INFRASTRUCTURE PARTNERSHIPS AUSTRALIA

MEDIA RELEASE: 2026-27 NSW BUDGET

MINNS GOVERNMENT CONTINUES TO TRIM INFRASTRUCTURE EXPENDITURE IN COST-OF-LIVING BUDGET

Treasurer Mookhey has today handed down another steady budget, with the Minns Government continuing to stabilise its fiscal foundations, says industry think tank Infrastructure Partnerships Australia.

“As with other jurisdictions, this year’s NSW Budget is not a landmark infrastructure budget, with the primary focus on a suite of cost-of-living measures, delivering existing projects, and guarding against global uncertainty,” said Infrastructure Partnerships Australia Chief Executive Officer Adrian Dwyer.

“Treasurer Mookhey has delivered stability, consistency and credibility in an otherwise uncertain time and that is something business and the community will welcome,” said Mr Dwyer.

“The Budget isn’t flash, it doesn’t hand out treats like confetti, but it does deliver a sizeable serving of sensible government.”

Infrastructure Partnerships Australia’s analysis of the 2026-27 NSW Budget finds a decrease of 1.3 per cent or $1.1 billion in infrastructure funding on the allocation in the 2025-26 Budget, bringing general government infrastructure funding to $84.9 billion over the next four years.

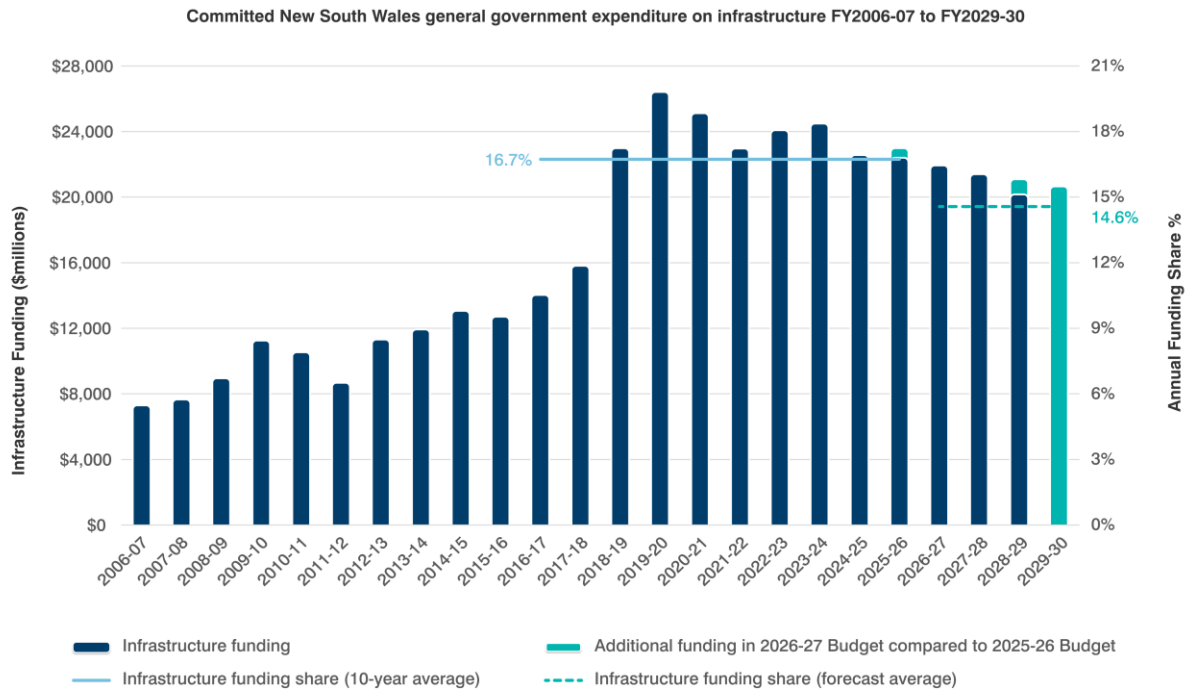
This decline in infrastructure expenditure is a direct result of active management signalled in the 2023-24 NSW Budget to guide infrastructure expenditure to a sustainable level of two per cent of Gross State Product (GSP). This year's Budget forecasts infrastructure funding at 2.3 per cent of GSP in FY2026-27, down from its peak of 3.3 per cent in 2019-20.

“Infrastructure Partnerships Australia's Practical Productivity report calls for governments to adopt a target for infrastructure expenditure as a share of GSP and the NSW Government is showing the rest of the country that this works in practice,” said Mr Dwyer.

“The Budget provides welcome planning dollars to develop the next wave of major projects, including $101 million for the planning of the Nowra Bypass and $152 million for a Future Fleet rolling stock program. “

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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 2026-27 NSW Budget

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