



MEDIA RELEASE: 2024-25 FEDERAL BUDGET

INFRASTRUCTURE INVESTMENT TAKES A BACK SEAT TO COST OF LIVING IN CHALMERS' THIRD BUDGET

The Albanese Government has delivered few changes for the infrastructure sector in a Federal Budget that prioritised cost-of-living support for households, says industry think tank Infrastructure Partnerships Australia.

“Tonight was neither a scorched-earth nor a free-for-all-spending budget,” said Infrastructure Partnerships Australia, Chief Executive Adrian Dwyer.

“After years of accelerating infrastructure spending, tonight’s Budget confirms the halcyon days of year-on-year infrastructure spending growth are now firmly in the rearview mirror.

“Federal general government infrastructure funding is now at \$60.5 billion over the four years to FY2027-28, \$1.8 billion – or three per cent – lower than last year’s total.

“This allocation represents 1.92 per cent of total general government spending, with this Budget’s four-year spend being \$9.6 billion above the infrastructure expenditure long-term trend of 1.61 per cent of general government expenditure.

“The headline infrastructure funding figures look healthy, but the lion’s share flows to existing commitments, with limited funding for new projects.

“With successive budgets focused on tail funding for existing commitments, the infrastructure funding valley is now all but inevitable – the question is how deep the valley goes and how long it lasts.

“With state government balance sheets in a dire predicament, the Commonwealth can’t let the infrastructure funding valley turn into a barren desert.

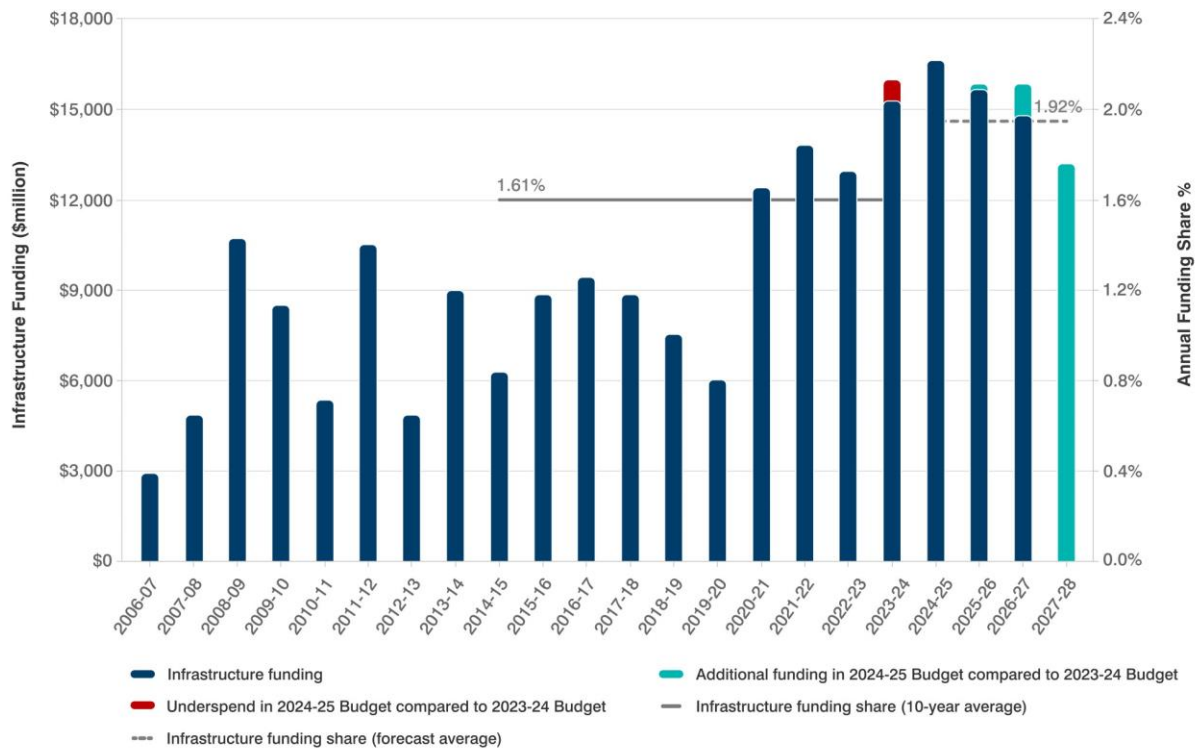
“The record high infrastructure spends of budgets past were always going to recede, but a growing population and a growing economy will require sustained infrastructure investment.

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





Committed Federal general government infrastructure funding 2006-07 to 2027-28



Source: Infrastructure Partnerships Australia Analysis of 2024-25 Federal Budget

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