



## **MEDIA RELEASE: 2024-25 VICTORIAN BUDGET**

### **PALLAS DELIVERS ON EXPECTATIONS WITH SOBER INFRASTRUCTURE SPEND IN 2024-25 VICTORIAN BUDGET**

The Victorian Government has today delivered another sober Budget for 2024-25, with Treasurer Pallas feathering the throttle on new infrastructure spending amid a biting fiscal reality, says industry think tank Infrastructure Partnerships Australia.

“A subdued infrastructure agenda was always on the cards for this year’s Budget, with exacerbating fiscal pressures including mounting State debt, rising costs, and continued resource shortages leaving very little in the kitty for new infrastructure spending,” says Adrian Dwyer, Chief Executive Officer of Infrastructure Partnerships Australia.

“For successive budgets, the Victorian Government has led the country with the highest percentage of general government expenditure allocated to infrastructure of any government.

“The Budget maintains infrastructure spending above the 10 year average at 18.73 per cent of general government expenditure, marginally off the peak of one in five dollars.

“The peak of its overall capital program has been reached this year, and naturally, we will see the throttle feathered back to pre-pandemic levels.

“Treasurer Pallas did not mince words in the months leading up to the Budget, as ongoing economic challenges strengthened the need for discipline and restraint in Victoria’s big build infrastructure program.

“A delay to the Melbourne Airport Rail Link will be a surprise to few, the Budget acknowledges the reality that it won’t be proceeding any time soon.

“The Economic Growth Statement to be released later this year is the best indication yet that the Government is preparing the ground for bold decisions about investment and reform.

“While Treasurer Pallas is seeking to flatten the curve on state debt, the short-term impact is an almost complete absence of notable new capital projects.

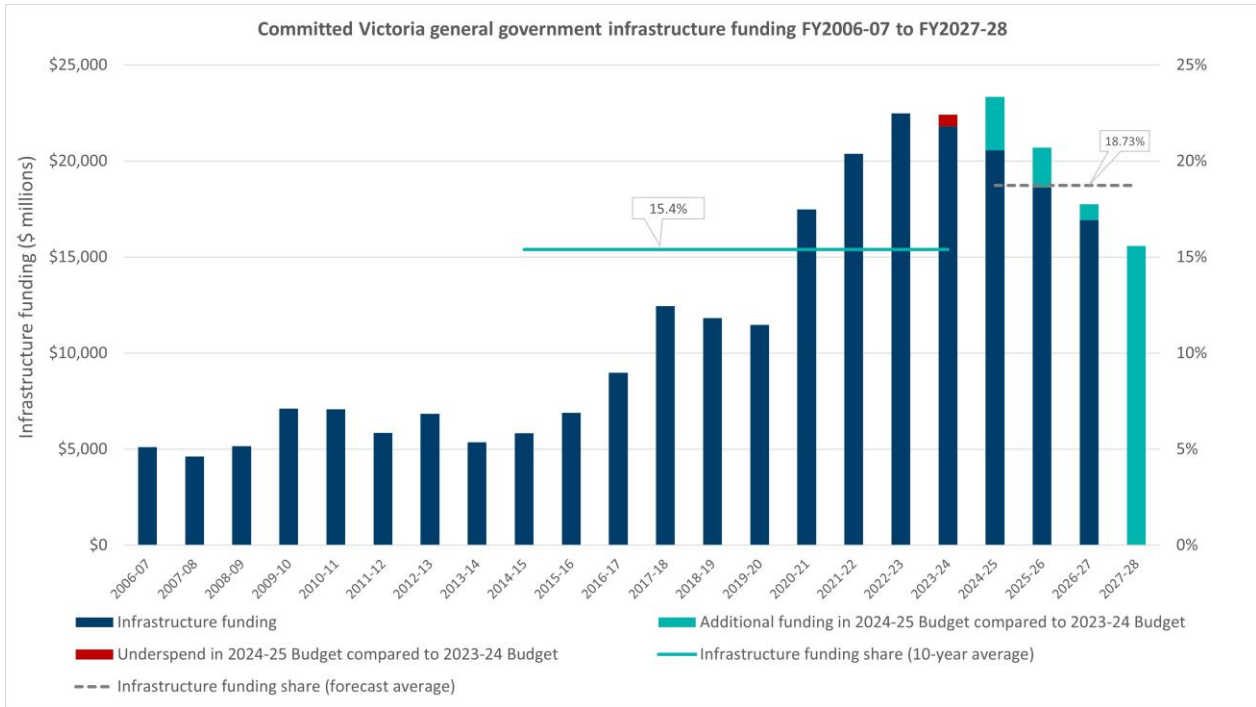
“Treasurer Pallas has commendably made the tough, albeit necessary, decisions to deliver a smoother, and more sustainable infrastructure pipeline.

“Near term, that is inevitable and necessary – but it mustn’t become permanent. Population growth is not going away, so pulling stumps on capacity in the medium and longer term is simply not an option.





Infrastructure Partnerships Australia is the nation’s industry think tank providing independent policy research focused on excellence in social and economic infrastructure.



Source: Infrastructure Partnerships Australia analysis of 2024-25 Victorian Budget

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