

Members briefing note:

2026-27 NSW Budget summary

Key points

- The NSW State Budget was handed down on 23 June 2026, with the tagline “Relief now and reform for the future”
- The primary centrepiece of this Budget is cost of living relief including:
 - A \$561 million Transport Affordability Package to lower the toll cap to \$50 per week; freeze Opal fare prices; and cut \$100 off private vehicle regos for the next 12 months
 - A range of measures (listed over page) to assist with the costs of accessing health services
 - Families with 3-5 year olds in community and mobile preschools eligible for up to \$4456 in fee relief, while those in long day care preschool programs will be eligible for up to \$2563 in relief
- Health is acknowledged as the single largest commitment in this Budget, with a historic \$10.3 billion increase in health funding to grow the health workforce, expand hospital capacity and meet rising service demand through:
 - 9,000 extra health workers
 - capacity for an extra 33, 000 emergency department presentations each year
 - 2,900 extra planned surgeries each year
- \$2.9 billion has also been budgeted for the largest pay increase in two decades for nurses and midwives, as awarded by the Industrial Relations Commission earlier this year
- There is also a landmark investment in domestic violence response services with a 50% funding increase for six existing crisis response programs worth \$184 million (over four years)
- \$632 million over five years has also been budgeted for the new Thriving Kids program
- \$9.2 billion has been allocated for 260 new and upgraded schools, with more than a quarter (42.3 billion) in regional NSW (and over a third in new and upgraded schools in Western Sydney)
- The NSW state government election will be held on 13 March 2027, and in that context it was noted by analysts that this Budget was particularly restrained
 - This Budget has the 2025-26 deficit in NSW at \$3.0 billion (\$400 million better than forecast at last year’s Budget) and forecasts a \$2.3 billion deficit in 2026-27 before returning to a \$1.1 billion surplus in 2027-28 (the first time since 2018-19).

Budget highlights

Health

Health Workforce

- \$2.9 billion for higher wages and improved conditions for nurses and midwives
- A \$147.5 million boost to the high cost, highly specialised therapy program
- \$26.5 million for more flexible staffing across the health system through the NSW Health Locum Agency
- *A Future of Healthcare Package* to reduce pressure on clinicians, improve patient flow and scale health innovations including:
 - \$38.7 million to implement AI scribe technology for 6,000 clinicians
 - \$35.7 million for an Aged Care Reform package to free up beds.

Health infrastructure

- \$11.9 billion in capital investment over four years, including almost \$4 billion for hospitals to deliver 32 new and upgraded hospitals, and 2,500 additional hospital beds and treatment spaces
- \$400 million for critical hospital maintenance following a recent review of facilities across the state.

Mental health

- \$64.8 million to maintain statewide mental health and suicide prevention services (in partnership with the Australian Government)
- \$43.3 million for immediate crisis support through Lifeline services
- \$4.3 million for stronger mental health peak bodies and community-managed services to support consumer, carer and community voices.

Domestic and family violence

- A landmark \$184.1 million investment in frontline services, rolled out across six programs:
 - \$76.1 million for the Safer Pathway program
 - \$54.0 million for the Staying Home Leaving Violence program and the Integrated Domestic and Family Violence Services program
 - \$19.3 million for Men's Behaviour Change programs
 - \$17.5 million to support the Domestic Violence Response Enhancement program for after-hours assistance
 - \$17.2 million for the Specialist Workers for Children and Young People program
- An additional \$6.3 million to support frontline services and long-term reform through continuation of the Common Approach to Risk Assessment and Safe and implementation of the NSW Aboriginal Domestic Family and Sexual Violence Plan and Court Support program

- This investment package is complemented by \$4.9 million for improving victim survivor experiences in court.

Health costs

- More bulk-billing appointments through the Bulk-Billing Support Initiative, which provided GP clinics with an estimated \$9 million in payroll-tax savings in 2025-26
- Up to six fully bulk-billed GP clinics across regional NSW, expected to open by mid-2027 (administered by the Australian Government)
- Free ambulance services for eligible concession card holders and for victim-survivors of sexual assault, domestic violence or child abuse
- Baby bundles for new parents, with essential items to support early health and development.
- Free dental care for children at participating schools through the NSW Health Primary School Mobile Dental Clinics program
- Travel and accommodation assistance for patients who must travel long distances for treatment not available locally
- Free glasses and vision aids for financially disadvantaged residents through the NSW Spectacles program
- Free parking at rural and regional public hospitals
- A pre-IVF fertility testing rebate of \$250, and up to \$2,000 through the fertility treatment rebate for eligible treatments.

Regional health

- An additional \$67.4 million to continue delivering three new helicopter bases
- \$9.9 million for robotic surgery research and capability at Orange Health Service
- \$1.0 million to plan for future paediatric oncology services in Hunter New England and the North Coast
- \$71.7 million for Isolated Patients Travel and Accommodation Assistance
- New maternity unit at Grafton Hospital worth \$20.0 million.

Rural infrastructure

- \$910.9 million to restore essential public assets damaged by natural disasters and major events
- \$470 million over 10 years for the transfer of the state's rural firefighting fleet from local councils to the NSW Rural Fire Service
- \$153.9 million for the Regional Development Trust.

Of interest to ACRRM members

- It is not yet clear how investment in growing the health workforce and the additional 9,000 health workers will be directed to or address rural shortages, and how many will be doctors
- Cost of living measures of lower relevance to rural and regional areas given the focus on tolls and public transport
- NSW AMA has responded to this Budget with disappointment, noting that funding has grown by 4.2% when health inflation is 4.9%.
- The ACRRM policy team will continue to consider these initiatives and the views of members in public policy processes and representations to government.

Contacts: Lauren Gale & Dan McIntyre

Email: policy@acrrm.org.au

Website: <https://www.acrrm.org.au/about-us/about-the-college/advocacy>

ACRRM acknowledges Aboriginal and Torres Strait Islander peoples as the custodians of the lands and waters where our members and staff work and live across Australia. We pay respect to their elders, lores, customs and Dreaming. We recognise these lands and waters have always been a place of teaching, learning, and healing.