

Parliamentary Budget Office

Election Platform Assessment

Liberal and National Parties Victoria

Parliamentary Budget Office

We provide independent fiscal, economic and financial advice to all members of the Parliament of Victoria. Our objective is to inform policy development and public debate in parliament and the community.

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Foreword from the PBO

The Victorian Parliamentary Budget Office (PBO) is a critical institution supporting policy development and debate in the Victorian Parliament and community. My office provides high-quality, independent, and timely services to members of parliament, who can choose to release them publicly.

During elections, party leaders can provide the PBO details of their individual policies and advise which policies are part of their election platform – the set of policies they intend to implement if they form government after the election.

PBO Election Platform Assessment

PBO Election Platform Assessments are available to all party leaders. At their request, the PBO estimates the budget impact of their selected policies and produces an Election Platform Assessment.

Each Election Platform Assessment consists of a high-level analysis of the budget impact and individual costings for each policy.

PBO Election Platform Assessments are unique and uniquely valuable

While similar services exist, only the PBO delivers a product which combines:

- **independence** – the PBO is an independent authority; at no time is it subject to direction by any member of parliament
- **expertise** – the PBO has a highly skilled team with a demonstrated ability to cost policies across all policy areas
- **comparability** – the PBO service is available to all parties and is the most widely adopted election service.

Election Platform Assessments can inform members of the public as they consider how to cast their vote. They provide the reader with detail and insight into the budget impacts of a party election platform.

Interpreting this report

This report provides an accessible but detailed view of the impact of a party platform over the life of the next parliament. While consistent in scope with reports from other sources, it delivers benefits distinct to the PBO service.

This report informs the reader about the expected state of the budget, including what would happen to net debt.

Liberals and Nationals Election Platform Assessment

Ms Jess Wilson MP, Leader of the Liberal and National Parties Victoria (Liberals and Nationals), requested an Election Platform Assessment.

Ms Jess Wilson MP advised that their election platform consists of 72 policies and that, when published, this constitutes their entire election platform, replacing earlier commitments.

Independence declaration

The Parliamentary Budget Office is an independent office of the Victorian Parliament. As the Parliamentary Budget Officer, I am independent of government and have no alignment to any political party. I have prepared this election platform assessment consistent with my approach to all parties.

Xavier Rimmer
Victorian Parliamentary Budget Officer
26 November 2026

Budget impact

The current budget

The 2026 Pre-Election Budget Update (PEBU) is the latest budget baseline, providing forecasts to 2029–30. From 2026–27 to 2029–30, PEBU forecasts operating surpluses and rising net debt.

Liberals and Nationals budget impact

Over the 4 years to 2029–30:

- **Revenue** would decrease by $590.9 million, with the decrease in state tax and other revenue larger than the increase in Australian Government grants
- **Expenditure** would decrease by $3,246.1 million, with savings initiatives more than offsetting new expenditure
- **Capital** would decrease by $14,472.0 million, with the largest single impact from the *Asset Recycling Program* policy.

These impacts would decrease net debt, resulting in $2,723.9 million less **interest on debt**, which reflects the cost of servicing government borrowing.

Liberals and Nationals budget

In 2029–30, the Liberals and Nationals policies would deliver:

- $3,023.3 million operating surplus, $2,590.7 million larger than PEBU.
- $176,352.9 million in net debt, $19,851.1 million (10.1%) lower than PEBU.

Figure 1 – Current budget position

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31
Net operating balance	655.5	806.3	421.4	432.6	n.p.
Net debt	173,050.9	181,746.5	189,033.2	196,203.9	n.p.

Note: Net debt figures are for 30 June of each year. Other figures are flows across the year. n.p. = not published.

Figure 2 – Liberals and Nationals budget impact

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31
Revenue	-	226.2	-459.5	-357.6	12.6
Expenditure	-279.8	-298.5	-866.3	-1,801.6	-2,049.9
Capital	-251.7	-13,430.0	-336.8	-453.5	-1,479.2
Interest on debt	-17.0	-499.4	-1,022.8	-1,184.7	-1,459.9
Net operating balance	296.8	1,019.2	1,409.6	2,590.7	3,480.5
Net debt	-548.5	-15,002.5	-16,768.9	-19,851.1	-24,852.8

Note: Revenue includes state taxes, Australian Government grants and other state revenue. Expenditure consists of new expenditure and offsets. Capital consists of government investment in non-financial and some financial assets, and offsets. Figures represent change in budget component not the impact on a fiscal aggregate.

Figure 3 – Liberals and Nationals budget position

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31
Net operating balance	952.3	1,825.5	1,831.1	3,023.3	n.p.
Net debt	172,502.4	166,744.0	172,264.3	176,352.9	n.p.

Note: Net debt figures are for 30 June of each year. Other figures are flows across the year. n.p. = not published.

Recurrent policies

The Liberals and Nationals policy platform contains 70 recurrent policies which affect revenue and operating expenditure. They impact on both net debt and the net operating balance.

Figure 4 – Recurrent policy impact

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	Cumulative
Revenue						
State tax & other	-	168.4	-644.3	-686.4	-401.0	**-1,563.4**
Aus. Gov. grants	-	57.8	184.9	328.8	413.6	**985.1**
Total revenue	**-**	**226.2**	**-459.5**	**-357.6**	**12.6**	**-578.3**
Expenditure						
New expenditure	153.6	1,492.4	1,567.3	1,436.8	1,458.0	**6,108.1**
Savings						
Reprioritisation	*-303.4*	*-1,080.8*	*-1,703.7*	*-2,138.4*	*-2,407.9*	***-7,634.2***
Contingency	*-130.0*	*-710.0*	*-730.0*	*-1,100.0*	*-1,100.0*	***-3,770.0***
Total savings	-433.4	-1,790.8	-2,433.7	-3,238.4	-3,507.9	**-11,404.2**
Net expenditure	**-279.8**	**-298.5**	**-866.3**	**-1,801.6**	**-2,049.9**	**-5,296.1**
Interest on debt	-17.0	-499.4	-1,022.8	-1,184.7	-1,459.9	**-4,183.8**
Depreciation	-	4.8	20.0	37.9	42.1	**104.8**
Net operating balance	**296.8**	**1,019.2**	**1,409.6**	**2,590.7**	**3,480.5**	**8,796.8**

Note: Figures represent change in budget component not the impact on a fiscal aggregate.

Revenue broadly consists of:

- state tax and other revenue – primarily state tax revenue but includes other sources like levies, fees and charges.
- Australian Government grants – funds provided by the Australian Government.

Liberals and Nationals policies would decrease revenue by $578.3 million to 2030–31. This reflects a $1,563.4 million decrease in state and other tax revenue and an increase of $985.1 million in Australian Government grants.

Net expenditure consists of new expenditure and recurrent offsets.

Liberals and Nationals policies would decrease net expenditure by $5,296.1 million to 2030—31. This reflects an increase of $6,108.1 million in new expenditure, more than offset by the combined impact of $7,634.2 million in reprioritisation savings and $3,770.0 million from drawing down on available budget contingency.

The decreases in net expenditure and interest on debt more than offset the lower revenue and higher depreciation. The Liberals and Nationals policies would increase the net operating balance implying larger surpluses or smaller deficits.

To 2030–31, the largest single recurrent policy impacts would be:

- $5,689.8 million in savings from *Back office hiring freeze*
- $3,770.0 million in contingency from *Drawdown on contingencies*
- $3,376.0 million in additional revenue from *Reinvesting TAC Returns in Better Roads*
- $1,288.8 million in forgone revenue from *Scrapping the emergency services tax*
- $1,267.6 million in new expenditure from *Surgery Sooner.*

Capital policies

The Liberals and Nationals policy platform contains 29 capital policies. These affect government asset investment and impact on net debt.

The Total Estimate Investment (TEI) effect of capital initiatives is the budget impact once the capital works are completed. The impact of savings in initiatives from policy areas show up in the *Reprioritisation* TEI.

The aggregate TEI of the Liberals and Nationals platform reflects new investments, savings and contingencies. This is expressed as the net capital investment.

The Liberals and Nationals platform would decrease net capital investment by $13,648.9 million over the long term. This reflects new capital investment of $9,274.5 million, more than offset by $17,189.4 million in reprioritisation savings and $5,734.0 million from drawing down on available budget contingency.

To 2030–31, largest single capital policy impacts would be:

- $13,630.5 million largely in financial capital flows to the government from *Asset Recycling Program*
- $5,734.0 million in savings from *Drawdown on contingencies*
- $2,024.7 million in capital investment from *Victorian Road Upgrades*
- $1,233.4 million in savings from *Level crossing removal reprioritisation*
- $1,084.2 million in capital investment from *Hybrid trains and more trains for regional Victoria.*

Figure 5 – Net capital impact

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	TEI
New capital	11.5	734.2	1,471.1	1,725.4	1,752.1	**9,274.5**
Savings						
Reprioritisation	*-263.2*	*-13,452.2*	*-867.9*	*-696.9*	*-631.2*	***-17,189.4***
Contingency	*-*	*-712.0*	*-940.0*	*-1,482.0*	*-2,600.0*	***-5,734.0***
Total savings	-263.2	-14,164.2	-1,807.9	-2,178.9	-3,231.2	**-22,923.4**
Net capital investment	**-251.7**	**-13,430.0**	**-336.8**	**-453.5**	**-1,479.2**	**-13,648.9**

Notes: Totals may not sum due to rounding. TEI – Total estimated investment and includes investment beyond 2030-31.

Initiatives

The initiative tables below present the recurrent impact of each policy from 2026–27 to 2030–31. This is the revenue they generate less net expenditure (new expenditure less any recurrent savings). The TEI column includes investment beyond 2030–31. Initiatives are grouped by policy areas defined by the Liberals and Nationals.

Figure 6.1 - Reduce Crime

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	Cumulative	TEI
Break Bail, Face Jail	-12.6	-26.3	-27.5	-28.8	-30.2	**-125.3**	**-**
Court of Criminal Appeal	-	-10.1	-10.4	-10.7	-11.0	**-42.1**	**3.4**
Real consequences for criminal behaviour	-	-1.0	-1.1	-1.1	-1.1	**-4.3**	**3.0**
Resourcing Victoria Police	-	-1.3	-30.3	-204.8	-396.0	**-632.3**	**69.2**
Right to Ask, Right to Know	-	-2.8	-2.3	-2.7	-3.2	**-11.1**	**-**
Safer Communities Plan	-	-10.0	-30.0	-30.0	-10.0	**-80.0**	**20.0**
Total	**-12.6**	**-51.5**	**-101.6**	**-278.0**	**-451.4**	**-895.0**	**95.5**

Figure 6.2 - Lower Costs

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	Cumulative	TEI
Abolish the Air BNB Tax	-	-	-33.7	-69.0	-106.1	**-208.7**	**-**
Abolish the GP tax	-	-7.0	-7.5	-7.9	-8.3	**-30.7**	**-**
Abolish the schools tax	-	-145.9	-152.7	-159.7	-168.1	**-626.4**	**-**
Accelerating Apprenticeships Fund	-	-17.6	-18.7	-18.9	-19.7	**-74.9**	**-**
Asset Recycling Program	5.2	61.3	-14.4	28.5	-35.8	**44.8**	**-12,619.1**
Back office hiring freeze	243.7	749.6	1,263.5	1,596.3	1,836.8	**5,689.8**	**-**
Construction Enforcement Victoria	-4.6	-9.6	-9.9	-10.2	-10.5	**-44.7**	**-**
Energy and Resources Policy	-1.6	-3.6	-3.6	-3.6	-2.1	**-14.5**	**-**

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	Cumulative	TEI
Increase land tax threshold by $50k pa until it reaches $300k	-	-33.7	-79.4	-125.9	-162.6	**-401.5**	-
Increase the first home buyer stamp duty exemption to $1 mil	-	-76.0	-306.1	-399.4	-460.6	**-1,242.0**	-
Increase the payroll tax threshold and lower the rate	-	-76.6	-152.1	-156.3	-281.7	**-666.7**	-
Infrastructure Victoria	-	-11.3	-11.7	-12.0	-12.4	**-47.4**	-
Introduce a public sector executive salary cap	-	0.4	0.9	1.3	1.8	**4.5**	-
Level crossing removal reprioritisation	-90.3	-	-	-	-	**-90.3**	**-2,127.7**
Meningococcal B vaccine	-	-41.4	-34.0	-35.3	-25.2	**-136.0**	-
Reduce Government use of consultancies	-	16.4	16.9	17.4	17.9	**68.7**	-
Reinvesting TAC Returns in Better Roads	-	942.0	542.0	642.0	1,250.0	**3,376.0**	-
Scrap MP international TA	-	0.4	0.5	0.5	0.5	**1.8**	-
Scrapping the emergency services tax	-	-399.8	-326.3	-268.3	-294.5	**-1,288.8**	-
Small business concierge	-	-2.0	-2.0	-2.1	-2.2	**-8.3**	-
Successful School Starters	-	-12.7	-25.8	-26.5	-27.1	**-92.2**	-
Urgent Food Security Program	-2.0	-	-	-	-	**-2.0**	-
Victorian Productivity Commission	-	-5.3	-5.4	-5.6	-5.8	**-22.1**	**1.4**
Weekly toll cap	-	-108.9	-132.8	-	-	**-241.7**	-
Total	**150.2**	**818.6**	**507.7**	**985.4**	**1,484.5**	**3,946.5**	**-14,745.4**

Figure 6.3 - Government that Works

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	Cumulative	TEI
24 Hour Economy, Music and Events Advocate	-	-1.0	-1.0	-1.0	-1.0	**-4.0**	**0.3**
A better health system	-	-10.0	-5.4	-17.1	-29.4	**-61.9**	**64.8**
Abolish the Victorian Investment Fund	15.3	25.2	20.6	-	-	**61.1**	-
Access to healthcare	-	-46.6	-49.3	-53.0	-54.4	**-203.2**	-

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	Cumulative	TEI
Backing Victoria's Neighbourhood Houses	-	-2.5	-2.5	-2.5	-2.5	**-10.0**	**-**
Better Fishing, Better Hunting, Better Boating	-	-1.5	-1.5	-1.5	-1.3	**-5.7**	**-**
Child Protection and Carer Support	-0.6	-0.6	-	-	-	**-1.2**	**-**
Cleaning up Victoria	-3.4	-	-	-	-	**-3.4**	**-**
Coastal Resilience Strategy	-	-6.3	-6.3	-6.3	-6.3	**-25.0**	**25.0**
Community Projects, Events and Infrastructure	-	-54.0	-54.0	-28.0	-	**-136.0**	**34.0**
Consolidate Global Victoria International Offices	-	10.0	10.0	10.0	10.0	**40.0**	**-**
Country Roads and Bridges program	-36.0	-72.0	-72.0	-72.0	-36.0	**-288.0**	**-**
Drawdown on contingencies	130.0	710.0	730.0	1,100.0	1,100.0	**3,770.0**	**-5,734.0**
Fire Services Infrastructure Investment	-	-	-	-0.6	-1.1	**-1.7**	**336.1**
Five billion dollars to eliminate one million potholes	-	-205.1	-170.6	-135.1	-97.9	**-608.8**	**-**
Guaranteeing Free Kinder	-	41.1	148.0	208.8	283.7	**681.7**	**-639.2**
Hospital Infrastructure Investment	-	11.2	31.2	54.6	99.9	**196.9**	**2,102.0**
Hybrid trains and more trains for regional Victoria	-	-	-	-	-42.3	**-42.3**	**1,740.0**
Innovation in Victorian Agriculture	-	-8.5	-4.0	-1.0	-1.0	**-14.5**	**20.0**
Investing in Catholic and Independent schools	-	-150.0	-150.0	-100.0	-100.0	**-500.0**	**-**
Investing in Indigenous Health	-	-13.0	-13.0	-13.0	-13.0	**-52.0**	**-**
Latrobe Valley Jobs and Industry Package	-	-5.0	-5.0	-5.0	-5.0	**-20.0**	**-**
Major Events Attraction Fund	-	-11.9	-12.0	-12.0	-12.1	**-48.0**	**-**
Mental Health Reset and Early Access Plan	-	-45.1	-46.5	-44.8	-39.6	**-176.0**	**30.0**
New and redeveloped ambulance stations	-	-	-	-	-	**-**	**20.0**
Pause and review the Suburban Rail Loop project	-	-	-	-	-	**-**	**-**
Planning Policy	-	-3.4	-8.4	-9.9	-11.6	**-33.4**	**-130.9**

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31	Cumulative	TEI
Proton Beam for Peter MacCallum Cancer Centre	-	5.2	5.2	-7.3	-6.9	**-3.8**	**20.8**
Public expenditure tracker	-0.3	-0.6	-0.6	-0.6	-0.6	**-2.6**	**1.2**
Radiation therapy machines for Melbourne's West	-	-	-4.5	-4.6	-4.7	**-13.8**	**24.4**
Reconnecting the Wimmera and Mallee by rail	-	-	-	-7.8	-8.0	**-15.8**	**35.4**
Repeal Labor's divisive treaty	37.1	90.3	91.6	93.4	95.2	**407.6**	**-26.3**
Return control of capital projects to the CFA and SES	-	-3.4	-	-	-	**-3.4**	**-115.8**
Rural Health Workforce Incentive Scheme	-	-10.0	-10.0	-10.0	-10.0	**-40.0**	**-**
Sports and Recreation Facilities Infrastructure Fund	-	-143.0	-143.0	-72.0	-	**-358.0**	**17.0**
Strengthening Victoria's vital medical research sector	-	-24.0	-24.0	-14.0	-29.0	**-91.0**	**-**
Surgery Sooner	-	-302.1	-311.8	-321.7	-332.0	**-1,267.6**	**-**
Technical Colleges, Select Entry Schools, and State School Upgrades	-	-2.0	-2.0	-2.0	-	**-6.0**	**746.6**
Upgrading Scout halls and campsites	-	-4.0	-4.0	-4.0	-4.0	**-16.0**	**-**
Victorian Arts and Creative Industries	-	-0.5	-0.5	-0.5	-0.5	**-1.8**	**-**
Victorian Racing Industry Fund	-	-18.0	-18.0	-18.0	-18.0	**-72.0**	**-**
Victorian Road Upgrades	-	8.5	83.7	235.0	308.8	**636.0**	**2,429.6**
Total	**142.1**	**-242.5**	**0.6**	**736.6**	**1,029.5**	**1,666.3**	**1,001.0**

Attachment A – Statement of finances

Figure 7 – Year-on-year impact of election platform

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31
Revenue	-	226.2	-459.5	-357.6	12.6
Expenditure	-279.8	-298.5	-866.3	-1,801.6	-2,049.9
Debt interest	-17.0	-499.4	-1,022.8	-1,184.7	-1,459.9
Depreciation	-	4.8	20.0	37.9	42.1
Net operating balance	**296.8**	**1,019.2**	**1,409.6**	**2,590.7**	**3,480.5**
Non-financial capital	-117.8	-1,052.3	-334.8	-443.5	-1,608.8
Leases	-	-	-	-	-
Depreciation	-	-4.8	-20.0	-37.9	-42.1
Fiscal balance	**414.6**	**2,076.3**	**1,764.4**	**3,072.2**	**5,131.3**
Financial capital	-133.9	-12,377.7	-2.0	-10.0	129.6
Net position	**548.5**	**14,454.0**	**1,766.4**	**3,082.1**	**5,001.7**

Figure 8 - Cumulative impact of election platform

($ million)	2026–27	2027–28	2028–29	2029–30	2030–31
Revenue	-	226.2	-233.3	-590.9	-578.3
Expenditure	-279.8	-578.2	-1,444.6	-3,246.1	-5,296.1
Debt interest	-17.0	-516.4	-1,539.2	-2,723.9	-4,183.8
Depreciation	-	4.8	24.8	62.7	104.8
Net operating balance	**296.8**	**1,316.0**	**2,725.6**	**5,316.4**	**8,796.8**
Non-financial capital	-117.8	-1,170.2	-1,505.0	-1,948.5	-3,557.3
Leases	-	-	-	-	-
Depreciation	-	-4.8	-24.8	-62.7	-104.8
Fiscal balance	**414.6**	**2,491.0**	**4,255.4**	**7,327.6**	**12,458.9**
Financial capital	-133.9	-12,511.5	-12,513.5	-12,523.5	-12,393.9
Net position	**548.5**	**15,002.5**	**16,768.9**	**19,851.1**	**24,852.8**

Net operating balance is government revenue (including Australian Government grants) less operating expenses.

Fiscal balance – or net lending/(borrowing) – is the government's revenue less expenditure and net investments in non-financial assets (capital investment). It is **net operating balance** less non-financial asset investment (including leases) and it removes depreciation expenses. This measure shows whether the government needs additional borrowing to fund its operating activities and non-financial asset investments.

Net position – is a PBO defined measure**.** It consists of revenue less expenditure and net investments in non-financial assets (capital investment) and net investment in financial assets for policy purposes. It is **fiscal balance** less net investment in financial assets for policy purposes. This measure shows whether the government needs additional borrowing to fund its operating activities and most asset investments.