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2026/27

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Easier. Safer. More Affordable.

Jacinta Allan
Premier of Victoria
15 May 2026

This Budget is all about making life **easier, safer and more affordable.**

Despite ongoing global uncertainty, the **Victorian economy is growing and has grown faster than any other state over the last decade.**

More people are choosing Victoria to be their home, more businesses are setting up in this state. And our jobs market offers career opportunity and choice for workers.

This Budget confirms Victoria's first operating surplus in seven years, and from 2026-27, net debt as a share of the economy will fall.

All while continuing to deliver the infrastructure and services Victorians need.

We recognise Victorians doing it tough need **free healthcare, great education for their kids and safe communities to live and work in.**

We're easing pressures where we can with real help, right now:

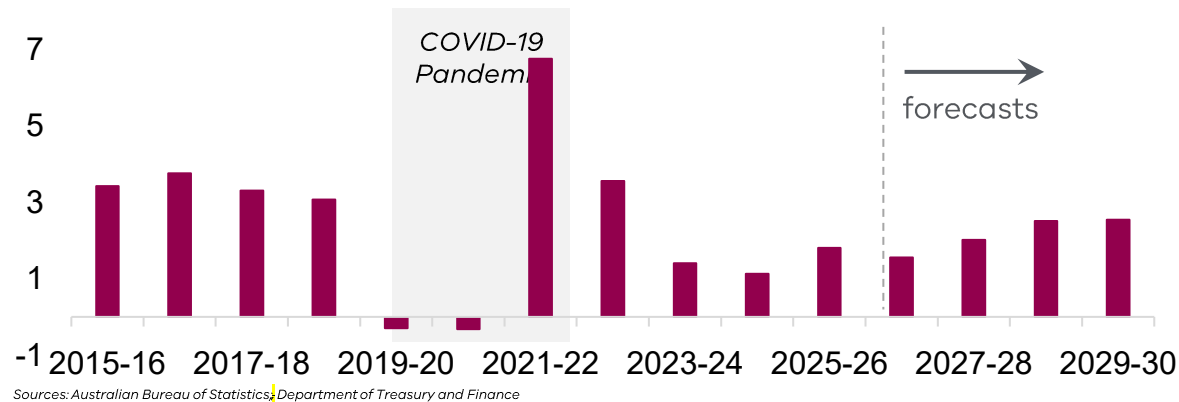
- ▷ Instant real cost of living help.
- ▷ More help to keep costs down for families.
- ▷ More accessible healthcare.
- ▷ Additional assistance for those most in need.

We're delivering **better roads and more reliable public transport, more affordable energy and homes, building new schools and continuing Free Kinder.**

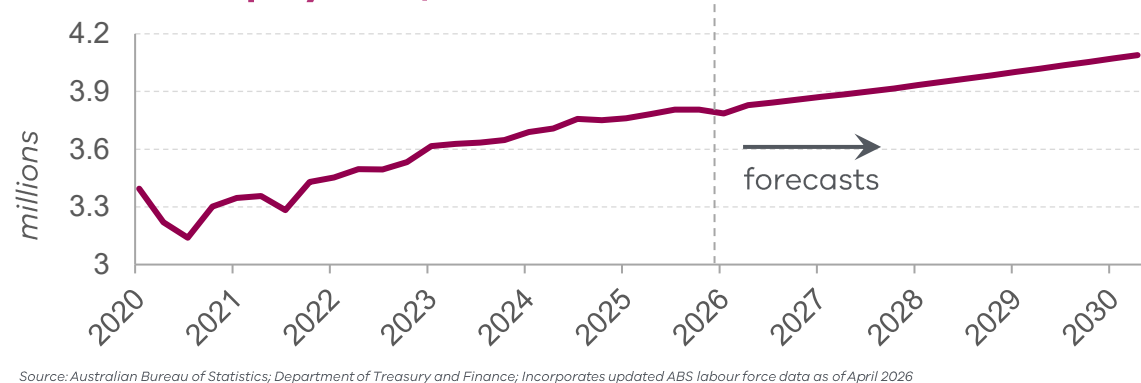
And making sure **our police force has the resources it needs to keep communities safe.**

Resilient, and continually strong economic and job growth

Real economic growth, actual and forecast, Victoria (%)



Victorian employment, actual and forecast



- ▷ **Victoria's first operating surplus in 7 years**
- ▷ **300 000 more** Victorians are in jobs over the last three years, a higher percentage increase than the rest of Australia
- ▷ **\$459 million** to help Victorians train in in-demand skills
- ▷ **\$217 million** for our sporting and culture capital
- ▷ **\$48 million** to back businesses, create jobs and invest in Victorian industry
- ▷ **Supporting business through tax reform**, including abolishing business insurance duty, lifting the payroll tax-free threshold to \$1 million, and setting the lowest regional payroll tax rate in the country

Delivering the projects Victoria needs

New Schools



New Footscray Hospital



Metro Tunnel



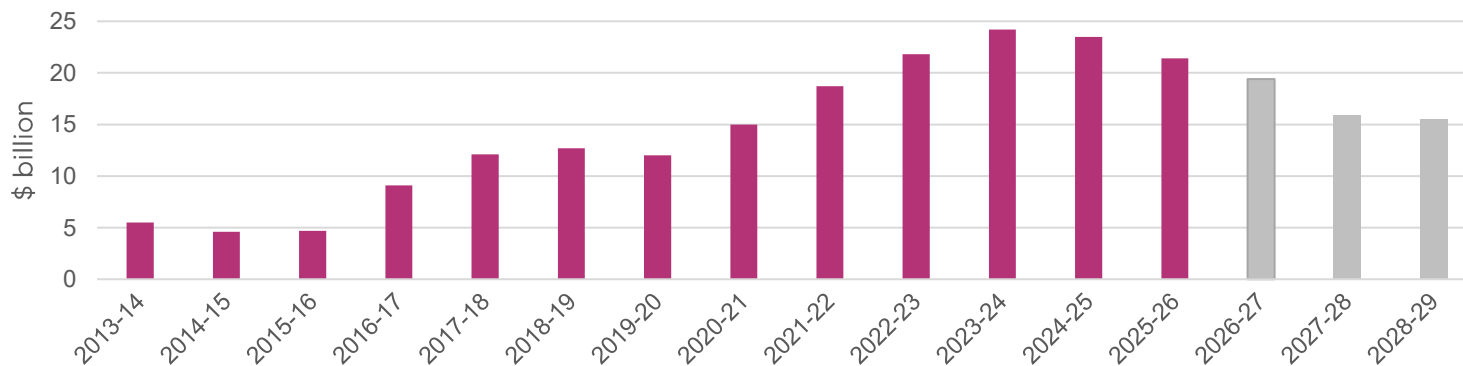
West Gate Tunnel



Level Crossing Removal



Victorian government infrastructure investment (GII), actual and forecast



Source: Department of Treasury and Finance, 2026-27 Budget

- ▷ **100 new schools opened** since 2019.
- ▷ New Footscray Hospital and Frankston Hospital Redevelopment (Peninsula University Hospital) redevelopment now **opened**.
- ▷ Metro Tunnel **opened**.
- ▷ West Gate Tunnel **opened**.
- ▷ **88 level crossings removed**.
- ▷ Average GII of **\$16.5 billion** between 2026 to 2030.



Making life easier

Our government is continuing to make life easier – and give Victorians back precious time – through record investment to make our transport system safer, more reliable, and affordable:

- ▷ **\$1.6 billion** on making Public Transport safer and more reliable
- ▷ **\$1.2 billion** to ease transport costs for Victorians
- ▷ **\$560 million** funding for road maintenance, bringing total 2026-27 spend to a record **\$1 billion**
- ▷ **\$103 million** for new and upgraded roads across metro Melbourne and regional Victoria

Keeping communities safe

We continue to back our police with the resources they need to do their jobs:

- ▷ **\$512 million** for community safety measures to back our reformed justice system and address youth crime
- ▷ **\$392 million** to protect our children and help families stay strong
- ▷ **\$222 million** to support our police force to keep communities safe
- ▷ **\$100 million** to respond to family violence
- ▷ **\$62 million** in funding for police reservists



Making life more affordable

With cost-of-living pressures rising, we're doing what we can to ease pressure on household budgets.

This Budget invests:

- ▷ **\$860 million** into the Social Housing Growth Fund
- ▷ **\$207 million** to support better and more affordable housing
- ▷ **\$120 million** in continued support for families with children
- ▷ **\$99 million** for food relief and financial and homelessness support for Victorians who need it most
- ▷ **\$90 million** for the transition to renewable and more affordable energy





Realising the potential of our kids

We're investing \$5.4 billion in our education system:

- ▷ **\$2.2 billion** for disability programs in schools
- ▷ **\$1.6 billion** to invest in school infrastructure
- ▷ **\$541 million** to support early childhood education
- ▷ **\$303 million** to invest in our teachers and students

Making it easier to get free healthcare

In 2026-27 alone, we are investing a record **\$32 billion** to our health system, including:

- ▷ **\$2.1 billion** to support our hospitals and strengthen our health workforce
- ▷ **\$567 million** for upgrading health infrastructure
- ▷ **\$299 million** to support mothers and babies
- ▷ **\$133 million** to deliver hospital-level care in patients' homes





Ballarat Base Hospital

Making regional Victoria the place to be

We're making life easier, safer and more affordable for families in our regions:

- ▷ **\$481 million** for regional transport services
- ▷ **\$279 million** for regional education and healthcare
- ▷ **\$95 million** for stronger regions
- ▷ **\$84 million** to back Victoria's farmers and agricultural workers

Questions?