Media release

Public Accounts and Estimates Committee

Spending review recommends improved reporting transparency

The Victorian Parliament's Public Accounts and Estimates Committee (PAEC) has today tabled its report on the 2026-27 Budget Estimates, making 27 recommendations and 69 findings aimed at strengthening transparency, accountability and performance across government spending.

The report calls on the Victorian Government, in collaboration with the Department of Treasury and Finance, to develop a mechanism for reporting planned savings and efficiency measures at budget time, including how those savings will be achieved and any impacts on departments and service delivery.

The Committee has also recommended that annual reports detail the savings and efficiencies actually achieved, how they were delivered, and any resulting impacts on departmental operations and services.

Committee Chair Sarah Connolly said the report continues the Committee's long-standing focus on improving public reporting and ensuring Victorians can better understand how public funds are spent and what outcomes are delivered.

"Throughout the 60th Parliament, the Committee has consistently pressed for clearer reporting, stronger evaluation, better performance measures and more transparent links between spending and outcomes," Ms Connolly said.

The report notes that the Government expects to return to an operating surplus of $727 million in 2025-26, with operating surpluses forecast to reach almost $2 billion by the end of the forward estimates period.

The Committee found that while Victoria's net debt is expected to increase from $175.6 billion in 2026-27 to $199.3 billion by 2029-30, net debt as a proportion of Gross State Product is forecast to peak at 24.9 per cent in 2026-27 before declining over the forward estimates period.

It also found government infrastructure investment is expected to fall from $19.4 billion in 2026–27 to $15.3 billion by 2029–30 as the Government returns to pre-COVID levels of infrastructure investment.

The report examines the broader economic context underpinning the Budget, including global uncertainty arising from continuing conflict in the Middle East and the closure of the Strait of Hormuz, which have contributed to elevated oil prices and ongoing inflationary pressures.

Despite these global challenges, the Committee noted the Budget papers' assessment that Victoria enters the current period of uncertainty with a growing economy, supported by private sector demand and a strong labour market.

The report can be found on the Committee's website.

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