



MEDIA RELEASE

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RCV: Regional Victoria told to do more with less

Regional Cities Victoria (RCV) says the Victorian Government's 2026–27 State Budget expects regional cities to meet the ambitions of the future without the investment to match.

With this budget handed down ahead of the November state election, RCV said regional Victorians were looking for a clear signal that government understands the scale of the challenge – particularly on roads, housing and regional economic development.

RCV Chair Cr Ben Blain said the budget continues a pattern of underinvestment in the regions.

“Every budget since the Regional Jobs and Infrastructure Fund was scrapped, we’re seeing more of the same, while the challenges facing regional communities just keep getting bigger,” Cr Blain said.

“If this is a budget about priorities and ambitions of the government then it’s clear regional Victoria and sustainable regional municipalities are not part of either.

“There is little or no new investment beyond the status quo for better regional roads, for more affordable homes in the regions, and for transformative community infrastructure to support the liveability regional Victorians deserve.

“The budget is about what the government chooses to fund, and beyond basic obligations, regional Victoria has been forgotten.”

Roads funding still nowhere near enough

The billion-dollar allocation for road maintenance reflects existing spend rather than new investment and remains nowhere near enough to address the declining condition of regional roads.

Without a serious funding uplift – starting around \$500 million more each year – regional roads will continue to fall behind.

RCV is calling for a \$2 billion regional roads package over four years, on top of existing funding, to make roads safe and reliable.

Transport divide deepening cost-of-living pressures

The budget fails to address the growing gap between metropolitan and regional transport investment, with recent projects highlighting a clear imbalance.

Billions for Melbourne’s tunnels and rail loops – but regional transport is still stuck in the past.



Free public transport only eases cost of living pressures if you've got a public transport system that's connected and has capacity – and that's simply not the reality in regional Victoria. In some of our cities, bus networks haven't been reviewed for decades. In some cases, passengers can't even catch a local bus to the train station.

So regional Victorians remain heavily reliant on vehicles, leaving them exposed to rising fuel costs. And those costs don't stop at the regional boundary – they flow through to every kitchen table, adding cost of living pressures to families right across Victoria.

Regional investment gap widening

Scrapping the Regional Jobs and Infrastructure Fund (RJIF) in 2023 left a significant gap in regional economic policy, with major projects stalled and opportunities for Commonwealth co-investment drying up.

Projects that would create jobs, drive growth and improve liveability are simply not getting off the ground.

RCV is calling for a \$1 billion Regional Fund to fill that gap – supporting enabling infrastructure to unlock housing, build the local workforce and deliver the liveability assets regional communities need.

Our cities are ready to help meet Victoria's 2051 housing targets – but we can't do it without investment in the basics.

That means roads, water, sewerage and power to unlock land, as well as the planners, engineers and builders needed to deliver new homes. It also means backing the projects communities deserve – sporting grounds, aquatic centres and community hubs that make Victoria's regional cities great places to live.

Time to back regional Victoria

In the lead up to the state election RCV will continue its efforts to secure commitment to \$3 billion regional investment, including the \$1 billion Regional Fund and \$2 billion regional roads package, to support growth, improve liveability and strengthen the state's economy.

"The message from this budget to regional communities is do more with less," Cr Blain said.