



Media release

Interim report on the fiscal sustainability of the ACT

The Chair of the Select Committee on the Fiscal Sustainability of the ACT, Ms Jo Clay MLA, today tabled the [Committee's interim report](#).

The Committee found that:

- the Government is spending more than it is raising in revenue and that this is due largely to decisions to both fund services and pursue major infrastructure projects without an equivalent increase in revenue or taxation.
- the net operating balance entered deficit in 2012–13 and has remained in deficit to the current year.
- borrowings and associated interest payments commenced increasing in 2012–13 when the ACT's interest became a net expense, and since 2022–23 the trajectory of borrowings and associated interest payments has sharply increased.
- there are reasonable concerns that this trajectory will affect the provision, and mix, of services that Canberra needs in future.

The Committee recommended that:

- the ACT Government respond in detail and directly to the Terms of Reference 4(b) to 4(h) addressing Mr Eslake's interim report dated 27 February 2026, and the S&P Global Ratings report of September 2025, via an additional submission provided by 29 May 2026.
- the ACT Government adopt the cash surplus/deficit (as outlined in the statement of cash flows) as a key measure of fiscal sustainability and given equal prominence to the Government's measures of net operating balance.
- the ACT Government develop a more specific fiscal strategy in its budget documents, which sets clear numerical targets and the years by which targets will be met.

The Committee Chair, Ms Jo Clay, said 'The Committee notes that this is an interim report only and much of the evidence received has not yet been tested. We look forward to further hearings and receiving Saul Eslake's final report.'

Mr Eslake is due to provide his final report to the Committee by 30 April 2026. The Committee is due to issue its final report by 28 August 2026.

Further information about the Committee and its inquiry is available on its [webpage](#).

24 March 2026

STATEMENT ENDS

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