



Media release

Public Accounts and Estimates Committee

Review of Government spending makes 22 recommendations

A report tabled in Parliament has found that the Victorian Government continues to make progress against its fiscal strategy, while performing well against its service delivery and capital project objectives.

The Public Accounts and Estimates Committee (PAEC) examined the state's financial and performance outcomes over the 2024–25 financial year.

The report contains 94 findings and 22 recommendations.

“The findings and recommendations cover a wide range of themes and areas of government activity and are designed to improve the functioning of the Victorian Public Sector in both its financial and performance outcomes,” said Committee Chair Sarah Connolly.

The economy continued to grow, but at a lower rate than estimated in the budget. Wage growth exceeded inflation for the first time since the COVID-19 pandemic, while a rise in the participation rate contributed to an increase in unemployment.

The net result from transactions in the general government sector improved from a \$4.2 billion deficit in 2023–24 to a \$2.6 billion deficit in 2024–25.

Net debt grew by 13.2% to \$150.9 billion due to borrowings to fund the Government's capital program. Government infrastructure investment reduced by 3%, as Big Build projects reached completion.

The Government continued to make progress towards achieving its five step fiscal strategy, with steps 1 and 2 already completed. Step 3—returning to operating surpluses—is forecast to be achieved in 2025–26. Steps 4 and 5 of the Government's fiscal strategy relate to reducing net debt as a proportion of the State's economy.

In terms of departmental performance, departments achieved or exceeded 64.9% of their performance measures. While most departments experienced expenditure pressures, they also achieved substantial savings and efficiencies.

The report is available to read on the Committee's [website](#).

Issued: 31 March 2026