QON No. 31

Legislative Assembly for the Australian Capital Territory

Select Committee on the Fiscal Sustainability of the ACT

Inquiry into the Fiscal Sustainability of the ACT

Answer to question on notice

Asked by: Jo Clay MLA

Addressed to: Treasurer

Redirected to:

Reference: Reduced growth in the health budget

Hearing: 16 June 2026
In relation to: **Reduced growth in the health budget**
Question received: 7 July 2026
Answer Due: 14 July 2026

The ACT health budget rose by around 55% over the last 10 years. Health is the largest single component of operating expenses.

The Eslake report notes in the Forward Estimates that growth in spending on health will slow from an average of 8.4% per annum to 1.3% per annum.

How will you achieve this reduced growth rate of 1.3% and can you provide any modelling or reports that show this?

Chris Steel MLA: The answer to the Member's question is as follows:

Comparison of annual growth rates over the four years to 2028-29 needs to considered and interpreted in the context of the Government's decision to significantly increase investment in public health services across of the forward estimates period in the 2025-26 Budget. This record uplift in funding for the public health system of $1.19 billion across all four years to 2028-29 provided a higher base and therefore lower growth rates year on year.

This additional investment was required to support access to high-quality public health services by addressing the growing demand for, and rising cost of, public hospital services. It also funded increased elective surgeries and provided better support for long-stay patients in our public hospital system.

To ensure this additional investment will deliver the intended outcomes, the Government provided $13 million over three years to 2027-28 in the 2025-26 Budget to support targeted interventions that enable more efficient delivery of care and improved revenue generation across the public health system. Work to deliver these efficiencies and identify increased revenue opportunities is currently underway.

Approved for circulation to the Select Committee on the Fiscal Sustainability of the ACT.

Signature:

By the Treasurer, Chris Steel MLA

Date: 18/7/26