

Media Release

Jaclyn Symes MLC

Leader of the Government in the Legislative Council

Treasurer

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VICTORIAN ECONOMY CONTINUES TO GROW

The Allan Labor Government is driving economic growth and creating opportunities for Victorians – with the *Mid-Year Financial Report* showing workforce participation at a near record high.

Published today, the report confirms the Victorian economy continues to grow and the state's labour market is strong.

More than 132,000 Victorians found work over the year to December 2024 – one of the largest increases in Australia for this period. Both workforce participation and the share of working-age Victorians in jobs were also near record rates at the end of last year.

The report found economic output as measured by real gross state product (GSP) increased by 1.5 per cent in 2023-24 and the economy is now 11.5 per cent larger than prior to the pandemic.

Business investment has grown strongly over the past three years, rising by 30 per cent from 2020-21 – higher than any other state and reaching a record-high share of overall economic activity.

ABS figures released this week shows that Victorian business investment grew by 3.7 per cent over the year to December 2024 compared to -0.1 per cent nationally. Victoria's business investment growth over the year to December 2024 is both higher than the national growth rate, and higher than in every other state.

ABS data shows that Victoria has added more than 108,000 businesses since June 2020, an increase of 17 per cent – the largest percentage growth of any state.

The Government's investment in infrastructure was \$12.8 billion for the period to 31 December 2024, which is continuing to create jobs and support the delivery of the essential infrastructure Victorians need.

Victoria's general government sector operating deficit of \$3.9 billion in the six months to 31 December is improved compared to the previous year's result. There has been no change to the full year deficit estimate of \$3.6 billion as published in the *2024-25 Budget Update*.

Full-year results cannot be extrapolated from these half-year results, which reflect the seasonal distribution of expenditure and revenue. For example, grant revenue from the Commonwealth Government, which is the source of around 50 per cent of Victorian revenue, is generally received later in the financial year.

Quotes attributable to Treasurer Jaclyn Symes

"The Victorian economy is strong – with business investment booming and one of the largest employment increases in the nation."

"We'll always back Victorian businesses – that's why we've lifted the payroll tax-free threshold, are replacing stamp duty on commercial and industrial properties, and are also slashing the number of business regulators."

"While the economy is strong – we know many Victorians are struggling with the cost of living. That's why we're focused on providing relief through things like the \$400 school savings bonus and our plan to cap fuel price rises."

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