

Part 1: Overview

The 2025–26 Mid-Year Economic and Fiscal Outlook (MYEFO) delivers a stronger budget, with lower deficits and less debt over the forward estimates. This builds on the progress made in the last term, where the Government delivered the largest nominal budget improvement in a single parliamentary term, delivered back-to-back surpluses in the first two years and a substantially lower deficit in the third year.

This stronger budget position has been achieved by identifying an additional \$20.0 billion in savings and reprioritisations, limiting spending growth and returning every dollar of tax receipt upgrades to the budget. For the first time in eight years, net policy decisions in this MYEFO are positive, improving the budget position by \$2.2 billion over the forward estimates.

The Government has delivered improvements to the budget despite challenging global conditions and the need to fund \$6.6 billion of urgent and unavoidable spending and \$35.1 billion in upwards payment variations, mostly reflecting increased demand for government payments and services, and automatic updates to estimates. This includes funding recovery from natural disasters, providing access to new medicines and sustaining core services for veterans.

The global economic outlook is highly uncertain and global growth is expected to remain subdued over the forecast period. There are downside risks from global trade disruptions, conflict and geopolitical tensions and more persistent inflation in major advanced economies. Continued volatility in trade policy settings is adding to uncertainty and economic fragmentation.

Against this challenging global backdrop, the Australian economy is gathering momentum, with GDP growth expected to increase over the forecast period. The private sector recovery is picking up, business and dwelling investment are strengthening, unemployment remains low, participation remains high, real wages are growing and nearly 1.2 million jobs have been created since the middle of 2022. While inflation has increased recently, this has been partly driven by temporary factors. The recent increase in inflation is similar to the experiences of many advanced economies. Excluding the effect of electricity rebates and fuel, inflation is expected to return to the Reserve Bank of Australia (RBA) target band by the end of 2026.

The Government's economic plan is focused on helping Australians with the cost-of-living and building a more productive and resilient economy and a more sustainable budget. This MYEFO advances the Government's economic plan by:

- delivering responsible cost-of-living relief – by continuing to roll out tax cuts to every Australian taxpayer and helping Australians get a better deal on their energy bills and at the checkout
- strengthening Medicare and investing in health, medicines and aged care – to improve quality, accessibility and affordability

- making it easier to buy and rent a home – by delivering more homes for first home buyers and helping more Australians buy their first home sooner
- investing in cleaner energy, and building a Future Made in Australia – through the Cheaper Home Batteries Program, stimulating onshore production of low-carbon liquid fuels, establishing a critical minerals strategic reserve and implementing the Government’s Net Zero Plan
- building on progress at the Economic Reform Roundtable (the Roundtable) to make our economy more productive and resilient – by working with the states and territories on competition reforms, accelerating approvals and investing in infrastructure priorities
- broadening opportunity, advancing equality and improving social services – by ensuring fairer superannuation tax concessions for low-income workers, advancing First Nations economic empowerment and making early childhood education and care safer and more accessible
- securing our home and region – by investing in defence infrastructure, enhancing emergency capability and supporting the growth, resilience and sustainability of regional areas and local communities.

Updated economic and fiscal outlook

The Australian economy is gathering momentum in the face of substantial global uncertainty. Growth and the private sector recovery are picking up, unemployment is low, participation is near record highs, employment continues to grow, business investment is strengthening and real household incomes are rising.

The global economic outlook is complex and uncertain and risks are tilted to the downside. Global growth is forecast to remain low by historical standards at 3 per cent in 2025 and is then expected to only slightly recover to 3¼ per cent in 2026 and 2027. There are a number of downside risks to global growth including geopolitical uncertainty and global conflict, more persistent inflation in many major advanced economies, and growing concerns about fiscal sustainability in some advanced economies.

The effective tariff rate applied to goods imported into the United States increased sharply this year and has not been this high since before World War II. This has precipitated some shifts in global trade patterns, but the global economy has not fully adjusted to new trade settings, which will take some time to be fully realised. Compared with other advanced economies, the tariff rate on imports of Australian goods into the US remains low.

While Australia is not immune to global challenges, we confront them from a position of relative strength. Real GDP in Australia is forecast to grow by 2¼ per cent in 2025–26 and 2026–27. Private final demand has contributed more to economic growth than public final demand for four consecutive quarters and it is forecast to remain the major driver of GDP growth.

Household consumption growth is forecast to strengthen over the next two years, which reflects the ongoing growth in household disposable incomes. Non-mining business investment is expected to grow strongly as businesses are expected to continue to invest in digitising their operations and renewable energy. Non-mining business investment is forecast to reach its highest level on record by 2026–27. Dwelling investment is forecast to grow strongly, reflecting lower borrowing costs and robust housing demand.

Headline and underlying inflation remain well below their peaks in late 2022. While inflation has increased recently, this is similar to the experiences in many advanced economies and is partly due to temporary factors. These factors include the cessation of state and territory electricity rebate schemes, larger-than-expected increases in council property rates, and increases in the prices of volatile items such as travel. However, the increase in services inflation and prices of newly constructed dwellings could be more persistent, and are in line with the sustained recovery in demand. Excluding the effect of electricity rebates and fuel, inflation is expected to return to the target band by the end of 2026.

The moderation in inflation since mid-2022 has been achieved while preserving post-pandemic gains in employment and labour force participation, with nearly 1.2 million jobs created over this period. Although conditions in the labour market have eased modestly over 2025, the unemployment rate has remained low by historic standards and was 4.3 per cent in November 2025. The unemployment rate is expected to remain around 4½ per cent in 2025–26 and 2026–27, while the participation rate is expected to remain near record highs. Nominal wage growth is expected to ease slightly to 3¼ per cent in 2025–26 and 2026–27, but remain above its pre-pandemic five-year average. Productivity has grown for four consecutive quarters and a cyclical increase in productivity growth is expected over the forecast period.

Table 1.1: Major Economic Parameters^(a)

	Outcome	Forecasts			
	2024–25	2025–26	2026–27	2027–28	2028–29
Real GDP	1.4	2 1/4	2 1/4	2 1/2	2 3/4
Employment	2.2	1 1/4	1 1/2	1 3/4	1 3/4
Unemployment rate	4.2	4 1/2	4 1/2	4 1/4	4 1/4
Consumer price index	2.1	3 3/4	2 3/4	2 1/2	2 1/2
Wage price index	3.4	3 1/4	3 1/4	3 1/2	3 3/4
Nominal GDP	3.6	5 1/4	3 1/4	4 3/4	5 1/2

a) Real GDP and nominal GDP are percentage change on preceding year. Employment, the consumer price index and the wage price index are through-the-year growth to the June quarter. The unemployment rate is the rate for the June quarter. The labour market forecasts do not incorporate the November 2025 release of the ABS Labour Force.

Source: ABS Australian National Accounts: National Income, Expenditure and Product; Labour Force, Australia; Consumer Price Index, Australia; Wage Price Index, Australia; and Treasury

Responsible economic and fiscal management

This MYEFO delivers a stronger budget with less debt and smaller deficits over the forward estimates, continuing the Government's responsible approach to economic and fiscal management. Net policy decisions improve the budget position, with an additional \$20.0 billion of savings and reprioritisations. Every single dollar of the tax receipts upgrade has been returned to the bottom line.

This responsible MYEFO builds on the Government's track record from last term, when the Government delivered the largest nominal budget improvement in a single parliamentary term and delivered back-to-back surpluses in the first two years and a substantially lower deficit in the third year.

A deficit of \$36.8 billion is forecast in 2025–26, a significant reduction compared with \$42.2 billion expected at the 2025 Pre-Election Economic and Fiscal Outlook (PEFO). Over the four years to 2028–29, the underlying cash balance is expected to be \$8.4 billion better than the 2025 PEFO. Over the seven years to 2028–29, the budget is \$233.5 billion better than the 2022 PEFO.

Gross debt is expected to be lower in every year of the forward estimates than the 2025 PEFO, in both nominal terms and as a share of the economy. Gross debt is projected to peak at 37.0 per cent of GDP, the same as at the 2025 PEFO. The improvements to gross debt since the 2022 PEFO forecast mean more than \$60 billion of interest costs are avoided over the 11 years to 2032–33.

These substantial improvements to the budget have been delivered through the Government's disciplined approach, which includes spending restraint, identifying savings and returning tax receipt upgrades to the budget. Net policy decisions are positive for the first time in eight years, improving the budget bottom line by \$2.2 billion over the forward estimates. This was only possible because of the Government's commitment to finding savings and reprioritisations.

In this MYEFO, an additional \$20.0 billion of savings and reprioritisations have been identified, taking the total figure under this Government to \$114.1 billion. New measures include reducing spending on consultants and contractors in the Australian Public Service (APS); strengthening program integrity in the Veterans' Affairs portfolio and gradually returning deeming rates to pre-pandemic settings. This means that for the first time in over a decade and a half, every single dollar of the tax receipts upgrade has been returned to the budget bottom line. Since the Government came to office, 72 per cent of tax upgrades have been returned to the budget.

The Government's record of spending restraint has continued in this update. Real growth in payments averages 1.7 per cent per year over the seven years to 2028–29, around half the 30-year average of 3.3 per cent. Payments as a share of GDP are forecast to fall over the forward estimates from 26.9 per cent of GDP in 2025–26 to 26.5 per cent of GDP by 2028–29.

The Government's fiscal settings are consistent with underlying inflation sustainably returning to the RBA's target band by the end of 2026.

Table 1.2: Budget aggregates

	Estimates							
	2025-26		2026-27		2027-28		2028-29	
	\$b	% GDP	\$b	% GDP	\$b	% GDP	\$b	% GDP
Underlying cash balance								
MYEFO	-36.8	-1.3	-34.3	-1.1	-36.2	-1.1	-36.0	-1.1
PEFO	-42.2	-1.5	-35.4	-1.2	-37.1	-1.2	-37.0	-1.1
Budget	-42.1	-1.5	-35.7	-1.2	-37.2	-1.2	-36.9	-1.1
Gross debt(a)								
MYEFO	993.0	34.0	1,069.0	35.4	1,142.0	36.1	1,213.0	36.4
PEFO	1,022.0	35.5	1,092.0	36.5	1,161.0	36.9	1,223.0	36.8
Budget	1,022.0	35.5	1,092.0	36.5	1,161.0	36.9	1,223.0	36.8
Net debt(b)								
MYEFO	587.5	20.1	646.9	21.4	700.4	22.2	754.8	22.6
PEFO	620.7	21.6	676.3	22.6	713.9	22.7	768.2	23.1
Budget	620.3	21.5	676.3	22.6	714.1	22.7	768.2	23.1

a) Gross debt measures the face value of Australian Government Securities (AGS) on issue and is presented as at the end of the financial year.

b) Net debt is the sum of interest-bearing liabilities (which includes AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements) and is presented at the end of the financial year.

The MYEFO delivers on the Government's election commitments by funding more free mental health services, support for major and local infrastructure projects and investing \$10 billion to deliver up to 100,000 homes for first home buyers. These commitments were more than offset by \$7.2 billion of budget improvements, including reducing spending on consultants and contractors in the APS and increasing student visa application charges.

The Government has been able to deliver these commitments and continue to repair the budget even accounting for substantial budget pressures. New budget pressures since the election include \$35.1 billion in payment variations and \$6.6 billion in urgent and unavoidable spending, including to give access to new medicines, support security capability and border protection, and sustain core services for veterans. The Government is also progressing key priorities including improving access to health and aged care services, investing in infrastructure and supporting regional jobs.

These unavoidable payment variations include \$6.3 billion in additional expected payments to states and territories for disaster relief and recovery and \$2.0 billion in additional support for veterans across health services, counselling, community care and support and income support.

Higher-than-expected uptake of the Cheaper Home Batteries Program has increased payments by \$4.9 billion, net of action the Government is taking to moderate program growth, following the early success of the program.

Consistent with the Commonwealth's latest offer to states and territories, the Government has provisioned for future payments to the states and territories for the National Health Reform Agreement and Disability Foundational Supports.

Tax receipts have been revised up by \$32.6 billion over the forward estimates compared to the 2025 PEFO, excluding GST and policy decisions. The upgrade to tax receipts in this MYEFO is less than the average upgrade in the last six major budget updates. The impact of tax receipts has been largely offset by additional payments due to parameter and other variations.

The underlying cash balance improves over the medium term to a deficit of 0.1 per cent of GDP in 2035–36, broadly unchanged from the 2025 PEFO. Gross debt is expected to peak at 37.0 per cent of GDP in 2030–31, before declining to 33.0 per cent of GDP by 2035–36. The Government continues to make progress in addressing large structural spending pressures including the National Disability Insurance Scheme, aged care and support for veterans.

National priorities

Delivering responsible cost-of-living relief

In this MYEFO, the Government is providing responsible cost-of-living relief to ease the pressure on households, including helping Australians get a better deal on their energy bills and at the checkout. It builds on significant relief already rolling out, including tax cuts for every Australian taxpayer, reducing student debts, backing increases to minimum and award wages, cheaper medicines and more bulk billing.

Two further rounds of tax cuts for every Australian taxpayer

The Government is delivering two further rounds of personal income tax cuts for every Australian taxpayer, adding to the first round of tax cuts that commenced on 1 July 2024. Under these changes, from 1 July 2026 the 16 per cent tax rate, which applies to taxable income between \$18,201 and \$45,000, will be reduced to 15 per cent. From 1 July 2027, this tax rate will be reduced further to 14 per cent.

These tax cuts will provide further cost-of-living relief and return bracket creep by lowering average tax rates for all taxpayers, especially for low- and middle-income earners. The tax cuts will also boost labour supply, particularly from women and lower income Australians. Combined with the first round of tax cuts, the average annual tax cut is expected to be \$2,548 in 2027–28, around \$50 per week, compared to 2023–24 tax settings.

Wiping 20 per cent off student debt

The Government is reducing the student debts of more than 3 million Australians by 20 per cent, removing around \$16 billion in debt. These changes were applied to the accounts of 3.2 million Australians in November and December 2025.

The Government has also reformed student debt repayment arrangements so that Australians can keep more of what they earn. The new arrangements apply from 1 July 2025 and increase take-home pay for Australians with student debts by up to around \$55 a fortnight.

This is in addition to the Government's 2024 changes to indexation which removed more than \$3 billion in outstanding student debt. Combined, these changes have delivered cost-of-living relief to Australians with student debt, lowering the amount they pay back and allowing them to keep more of what they earn.

Backing increases in minimum and award wages

The Government advocated for an economically sustainable real wage increase for Australia's award wage workers, as part of the Fair Work Commission's (FWC) Annual Wage Review 2025. Minimum and award wage workers received a 3.5 per cent increase in wages, effective 1 July 2025. Across the last four FWC Annual Wage Reviews the National Minimum Wage has increased by over \$175 per week and \$9,120 per year.

Better energy deals for consumers

The Government is focused on taking pressure off energy prices for households and small businesses and ensuring they receive a fair price in their bills.

The Government has reformed the Default Market Offer, which caps how much electricity retailers can charge consumers on default plans. This will protect households and small businesses in areas where the Default Market Offer applies – New South Wales, South Australia and south-east Queensland – from unjustifiably high prices. The Government is strengthening national consumer protections in the electricity market, to ensure energy companies cannot take advantage of consumers.

As part of these energy market reforms, the Government is introducing the Solar Sharer Offer to provide more households and small businesses with cheap solar energy. Consumers will benefit from a new electricity product that will provide at least three hours of free electricity in the middle of the day when solar generation is at its peak.

This is in addition to the Cheaper Home Batteries program, which is helping households, businesses and community organisations reduce electricity bills; and the success of the Electric Car Discount, which has already supported the take-up of almost 100,000 vehicles.

Cracking down on supermarket price gouging

The Government is banning supermarket price gouging to help Australians get a better deal at the checkout. The ban will come into effect on 1 July 2026, enforced by the Australian Competition and Consumer Commission.

Strengthening Medicare

The Government is investing more than \$23.5 billion to deliver the high-quality, affordable and accessible health care Australians need. This record investment to strengthen Medicare includes extending eligibility for bulk billing incentives to all Australians and introducing a new incentive payment for general practices (GPs) that fully bulk bill. The Government is also making medicines on the Pharmaceutical Benefits Scheme (PBS) cheaper from 1 January 2026, with general patient co-payments reduced from \$31.60 to \$25 per script.

The Government has also expanded the Medicare Urgent Care Clinics program, with 98 clinics established and operating throughout Australia, including 11 opened so far this financial year. These clinics have already delivered over 2 million bulk billed services nationwide and are supporting Australians to access urgent care and help to reduce pressure on hospital emergency departments.

This MYEFO includes significant investments in free mental health services, cheaper medicines, and delivering free health advice and outside hours telehealth through 1800MEDICARE.

More free mental health services

The Government is investing \$1.1 billion to deliver more free mental health care. This includes:

- \$490.3 million for a new network of 20 Youth Specialist Care Centres.
- \$267.3 million for 32 new and upgraded Medicare Mental Health Centres.
- \$225.3 million for 58 new, upgraded or expanded headspace services.
- \$83.9 million for additional training places for mental health professionals and peer workers.

These commitments build on the \$888 million over eight years for mental health measures announced in the 2024–25 Budget to broaden access to high-quality, free mental health care.

Expanding access to medicines and health services

Cheaper medicines

The Government is investing \$1.8 billion for new and amended listings on the PBS to improve access and affordability of medicines. This will help many patients, including those with transplant-ineligible newly diagnosed multiple myeloma and adult patients with chronic kidney disease. This builds on the \$1.7 billion provided in the 2025–26 Budget for new and amended PBS listings, and Government action to reduce the PBS maximum general co-payment to \$25.

Improvements to the Medicare Benefits Schedule

The Government is investing a further \$118.1 million this MYEFO for new and amended items on the Medicare Benefits Schedule. This includes expanding access to the higher rebate for electrocardiograms and introducing a rebate for some patients registered with a MyMedicare practice who have a health worker at their side to assist with a GP video consultation, including in patients' homes. This will better support these patients to access multidisciplinary care and optimise video consultations with their GP.

Urgent action to address sexually transmitted infections

The Government is providing \$220.5 million for programs that address blood borne viruses and sexually transmitted infections. This includes expanding access to viral hepatitis testing, treatment, prevention and harm reduction services, and reducing HIV transmission in priority populations. To address the rising number of cases of infectious and congenital syphilis in Australia, the Government is committing \$16.5 million to reduce preventable infant deaths in vulnerable communities.

1800MEDICARE

The Government is investing \$219.8 million to establish 1800MEDICARE to help strengthen access to urgent care and take pressure off hospitals. From 1 January 2026, this initiative will facilitate access to free, nationwide 24/7 health advice and afterhours GP telehealth services. Nationwide 1800MEDICARE is expected to result in the delivery of over 130,000 free telehealth GP services per year by 2029–30.

Making it easier to buy and rent a home

Secure and affordable housing feels out of reach for many Australians. This MYEFO makes further investments to deliver more homes for first home buyers, boost the construction workforce and increase the supply of social and affordable housing. These investments are supporting progress towards the Government’s ambitious target of building 1.2 million new homes by June 2029.

These measures build on the Government’s first term achievements, including increasing the pipeline of long-term rental properties through Build to Rent tax incentives, raising the maximum rates of Commonwealth Rent Assistance by close to 50 per cent (including indexation), and an historic investment in new crisis and transitional accommodation.

100,000 homes for first home buyers

The Government is making more homes available for first home buyers so that more Australians have the opportunity to enter into home ownership. Through the First Home Supply Program, the Government will partner with states and territories and industry to unlock more housing supply and make it easier for first home buyers to own a home of their own. The Government is investing \$2 billion in grants and \$8 billion in concessional loans to deliver up to 100,000 homes reserved for first home buyers. State governments will also provide \$2 billion in matched funding to get homes underway.

The Government will work with states and territories and industry to identify land that is vacant or underutilised. Construction on the first homes will start in 2026–27, with first home buyers to begin moving in from 2027–28.

Expanding the 5% Deposit Scheme

On 1 October 2025, the Government expanded the 5% Deposit Scheme to help more Australians buy their first home sooner. The Government has invested \$5.4 million over four years to ensure all first home buyers now have access to the 5% Deposit Scheme, with no caps on places or income limits. Property price caps have also increased, providing access to a greater variety of homes. Under the 5% Deposit Scheme, the Government will guarantee a portion of a first home buyer's home loan, so they can purchase a home with a lower deposit and save on Lenders Mortgage Insurance.

This cuts years off the time it takes to save a deposit and brings the dream of home ownership back into reach for first home buyers across the country. Further, the changes to the Single Parent stream will allow more single parents and guardians to provide their family with greater security in appropriate homes.

Since the 5% Deposit Scheme was expanded it has supported more than 21,000 people into home ownership and more than 200,000 since May 2022.

More social and affordable housing and better First Nations housing outcomes

On 23 November 2025, the Government announced that it will deliver the largest round yet under the Housing Australia Future Fund (HAFF), supporting more than 21,000 new social and affordable homes. This builds on the strong progress made under previous rounds which have contracted 18,650 homes, including 9,284 social and 9,366 affordable homes.

Round 3 of the HAFF includes \$3.1 billion in concessional loans for community housing providers, with \$2.6 billion in additional investment. This brings the total concessional loan program to \$4.5 billion, providing the upfront investment needed to support construction of new homes. This forms part of the Government's commitment to build 55,000 social and affordable homes.

In line with the Government's commitment to Closing the Gap, Round 3 will include a dedicated funding stream to improve First Nations housing outcomes and strengthen the First Nations housing sector. This includes \$600 million in dedicated funding and access to concessional loans for projects delivered by, or in partnership with, First Nations housing organisations. Round 3 will also introduce a 10 per cent First Nations tenancy target across all social housing delivered in this round.

A new First Nations concierge function will be established within Housing Australia to support First Nations organisations through the application and delivery process, and to help build the long-term capacity of the First Nations housing sector.

Closing the Gap through the Housing Policy Partnership

The Government will provide \$6 million to extend the Housing Policy Partnership, a key commitment under the National Agreement on Closing the Gap, for two years from 2026–27. The Housing Policy Partnership brings together governments and First Nations representatives to have a genuine say in the design and delivery of First Nations housing.

Fast tracking skills in priority industries

The Government is investing \$78.0 million to fast track the qualification of 6,000 tradespeople to help build more homes across Australia. The Advanced Entry Trades Training program will help experienced but unqualified workers in the residential housing and civil construction industry gain nationally recognised vocational education and training qualifications to help build more construction projects, sooner.

In addition, the Government is providing a 12-month extension of the current level of financial support for employers of Australian apprentices training in Key Apprenticeship Program occupations from 1 January 2026. Employers of eligible apprentices in the clean energy and housing construction sectors will continue to be eligible for up to \$5,000 over the apprenticeship.

This work builds on other recent reforms including the introduction and permanent establishment of Free TAFE, the establishment of the Key Apprenticeship Program which provides eligible housing construction and clean energy apprentices up to \$10,000 over the course of their apprenticeship, and the increases to the Living Away From Home Allowance and Disability Australian Apprentice Wage Support payment.

Apprenticeships in priority occupations outside of the Key Apprenticeship Program will receive incentive payments of \$5,000 per apprenticeship. This support will be shared equally – with \$2,500 for the apprentice and \$2,500 for the employer.

Investing in cleaner energy and building a Future Made in Australia

The global transition towards net zero presents significant economic opportunities for Australia. The Government is focussed on making Australians the beneficiaries of this global shift by accelerating the delivery of cleaner, cheaper energy, providing businesses with the certainty they need to invest, and seizing new industrial opportunities on offer.

Net Zero Plan

In September 2025, the Government built on its commitment to net zero by 2050 and its existing 2030 target by releasing its 2035 emissions reduction target of 62 to 70 per cent below 2005 levels. This formed part of the Government’s updated Nationally Determined Contribution under the Paris Agreement. It was released alongside the Net Zero Plan and the six supporting sectoral decarbonisation plans, which outline an orderly pathway to net zero for Australia.

Australia’s Net Zero Transformation: Treasury Modelling and Analysis, released alongside the Net Zero Plan and 2035 target, shows that an orderly transition underpinned by clear and credible climate action will support continued economic growth, higher living standards and employment. A disorderly transition would cost investment, jobs and the economy.

These announcements were accompanied by new measures that amount to over \$75 billion in new spending committed since October 2022 to support the net zero transition. The Net Zero Plan supports Australia’s growing international climate leadership, where Australia

will play a lead role in COP31, acting as President of Negotiations and supporting the Pacific to host a pre-COP meeting.

Modernising our energy system

The Government is continuing to unlock private investment in firmed renewable energy to replace Australia's ageing coal-fired power stations as they retire and meet the growing demand for energy from the industrial sector. This is putting downward pressure on electricity prices and improving Australia's competitiveness, with the Clean Energy Investor Group finding retail electricity prices estimated to have been up to 22 per cent higher in 2024 without the contributions of renewable energy.

The Government is also progressing key regulatory reforms that enable Australians to further benefit from our world leading take-up of consumer energy resources, such as household solar panels and batteries. These reforms will improve the productivity of our existing network, improve system security and reliability and further strengthen retail market and consumer protection reforms.

Cheaper Home Batteries

The Government is making changes to the successful Cheaper Home Batteries Program to ensure that Australian households, businesses and communities can continue to benefit more from cheap and clean solar power, while helping to lower electricity bills for everyone by reducing pressures on the grid. The changes will implement tiered levels of discounts for small, medium and large batteries, and adjust the existing discount reductions to 2030.

The uptake of batteries has been significant since the Program launched on 1 July 2025 and has exceeded initial expectations, already helping more than 155,000 households and small businesses to cut their bills. Storing the energy from rooftop solar in household batteries is good for the grid, smoothing out evening demand and reducing peak pricing in ways that benefit all consumers. Data from the Australian Energy Market Commission found that, even on a conservative outlook for installations, faster home battery uptake could deliver a reduction of up to 3 per cent on household electricity bills annually across the National Electricity Market. The Government is taking responsible actions to sustainably manage the Program while ensuring consumers continue to benefit.

A better energy deal for consumers

The Government is ensuring households and small businesses benefit from small scale consumer energy resources. This includes providing \$32.7 million to expand the Nationwide House Energy Rating Scheme and \$15.4 million to modernise and reform retail market and consumer protections and implement recommendations of the Nelson Review of the National Electricity Market. The recommendations of the review aim to improve the reliability, affordability and security of the electricity market and put downward pressure on consumer prices.

The Government is committed to meeting the challenges that the transition to a renewables-based grid presents, while delivering the best outcomes for consumers and incentivising effective investment in low-cost renewable energy. Together, these measures will help cut energy bills and emissions, and ensure consumers are protected from high prices.

Rewiring the Nation

The Government's Rewiring the Nation program continues to modernise Australia's electricity grid by committing over \$20 billion to make clean energy more accessible and affordable to consumers. The largest investment under this initiative to date is Marinus Link, which achieved its final investment decision in August 2025 supported by an expected \$3.8 billion from Rewiring the Nation. The undersea and underground electricity and data interconnector between Tasmania and Victoria will be critical to Australia's energy transition, reduce electricity prices and increase reliability.

Future Made in Australia

This MYEFO builds on measures taken in the first term to broaden and modernise Australia's industrial capabilities and realise the economic opportunities presented by the global net zero transformation. New investments in cleaner fuels and critical minerals and better access to capital for net zero innovations and economic resilience will position Australian businesses to capture emerging industrial opportunities, and support a Future Made in Australia.

Supporting major investments in decarbonisation

The Government is strengthening Australia's industrial capabilities by establishing a \$5 billion Net Zero Fund within the National Reconstruction Fund. The more concessional Net Zero Fund will enable large industrial facilities to make major investments to decarbonise and improve energy efficiency, and will support manufacturing of renewable and low emissions technologies. These concessional investments will support our 2035 emissions reduction target and promote innovation.

Cleaner Fuels

In addition to the Net Zero Fund, the Government is investing \$1.1 billion in low carbon liquid fuels through the Cleaner Fuels Program. The Cleaner Fuels Program will stimulate private investment in Australian onshore production of low carbon liquid fuels, such as renewable diesel and sustainable aviation fuel. This builds on investments made in renewable hydrogen, green metals, critical minerals and clean energy manufacturing that position Australia to realise the economic opportunities presented by the global net zero transformation.

Critical minerals

The Government is supporting the development of Australia's critical minerals industry by committing \$1.2 billion to deliver the Critical Minerals Strategic Reserve and helping to further secure the supply chains of critical minerals and rare earths required for defence, advanced technologies and clean energy manufacturing.

Through the Critical Minerals Facility, the Government is providing USD\$100 million in equity financing to Arafura Rare Earths for the Nolans Rare Earths project in the Northern Territory. This builds on existing government support for the project and will help crowd in private investment. The Government is also providing equity financing to Alcoa of Australia for the Alcoa-Sojitz Gallium Recovery project in Wagerup, Western Australia. This is a joint project with Japan and the United States, which will strengthen our collective economic security.

Supporting Australia's heavy industry transition and securing regional jobs

The Government is making targeted investments to sustain strategically important smelting capabilities. As part of this effort, the Government is providing \$135 million in joint support with the South Australian and Tasmanian Governments to Nyrstar's Port Pirie and Hobart facilities, including accelerating a feasibility study relating to the production of the critical mineral antimony. This will support the facilities to undertake further technical studies, fast-track pilot projects and implement facility upgrades to secure future operations. The Government is also supporting the continued operations of Glencore's Mount Isa Copper Smelter and Townsville Refinery. The Government is partnering with the Queensland Government to provide up to \$600 million in support over four years, helping to secure regional jobs and reinforce Australia's position in the global copper supply chain.

Work is continuing with the South Australian Government to secure the future of the Whyalla Steelworks, supporting local jobs and encouraging continued investment into Australian-made green iron and steel. Building on the February 2025 joint commitment of \$2.4 billion to stabilise and secure the longer-term future of the steelworks, in July 2025 the Government announced a further \$275 million in joint administration funding.

Supporting a sustainable forestry industry

The Government is helping secure a sustainable future for timber and forestry workers by establishing a \$300 million Forestry Growth Fund. The Forestry Growth Fund will help deliver a bigger forestry industry that supports more secure jobs, better pay and more high-value output by investing in industry modernisation and advanced processing.

The Forestry Growth Fund includes \$150 million in concessional finance from the National Reconstruction Fund to modernise timber processing. A further \$150 million in grants will fund training and support for forestry workers, further innovation in engineered wood products and support the housing construction supply chain.

Strengthening the manufacturing sector with zero interest loans

The Government is delivering its election commitment to establish a new Economic Resilience program within the National Reconstruction Fund to provide \$1 billion in zero interest loans for Australian manufacturing businesses. The zero interest loans will be used to help businesses diversify and expand their export markets as well as build industrial capabilities in the national interest.

Making our economy more productive and resilient

A more productive and resilient economy is critical to lifting living standards and is an important defence against global volatility. This MYEFO builds on measures the Government took in its first term and progresses priorities from the Economic Reform Roundtable to foster a more resilient economy that is well placed to face new challenges and seize the opportunities of the future.

Box 1.1: Building on the Economic Reform Roundtable

The Roundtable brought together leaders from the business community, the union movement and civil society to help make the Australian economy more productive and resilient and the budget more sustainable.

Informed by nearly 900 submissions and over 40 forums held around the country, the Roundtable highlighted the substantial areas of common ground and shared ambition for making Australians the beneficiaries of the change underway in the global economy.

Coming out of the Roundtable were ten reform directions, including immediate actions and areas for further work.

The reform directions were:

1. Progress towards a single national market
2. Simplify trade and reform tariffs
3. Better regulation
4. Speed up approvals in national priority areas
5. Build more homes, more quickly
6. Make AI a national priority
7. Attracting capital and deploying investment
8. Build a skilled and adaptable workforce
9. A better tax system
10. Modernise government services

Since the Roundtable, progress includes landmark reforms to the *Environment Protection and Biodiversity Conservation Act 1999*, streamlining regulations for builders to build more homes more quickly, committing to abolish more nuisance tariffs, legislating the Regulatory Reform Omnibus Bill 2025, releasing a National AI Plan and piloting the Investor Front Door.

Significant further work is also underway, including working through more than 400 regulatory reform ideas proposed by 38 regulators, advancing a further round of national competition policies with states and territories to build a single national market, further work to streamline approvals, and better coordinating and facilitating private investment through the Government's suite of Special Investment Vehicles.

Boosting productivity and creating a single national market

The Government is working with the states and territories to expand National Competition Policy reforms and reduce barriers and costs across the federation. These reforms include:

- Working towards a single national market for workers through broad and ambitious occupational licensing reforms, with an initial focus on occupations critical to housing and construction.
- Working towards a single national market for goods through regulatory and standards harmonisation, starting with reforms in three priority sectors (building and construction, waste and recycling, and household electrical consumer products), and identifying relevant reforms from the Food Standards Australia New Zealand Act Review to promote grocery and supermarket competition.
- Delivering a package of heavy vehicle reforms to increase transport productivity and support the uptake of heavy zero emissions vehicles.
- Allowing health professionals to work to their full scope of practice to increase access to care, alleviate skills shortages and reduce costs, starting with the harmonisation of state and territory drugs and poisons legislation.
- Expanding right to repair to agricultural machinery to enhance productivity through improved access to repair and maintenance information.

The Government will also progress the development of a second-pass business case for a single national worker screening model for the care and support economy.

Investor Front Door and accelerating approvals

The Government is making it easier to build and invest in major, transformational projects in Australia through the Investor Front Door. Attracting more private investment in key industries will help to boost productivity, achieve Australia's net zero targets, and realise the ambition of a Future Made in Australia.

The Government has committed \$17.3 million to pilot Investor Front Door services until early 2027. The Investor Front Door will work with Commonwealth, state and territory governments to speed up regulatory approval decisions for projects of national significance. It will identify regulatory gaps, overlaps and inefficiencies to inform the Government's reform agenda. The Government will consult on options for a dedicated Coordinator General function as part of the Investor Front Door in 2026.

Reforms to better protect the environment while boosting productivity

The Government has passed landmark environmental law reforms, heralding a new era that will better protect our environment and boost productivity. Delivering on the recommendations of Professor Graeme Samuel’s review of the *Environment Protection and Biodiversity Conservation Act 1999*, these changes will protect the environment for future generations while increasing certainty and accelerating approvals.

The reforms include a new Streamlined Assessment Pathway that will significantly reduce the timeframe for proponents who provide sufficient information upfront. New and improved bilateral agreements with states and territories will remove duplication for the assessment and approval of projects. Regional planning that identifies ‘go’ and ‘no go’ zones will deliver greater certainty to businesses.

Abolishing nuisance tariffs

A second tranche of around 500 nuisance tariffs will be abolished from 1 July 2026 to make products cheaper for Australians and reduce compliance costs for business by an estimated \$127 million per annum.

Reducing the regulatory burden for builders

The Government has worked with states and territories to pause further residential changes to the National Construction Code (NCC) until 2029, excluding essential safety and quality changes. During the pause, the NCC will be modernised to make it more streamlined, easy to use, and cost effective while upholding high standards, quality and safety.

Capturing opportunity through the National AI Plan

The Government has released the National AI Plan, which will help Australia capture the opportunity of AI and ensure the benefits of AI are widely shared, while keeping Australians safe. Work is underway to progress the National AI Plan, including consulting with the states and territories on national interest principles to underpin the development of data centres. The Government is also establishing the Artificial Intelligence Safety Institute to monitor, test and share information on emerging AI capabilities, risks and harms. The Institute will support ministers, portfolio agencies and regulators to respond to AI harms and ensure that existing regulatory frameworks remain fit-for-purpose.

Delivering on transport infrastructure priorities

The Government is maintaining its more than \$120 billion 10-year infrastructure investment pipeline. This MYEFO, the Government is providing an additional \$1.1 billion over seven years from 2025–26 to support the delivery of election commitments and other priority projects under the Infrastructure Investment Program, while continuing to smooth the medium-term investment pipeline.

To support operations at the new Western Sydney International Airport, the Government will provide more than \$261.8 million for a further stage of preparations by border agencies.

Community infrastructure grants

The Government is investing \$625.5 million over four years from 2025–26 to fund community infrastructure that improves the social and economic vitality of local communities. Funding will deliver community and sporting infrastructure, open space improvements and other community priorities. This will improve the resilience, amenity, and liveability of communities and broader regions.

A further \$87.5 million over four years from 2025–26 will protect and improve Australia's environment and heritage. This supports locally informed, place-based projects that protect and restore threatened species and habitats, enhance coasts and waterways, and improve community access to nature.

A stronger and more efficient public service

The Government is building a more efficient, productive and future-ready public service, able to deliver better services for all Australians while demonstrating effective use of funding. The Government will achieve savings of \$6.8 billion by further reducing spending on external labour and other non-wage expenses like travel, hospitality and property.

To unlock the full potential of AI in public service delivery, the Government is continuing to build AI capability, confidence and coordination across the APS. On 12 November 2025, the Government released the APS AI Plan to support public servants with the foundational training, access and guidance needed to use AI tools safely and responsibly.

Broadening opportunity and advancing equality

Health care, aged care, and social security provide essential services that Australians rely on. The Government is continuing to invest in these essential services to improve access and make sure they meet the evolving needs of the community.

Fairer superannuation for low-income workers

The Government is boosting the Low Income Superannuation Tax Offset (LISTO) to provide additional support to low income workers to help build their retirement savings. From 1 July 2027, the LISTO threshold will increase from \$37,000 to \$45,000 to match the top of the second income tax bracket. The maximum payment will also increase to \$810 to account for recent increases in the Superannuation Guarantee rate.

This change will provide low-income workers with a fairer tax concession on their super contributions to align with recent increases in the Superannuation Guarantee rate and the Government's third round of tax cuts taking effect in 2027. The boost to LISTO will help deliver a more secure retirement for 1.3 million Australians.

First Nations economic empowerment

The Government is partnering with First Nations people, communities and businesses to drive First Nations economic empowerment by unlocking economic opportunities and creating sustainable jobs for First Nations Australians.

The Government will provide an additional \$75 million to support Prescribed Bodies Corporate to build capability and accelerate investment, enabling meaningful participation for communities and timely decision-making for investors. Together with the First Nations Economic Partnership, the Government is also examining how Specialist Investment Vehicles can better deliver long-term benefits for First Nations communities.

A more accessible health and aged care system for Australians

Improving access to quality aged care services

The Government is supporting thousands more older Australians to continue living in their homes and communities by providing an additional 63,000 Support at Home places by 30 June 2026. This builds on the 20,000 Home Care Packages that were released before the aged care reforms commenced on 1 November 2025. This represents a total additional investment in in-home support of \$947.8 million over two years from 2025–26.

Better health outcomes for regional Australia

In this MYEFO the Government is making a number of investments to improve access to health care in regional and remote communities. This includes \$10.1 million to CareFlight for aeromedical retrievals and care in the Top End region of the Northern Territory. A further \$2.0 million will strengthen preventive health and health promotion activities for communities in Cairns and Far North Queensland, including cancer screening and skin cancer checks.

In addition, the Government is committing \$73.4 million to strengthen and support Australia's health workforce in regional, rural and remote areas. This extends funding for seven programs that support medical professionals to deliver essential health services in areas of need.

Equitable health care for men, women and families

In this MYEFO the Government is investing \$82.6 million to provide essential health supports for men, women and families. This includes funding of \$32.7 million across five programs to support men's health and reduce stigma around seeking support. In addition, the Government is providing \$16.0 million to continue the Australian Longitudinal Study on Male Health (Ten to Men), which provides data on the health needs of men and boys.

Funding will also support research and education on the prevention, early detection and management of diseases affecting women and girls (see Box 1.2). To support parents, the Government is committing funding for the National Breastfeeding Helpline and Livechat service and the Australian Red Cross Lifeblood donor human milk banks for vulnerable pre-term infants.

Stronger social services for everyone*A fairer and more efficient social security system*

The Government is making the social security system fairer and more efficient by increasing the small debt waiver threshold to \$250, recognising that the cost of recovery for small, accidental debts generally exceeds the value of the debts themselves. The Government is also expanding eligibility for the special circumstances debt waiver to provide further protections for victims of domestic, family and sexual violence.

Helping veterans and their families

The Government is providing \$1.4 billion over four years to deliver better outcomes for veterans and their families. This includes giving veterans better access to professionalised free-to-the-veteran advocacy services and improving the accessibility and timeliness of health care. In addition, the Government is providing more resources to process compensation claims, supporting veterans' aged care and improving veteran services provider and advocate compliance. A new executive agency focussed on veteran wellbeing will be established with \$78.0 million, as recommended by the Royal Commission into Defence and Veteran Suicide (the Royal Commission). The Defence and Veterans' Service Commission will be provided with \$44.5 million, giving effect to another recommendation of the Royal Commission.

Safer and better early childhood education and care

Ensuring the safety and wellbeing of every child in early childhood education and care is a national priority. The Government will provide \$188.5 million over four years from 2025–26 to strengthen safety and quality in early childhood education and care. This includes developing a National Educator Register, supporting the workforce to complete mandatory child safety training, an assessment of CCTV in services, improving transparency for parents about services' quality and safety and increased regulatory actions. The Government is also investing \$39.3 million to address existing gaps in the Working With Children Checks (WWCC) process and to implement the National Continuous Checking Capability to provide all jurisdictions near-real time information on the suitability of WWCC holders across the country.

The Government's Worker Retention Payment (WRP) has increased wages for the female-dominated early childhood education and care workforce, delivering a total 15 per cent wage increase from 1 December 2025. The Government has also introduced a new combined fee growth cap over 2 years to assist more child care services to take up the WRP at the same time as limiting fee growth for families.

From January 2026, the 3 Day Guarantee replaces the Child Care Subsidy Activity Test. Families will be eligible for at least 72 hours of subsidised early childhood education and care per fortnight, with 100 subsidised hours per fortnight for families caring for a First Nations child, regardless of parents' level of work, training, study or other activity.

Box 1.2: Working for women and advancing gender equality

The Government is focussed on ensuring women have more and better choices when it comes to their economic security, health, safety, and employment.

Economic equality and security

From 1 July 2027, the LISTO threshold will increase from \$37,000 to \$45,000 to match the top of the second income tax bracket. The maximum payment will also increase to \$810 to account for recent increases in the Superannuation Guarantee rate. This will benefit 1.3 million Australians, of which around 60 per cent are women, helping to narrow the gender superannuation balance gap.

The Government will provide \$28.5 million over three years from 2025–26 to extend the Advancing Gender Equality in Gender Segregated Industries grant opportunity for an additional two years to 2028. This will support state and territory Trades and Labour Councils and peak employer organisations to continue to deliver initiatives to improve gender equality in gender segregated industries. These initiatives will aim to address systemic issues facing women in gender segregated industries and foster more cooperative workplaces.

Addressing minimum wages in female dominated industries is the next step in continuing to reduce the gender pay gap. The Government legislated to make gender equality an objective the FWC must consider and supports its Gender-based undervaluation – priority awards review.

Gender-based violence

Further actions to end gender-based violence are included in this MYEFO, including allocating \$185.2 million on top of the more than \$4 billion already invested to support women's safety and the National Plan to End Violence against Women and Children 2022–32. Additional actions include:

- Progressing Building Australia's Future: Labor's Commitment to Women to:
 - Prevent perpetrators from using the tax and corporate systems to create debts as a form of coercive control and make perpetrators accountable for these debts if they do.
 - Stop perpetrators of domestic and family violence from receiving their victim's superannuation after death.
 - Make perpetrators liable for social security debts incurred by a victim-survivor due to coercion or financial abuse.
- Investing \$42.9 million to extend the Family Violence and Cross Examination of Parties Scheme and the Lighthouse Project pilot, ensuring the courts remain safe, culturally responsive, accessible and supportive for women and families.

Continued on the next page

Box 1.2: Working for women and advancing gender equality continued

- Investing a further \$41.8 million to ensure the sustainability of 1800RESPECT – Australia’s national counselling, information and referral service for people affected by family, domestic, and sexual violence.
- Committing \$35.5 million to extend a pilot on a model of care for improved coordination and access to specialised trauma-informed mental health recovery care for victim-survivors of family, domestic and sexual violence
- Providing \$22.7 million to continue the Supporting Primary Care Response to Family, Domestic and Sexual Violence (FDSV) pilot to train primary health care workers to recognise, respond and refer patients to local FDSV services.

Unpaid and paid care

The Government is continuing to expand Paid Parental Leave (PPL) to empower the full and equal participation of women in the workforce. After expanding to 24 weeks of leave entitlement and adding superannuation in 2025, the scheme will increase to 26 weeks from 1 July 2026. In addition to providing more leave, the changes provide greater flexibility and support more equal sharing of parenting and household responsibilities.

Further, parents of children born on or after 1 July 2025 are now eligible for superannuation guarantee equivalent contributions on Government-funded PPL. Payments to superannuation accounts will be made annually, commencing from 1 July 2026. This payment recognises the important contribution parents make to society, by reducing the impact that career-breaks to care for young children have on superannuation balances.

Health

Building on the significant investments made in the 2025–26 Budget, this MYEFO includes further support for women’s health. The Government is providing \$8.8 million to support Jean Hailes for Women’s Health to undertake research and education on the prevention, early detection and management of diseases affecting women and girls. In addition, the Government is supporting maternal health by providing \$46.5 million across multiple measures. These include ongoing funding for breastfeeding support services for new parents; lowering the rate of preterm and early birth by continuing the Preventing Preterm Birth program; and providing care and support for women and families impacted by miscarriage, stillbirth and neonatal loss. The Government is also investing \$154.0 million in new life saving medicines to treat breast and endometrial cancer and expand contraceptive choices on the PBS.

To ensure LGBTIQ+ people receive safe, accessible health care, the Government is providing \$10.1 million for a primary health care training and accreditation program to deliver a national network of LGBTIQ+ safe accredited primary care providers.

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Box 1.2: Working for women and advancing gender equality (continued)

Leadership, representation and decision-making

The Government is committed to elevating women's sport, including by enhancing assistance for the Asian Football Confederation Women's Asian Cup 2026 to be hosted by Australia, and investing \$0.8 million in the planning and delivery of the Women's Softball World Cup in Queensland in 2027.

Securing our home and region

This MYEFO continues the Government's commitment to national resilience and defence capabilities to ensure Australia is well-positioned to meet the challenges of the future. This includes strengthening defence infrastructure, upgrading our emergency management systems, and ensuring the security and prosperity of communities and the regions.

Delivering the Henderson Defence Precinct

The Government has committed an initial \$12 billion over ten years towards delivering a Defence Precinct at Henderson in Western Australia. This investment will support the delivery of facilities for the construction of vessels for the Australian Defence Force including Army Landing Craft and the domestic build element of Australia's future general purpose frigates pending successful consolidation, sustainment of Navy surface combatants, and maintenance of Australia's future conventionally armed, nuclear powered submarine fleet.

Improving emergency capability

Better and more resilient emergency warning systems

A new National Messaging System will provide Australians with cell broadcast warnings during emergencies. The Government has committed \$19 million to complete the National Messaging System to ensure it is in place for the 2026–27 high risk weather season.

In addition, the Government will provide \$11.6 million to improve Australia's capacity to prepare for, monitor and respond to natural hazards including bushfires. This investment supports the National Bushfire Intelligence Capability, the North Australia and Rangelands Fire Information web service, the National Resource Sharing Centre and fire station infrastructure upgrades.

Safeguarding Triple Zero

The Government will provide over \$23.4 million to the Australian Communications and Media Authority for regulatory oversight and compliance activities to improve the resilience of the Triple Zero emergency call service. This investment will complement reforms that the Government has made in response to the Bean Review, including the establishment of the Triple Zero Custodian.

Investing in regional and remote Australia

Strengthening the Regional Investment Corporation

The Government is supporting the growth, resilience and sustainability of Australia's agricultural sector with an additional \$1 billion available for new loans through the Regional Investment Corporation (RIC). This funding underscores the Government's enduring commitment to support Australian primary producers facing hardship – including those dealing with drought and significant ecological events. This new funding brings total support for the agriculture sector through RIC loans to over \$5 billion.

Keeping Rex in the air

The Government is providing financial support for the sale of Rex Airlines to new commercial owners. Rex's existing debt will be restructured and a new commercial loan facility of up to \$60 million will be provided in exchange for a range of commitments aimed at maintaining regional connectivity.

Addressing algal bloom outbreaks and combating ghost nets

The Commonwealth is contributing \$68.5 million to help South Australians respond to the algal bloom outbreak currently affecting state waters. Funding will enable critical work in environmental restoration, science and research to protect South Australia's coast and support coastal businesses and communities.

The Government is expanding funding to detect, remove and dispose of discarded fishing nets and marine debris from Australia's northern waters, with \$25.1 million over four years for the Ghost Nets Initiative. This additional funding will expand the Initiative to other coastal areas around Western Australia, the Torres Strait and the Arafura and Timor seas.

Strengthening Australian leadership in Antarctica

The Government is securing the future of Australia's Antarctic Program with an investment of \$208.8 million for critical shipping and aviation to support the Australian Antarctic Program, including the delivery of additional world-class marine science voyages. Delivering additional science voyages will deepen our understanding of Antarctica, the impacts of climate change on the Southern Ocean and Antarctica's role in the global climate system.

Supporting multicultural communities

The Government is investing \$220.6 million over four years from 2025–26 to support multiculturalism in Australia, to strengthen and support multicultural communities; and promote inclusion, economic participation and stronger community connections. This includes \$171.3 million over three years from 2025–26 for grants to community organisations to support the delivery of priority infrastructure, amenities and events initiatives. It also includes \$25.6 million over four years from 2025–26 to support over 600 community language schools across Australia, which will benefit over 90,000 students.