections.
  - Prioritising areas with dual industry and visitor use.

#### Benefits

- Reduces fatalities and serious injuries, consistent with Victoria's Road Safety Strategy.
- Improves productivity for freight, agriculture, and logistics industries.
- Increases visitor confidence and safety, supporting regional tourism.
- Protects and extends the value of existing state road investments.

## 4. Regional Energy Transition Plan

South West Victoria is set to play a central role in Victoria's renewable energy future, with large-scale wind, solar, and transmission projects proposed across the region. These projects offer major opportunities such as jobs, training, manufacturing, and local investment but they also create new pressures around community sentiment skills, infrastructure, housing, and community services.

At present, there is no comprehensive regional plan that brings these elements together. Without one, the region risks missing out on the full benefits of the transition or facing unmanaged impacts.

### SWVA Proposal

- A **\$2 million investment** in a South West Renewable Energy Transition Plan to:
  - Map the renewable energy project pipeline and expected job creation.
  - Assess local workforce and skills gaps, and recommend training pathways.
  - Examine the region's manufacturing and supply chain capacity, and where capability uplift is needed.
  - Identify enabling infrastructure (grid, industrial land, transport, ports) required to unlock projects.
  - Assess housing and community infrastructure needs to support workforce growth and population change.
  - Provide government, councils, industry and training providers with a single, evidence-based roadmap to guide investment.

### Benefits

- Gives the Victorian Government and the region a clear understanding of opportunities and gaps before major projects scale up.
- Ensures local workers, communities and businesses are positioned to benefit from the transition.
- Identifies where early investment in training, infrastructure or housing is most needed.
- Helps deliver a just and planned transition, maximising benefits for South West Victoria.

## Conclusion

The South West is an important part of Victoria's economic, cultural, and social fabric. But drought, economic pressures, and infrastructure challenges are placing growing strain on communities.

The SWVA's 2025–26 Budget submission presents a practical package of solutions:

- **\$250,000 per council a total of \$1.25 million** drought package to provide immediate relief and resilience.
- **\$5 million** Visit Victoria campaign to stimulate visitation and support small businesses.
- **\$50 million** in road upgrades to improve safety and productivity.
- **\$2 million** regional energy plan to prepare the region for growth and ensure benefits are widely shared.

These investments are needed for our region they will deliver immediate community benefit, stimulate economic activity, and build resilience for the future.

**SWVA looks forward to working with the Victorian Government to deliver these outcomes for South West Victoria and the state as a whole.**



The **South West Victoria Alliance** advocates on behalf of communities across Victoria's vast south-west.

Our members include the shires of Corangamite, Glenelg, Moyne, Southern Grampians and the City of Warrnambool, and representatives from Deakin University and Wannon Water.

Key population centres include Warrnambool, Colac, Port Fairy, Camperdown, Portland and Hamilton.

