



2025 BUDGET – A RESILIENCE LENS

UPDATE 24.04.25

Building Resilience: Tracking New Announcements from the Major Parties

As the election campaign progresses, the CENTRE FOR RESILIENCE continues to assess how new policy announcements from the Government and Opposition align with critical aspects of Australia's economic and social resilience.

In this second instalment of our Federal Budget commentary series, we examine new commitments from both the Liberal and Labor parties, focusing on developments within the seven key focus areas identified in our initial publication.

With Australians facing complex challenges — from cost-of-living pressures to climate adaptation and an ageing population — building resilience remains more important than ever. Each new announcement provides further insight into the major parties' priorities and the extent to which their proposals address Australia's long-term ability to withstand and recover from external shocks.

While both parties have unveiled additional measures in areas vital to resilience, a comprehensive, strategic, whole-of-government approach remains elusive. We continue to monitor these developments closely and will publish a full post-election analysis highlighting the risks and opportunities for Australian business and society.

Stay engaged by following our ongoing updates at <https://www.c4resilience.com/election-federal-2025> or by registering to join our partner network at <https://www.c4resilience.com/signup>



About C4R

The CENTRE FOR RESILIENCE is Australia's leading resilience-focused organisation, supporting governments, businesses and community organisations to build resilience.

The CENTRE FOR RESILIENCE is an independent, nonpartisan advocacy organisation that produces high-quality strategic policy recommendations, consultancy and training services focused on shaping a resilient, self-reliant sovereign Australia.

We are dedicated to enhancing business continuity, sustainability, and adaptability across Australia. Recognising the increasing challenges posed by natural disasters, cyber threats, economic crises, and unforeseen disruptions, C4R aims to build a resilient society through targeted interventions, research, and training.

Our Vision

We build resilience by empowering individuals, strengthening communities, safeguarding ecosystems, and driving sustainable solutions that enable society to adapt and thrive.

Our Mission

We empower individuals, organisations, and communities by delivering innovative strategies, promoting sustainable practices, and fostering inclusive collaboration to build resilience for current and future generations.

Find out more and register your interest in joining our partner network at www.c4resilience.com

We have summarised some of the key questions in the policy areas relevant to Australia’s resilience that feature in the major parties’ respective budget proposals announced last week. While there are a range of other areas that are important for building our nation’s resilience, it is encouraging to see these areas being identified for action. Note, we are not commenting on the merits of these policies at this stage, as we await further detail to be released during the election campaign.

SUPPORTING AUSTRALIAN INDUSTRIES TO GROW

How can government investment best support Australian businesses to grow?

What measures are going to be effective in mitigating international trade barriers for Australian exports (e.g. aluminium)?

- 12 month extension of \$20k instant asset write-off for small businesses
- \$1.2bn for Melbourne Road Blitz projects
- \$10m reef tourism fund (Reef Educational Experience Fund)
- \$95m boost to Tasmanian Freight Equalisation Scheme
- \$60m to expand Perth's Swan River ferry network
- **RESILIENCE Addressed:** *Infrastructural upgrades to increase business connectivity and aid ease of transport for consumers to business hubs*

- An additional \$1.5bn for the Melbourne Airport Rail Link
- **RESILIENCE Addressed:** *Infrastructural upgrades to increase business connectivity and aid ease of transport for consumers to business hubs*

C4R considerations for Industry Growth RESILIENCE

- Enhance innovation and research funding, especially for critical technologies & renewables
- Strategic investment to address skills shortages
- Investment certainty for major infrastructure projects
- Improving energy security and sustainability
- Infrastructure that improves supply chain robustness

SOVEREIGN INDUSTRIAL CAPABILITIES

What government support is required to secure essential sovereign industrial capabilities (e.g. steel manufacturing)?

- **No material new announcements or changes from our initial report on 31.03.25**
- **Our consideration questions still stand**

C4R considerations for Sovereign Capability RESILIENCE

- Prioritisation of critical capabilities and industries to guide investment decisions over the short to long-term
- Dedicated focus on defence and critical supply chains
- Dedicated focus on sustainment capabilities
- Workforce planning aligned to technology initiatives
- Appropriate use of local sourcing requirements in government procurement

MIGRATION

How can Australia achieve a manageable annual migration volume, while also securing sufficient skilled labour for our industries and continuing to attract international students to our universities?

- **No material new announcements or changes from our initial report on 31.03.25**
- **Our consideration questions still stand**

C4R considerations for Migration RESILIENCE

- Prioritise supply of sufficient skilled labour to deliver on other aspects of resilience (e.g. infrastructure, housing, building high tech industry capabilities, etc.)
- Balancing securing enough skilled labour with the impacts of population growth on housing and government service systems (health, education, etc.)
- Retaining skilled labour over the long-term

HOUSING

How can more people access affordable, secure and high-quality housing?

How can more people become home-owners (which remain high-quality owners' crucial component of wealth accumulation in Australia)?

How can we rapidly and affordably increase housing supply?

- \$10bn fund to build 100k homes for first-home buyers + 5% deposits without income caps & higher property price limits

▪ **RESILIENCE Addressed:**

- *Improving affordability for first-home buyers.*
- *Reducing financial barriers to entry for first-home buyers.*
- *Providing funding for housing construction.*

- Mortgage-Interest Deductibility Scheme (claim interest on first \$650k of new-home loan for first 5 years) + higher Home-Guarantee price caps

- **RESILIENCE Addressed:** *Improving affordability & reducing credit requirements for first-home buyers. Improving affordability & reducing credit requirements for first-home buyers.*

C4R considerations for RESILIENCE

- Getting the right mix of public and private investment to fund sufficient increase in supply and lower regulatory fees but minimising upward pressure on housing prices
- Allow for-profit entities to access not-for-profit assistance (HAFF)
- Examine housing materials supply chain rising costs
- Achieving the right housing mix to serve long-terms needs for a range of household types

EDUCATION AND SKILLS

How can we increase the volume of skilled labour required to deliver major infrastructure projects and housing construction?

How can we expand access to early childhood education? What can be done improve education outcomes?

- \$78m Advanced Entry Trades Training to provide 6k experienced workers with qualifications to boost home-building

▪ **RESILIENCE Addressed:**

- *Providing targeted training for in-demand skills, particularly with respect to housing construction trades.*

- Setting a target of 400,000 apprentices and trainees in training and provide \$12,000 to small and medium-sized businesses to take on apprentices and trainees in critical skills areas.

- **RESILIENCE Addressed:** *Providing targeted training for in-demand skills, particularly with respect to housing construction trades.*

C4R considerations for Education & Skills RESILIENCE

- Increasing the quantity of skilled labour to serve industry needs, while maintaining quality standards
- Overcoming skills shortages to enable expansion of education services
- Shaping the curriculum to serve long-term skill needs
- Providing support to vulnerable children to improve early childhood outcomes
- Increasing the proportion of young people completing school and engaging in post-school training or employment

ENERGY

How can energy costs be reduced and energy security improved?

What is the best pathway to reduce carbon emissions from electricity generation and how should we balance the pace of decarbonisation against costs?

- \$2.3bn Cheaper Home Batteries Program to subsidise 1m household/SME batteries by 2030

▪ **RESILIENCE Addressed:**

- *Providing cheap energy storage and promoting solar uptake (also inexpensive).*
- *Placing emphasis on zero-carbon energy sources with renewables + battery storage*

- Australian Gas for Australians National Gas Plan including East-Coast LNG reservation (10-20% domestic) + \$1bn gas-infrastructure fund

- **RESILIENCE Addressed:** *Reserving LNG to be sold at domestic prices, shielding supply from global price fluctuations. Improving security via infrastructure investment.*

C4R considerations for Energy RESILIENCE

- Hardening the electricity grid & strengthening supply chains
- Diversifying energy supply & reducing fossil fuel over-reliance
- Increasing energy system redundancy, flexibility and capacity
- Bi-partisan support for energy and climate policy to improve investment certainty

HEALTH AND SOCIAL SERVICES

How can access and affordability of healthcare be improved? How can we secure our critical medical supply chains? How can we increase service capacity to meet growing demand (health, childcare, aged care)?

- \$8m Burnie Health Hub (TAS) integrated primary-care centre
- \$1bn mental-health package: 31 Medicare Mental Health Centres, 58 headspace upgrades, 20 Youth Specialist Care Centres, 1.2k staff training places
- \$120m birthing & maternity unit at Rouse Hill Hospital (NSW)
- NT Health & Aged-Care Plan: \$60m 120-bed Darwin aged-care home; \$10.1m CareFlight aircraft; mental-health centre upgrades
- \$300m South Adelaide Health Service (250-bed hospital + integrated community hub, urgent-care & mental-health capacity)
- \$16.7m to add 8 Perinatal Mental-Health Centres (free support for parents)
- **RESILIENCE Addressed:**
 - *Providing significant funding for free healthcare, as well as building several new general + specialised healthcare centres.*

- \$15m to continue the National Suicide Prevention Research Fund
- **RESILIENCE Addressed:** *Providing research for early intervention access.*

C4R considerations for Health and Social Services RESILIENCE

- Strengthen supply chains
- Improve productivity of services to meet growing demand
- Maximise benefits of digital investments, enabling productivity gains and enhancing service capacity and quality
- Enhance partnerships between private and public providers with a focus on improving service access and reducing costs
- Improve access to primary care and early intervention services
- Upskill workers, especially digital capabilities

CRITICAL CHALLENGES TO BUILDING AUSTRALIA'S RESILIENCE THAT HAVE NOT BEEN ADEQUATELY ADDRESSED BY THE MAJOR PARTIES TO DATE:

Increasing debt and deficits may impair Australia's capacity to respond and recover from future crises, as well as our ability to fund initiatives that would enhance resilience.

Productivity growth is needed across the economy – including in sectors facing skills shortages and growing demand, such as our health system that is struggling to serve an ageing population.

Diversifying the Australian economy - the Harvard Growth Lab ranks Australia 102nd globally for economic complexity. A less diverse economy leaves us more vulnerable to international supply chain disruptions and shocks to our major industries.

Having a specific focus on building resilience would improve coherence between different policy areas and 'bang for buck' from public investment in measures that could enhance resilience.

STAY UP TO DATE ON HOW POLICIES ANNOUNCED DURING THIS ELECTION WILL INFLUENCE AUSTRALIA'S ECONOMIC AND SOCIAL RESILIENCE

It is early days in the election campaign and much of the detail and modelling that sits behind the parties' policies is yet to be released.

The CENTRE FOR RESILIENCE will be monitoring announcements throughout the election campaign and will provide further commentary on the impacts on resilience across these policy areas as more detail becomes available. Please follow us here to receive our updates:

www.c4resilience.com

