

Statement

Hon Jacinta Allan MP
Premier



BUILDING VICTORIA UP – AND BUILDING AN ECONOMY THAT’S FAIR

Premier’s State of the State Speech at CEDA

Thursday, 27 November 2025

Thanks for having me again here at CEDA.

I’ve been looking forward to this event. I circled it in my calendar. But I couldn’t help but look ahead a few days – to November 30, 2025.

That’s the day we open the Metro Tunnel, and I’m sure none of you thought you’d get out of this room, in this week, without hearing me talk about it one more time.

Nine-kilometre tunnel. Five new stations. Concrete and steel that delivers 1,000 more services on 70 new trains – made right here in Victoria. Connecting you to major universities, four major hospitals and one million jobs.

It’s a unified, 97-kilometre rail line – our longest and our busiest...upgraded its entire length from one side of Melbourne to the other...with not a single level crossing in between.

It was the biggest and most complex rail project in the city’s history. But people matter more than projects.

It’s for the future of our people that we have built the Metro Tunnel – and its everyday Victorians who benefit.

Like the carers and people with disability I met with on Monday, who’ll get off at Parkville at the doorstep of Australia’s number one health precinct.

And if they’re travelling on the weekend, they’ll never pay a cent to use public transport.

Neither will any of you, every weekend, between now and 1 February.

And because we’ve made public transport free for every child, every day, everywhere – forever – neither will your children, nieces and nephews.

If even you don’t use it, it will still save you time.

When we pull the Big Switch and launch 1,000 Metro Tunnel services, they’ll take more cars off the road in the morning for you.

And when the West Gate Tunnel opens – in December – you’ll save up to 20 minutes a day driving into the city.

These are the kind of productivity gains that we unlock *when we invest*.

In Victoria, we are building up the infrastructure and services that people need.

We’ve done it a sustainable way, in line with a strong, five-point fiscal plan.

And we've done it the Labor way, without cuts and closures that hurt ordinary people.

That's how we're about to open two massive new projects in our biggest city, while booking the only budget surplus on the eastern seaboard – state or Federal.

We achieved that result because our investments have supported the growth of our economy and our population.

In other words, they are paying off.

People are flocking here because of our great way of life, our strong services, our skilled job market and our record homebuilding.

Public and private investment are driving it.

We've added more than 123,000 new businesses since COVID – 16,400 last year. They're selling more overseas, with our export value up more than 5 per cent since last year.

But it's the jobs story we can be proud of most.

Our regional unemployment is the lowest in the country. Our overall employment growth is stronger even than we anticipated at Budget. And above all, our high participation rate says workers are more confident here than interstate.

Make no mistake – women are driving these trends.

We must keep reducing the barriers to women entering – or re-entering – the workforce. We must get working mums and millennials in the driver's seat of the economy, where they belong.

CEDA gets it.

Your research confirmed what I knew – that work-from-home works for families.

Thanks to work from home, workforce participation is 4.4 per cent higher than before the pandemic. Those who work from home are working nearly 20 per cent more hours than those who don't. And they're saving an average of \$5,300 a year.

Work-from-home is already happening in most white-collar workplaces. My plan to legislate the right to work from home is about protecting it – so it can't be rolled back.

Some businesses have disagreed. I've listened to their views. I respect them.

I haven't changed my mind.

And in the years to come, I think those businesses will change theirs.

A journalist once asked me:

Why are you trying to get people to work from home at the same time you're building infrastructure to get them to the office?

To me, these objectives are deeply connected. I'm for making life easier for working families – whatever their circumstances.

That means building Victoria up – and building an economy that's fair.

The data is clear:

- Our state is on the rise.

- Our economy is growing, and the budget is in surplus.
- We borrowed to build, and it's paying off.

But everywhere you look around the world, people who are meant to be in the prime of their lives are still getting a raw deal.

If you're under 40 – and you can't rely on your parents for help with your first home or for a start in your career – the odds are still stacked against you.

You studied hard to work in careers that soon might not exist, and you're paying eight times more than your parents did for a house – perhaps eight times further away.

State Governments can't fix it all, but we are doing what we can to give you a leg up:

- More schools and hospitals
- More homes and transport
- Free Kinder. Free TAFE. Free PT

We are doing it because I believe in an economy that works for young workers and families. Because if it doesn't work for them, it won't work at all.

- We need young families to spend in our small businesses – not drown in rent or mortgage repayments.
- We need young workers to prepare for the future of work – not wait for AI to roll through.
- We need them to be able to afford kids – and to have the chance to live near the things they need and the people they love.
- And we need these families supported by the backbone of good jobs and modern, affordable public services.

Our whole economy is under threat if a decent life becomes unaffordable for millennials – if homes, kids, study and services are out of reach.

A quarter of the way into the digital century, the world is now at a turning point for its most important generation. Imagine the impact on every facet of our economic life if we make the wrong turn.

That's why we're building Victoria up – while others talk it down.

That's why we're building an economy that's fair for young working families.

And that's why we're staking out Victoria's economic future – in new industries that will create extraordinary opportunity.

A year ago I released Victoria's Economic Growth Statement.

Those who read the Statement might have noticed its references to critical minerals. We said they would be our focus for the future.

I had to do a bit of explaining at the time about what critical minerals and rare earths are. 12 months later, the world has caught up.

Even Donald Trump said – from inside the West Wing – *“Australia will have so much critical minerals and rare earths you won't know what to do with them.”*

Victoria is home to globally significant deposits of critical minerals. We have titanium, zirconium and rare earth elements. We have Australia's largest antimony deposits and its only operating antimony mine.

And we know what to do with them.

Through the Economic Growth Statement, we started coordinating – lining everything up to build a mature critical minerals industry here in Victoria. We estimated such an industry will contribute more than \$1 billion in royalties to the state – and support more than 7,000 jobs.

Today, we hit go...

I'm proud to share with you that my government has formally approved an antimony exploration tunnel at Sunday Creek.

It's the first big step towards a new antimony mine.

Southern Cross Gold can now drill underground to test the feasibility of mining gold and antimony.

And thanks to the Critical Minerals Coordination Office, it's Victoria's fastest approval of an exploration tunnel on record.

Our Economic Growth Statement also shone the spotlight on AI. It's where our state can lead – if we make the right choices.

Every reasonable Australian accepts there are opportunities and risks in the adoption of this technology. The challenge is how we negotiate that balance, and who wins out of it.

For now, Victoria is winning out of it.

Our CBD is home to the largest cluster of AI firms in Australia, and they'll soon be joined by NEXTDC's new \$2 billion digital campus in Fishermans Bend.

Advancements in AI could generate up to \$30 billion in GSP over the next 10 years. And the research says it will improve our productivity and our lives.

But in a future with AI, the gains won't be worth it if we aren't prioritising *people*.

People are our economy.

I'm the daughter of a man who worked with his hands. I watched him made redundant with the stroke of a pen. And I don't want a future where a politician – 40 years from now – has to say, "*I'm the daughter of a man who used to work with a screen.*"

My Labor Government has the obligation – and the opportunity – to influence that future.

We cannot stop AI – but if we move first, we can steer it. We can maximise the benefits – while protecting our people – so workers are better off from the change, not left behind in its wake.

I truly believe that only a Labor Government can get that balance right. And if we do, AI can deliver *net* jobs *here*.

It can attract investment. It can help a small business in Werribee expand, a manufacturer in Dandenong modernise, a startup in Cremorne scale. It can take the grind out of work, lift productivity, and give people time back in their day.

That's the path in front of us.

We need guardrails along the edge – and confidence on the goal.

And there are two things I want to announce today to help us stay on course.

1.

We're going after the data centre jobs. We're going to be ruthless about it.

Data centres are the digital infrastructure that supports AI around the world. They create new jobs, because they must be built and they must be staffed. We have more than 40 of them in Victoria.

We want to be the 'data centre' *centre*.

We have the land, the energy and the talent – and now, I'm announcing the Sustainable Data Centre Action Plan.

It's a \$5.5 million investment.

It will position Victoria as the national leader in data centre investment – unlocking projects in the pipeline that are worth up to \$25 billion in potential capital expenditure.

It will turn the powers of our state's integrated mapping technology to determine where they can go, sustainably – using transport, energy and water usage data, including recycled water.

And it will partner with TAFEs to build a data centre workforce pipeline – construction workers, operations workers and digital workers alike.

2.

We'll protect existing jobs by doing what the Education State does best – educating.

When I was at university, the advice was clear: the future was in software development, not in the social sciences I was studying.

Today, digital workers are hearing a similar message – this time because of AI. So are grads across other digital and information-heavy fields, like finance, accounting, marketing.

But for my generation, jobs in social sciences didn't all disappear. They changed.

In 2025, AI is that evolution.

Victorians can move into AI roles and become AI specialists in their current field, and we want to help them. The jobs are there, ready to be taken up.

That's why I'm announcing an \$8.1 million investment into AI career conversion.

We'll provide tailored, intensive training to upskill digital professionals to become AI specialists.

We'll target the sectors where we can make the biggest difference, fast.

And we'll offer it to more than 1,300 workers who are most at risk.

This is all part of a serious, comprehensive approach. A mission statement – to maximise the benefits of AI, while protecting our workforce.

My Minister for Economic Growth, Danny Pearson, who is with us today, has helped lead that work, and he'll hand it down in the coming weeks.

It'll be our plan to put people first in a future with AI – and we'll be the first state in the country to deliver anything like it.

It will have further initiatives to attract jobs and investment.

And it will be guided by an AI Mission Statement – spelling out what we need to do to get the balance right, now and in the future.

I want to get to your questions. One final pitch from me before I do.

Sunday morning, 30 November.

Arden, Parkville, State Library, Town Hall, Anzac.

Be there on opening day and travel for free.

I've said Victoria's economic strength is its people.

Please go and see for yourself what our incredible people have built underneath our feet, in the Metro Tunnel.

I promise – it'll fill you with absolute pride to see what our great city and state is capable of when we invest in our future.