



National training centre in new energy skills	
Party:	Australian Labor Party
<p>Summary of proposal:</p> <p>The proposal would co-fund a \$40 million national training centre to reskill thousands of plumbers and gas fitters for the changing energy system. The centre, to be built in Melbourne's west, would be delivered through a partnership between the Commonwealth Government, the Victorian Government, and the Plumbing Industry Climate Action Centre (PICAC).</p> <p>The Commonwealth contribution for this proposal would be \$20 million, \$15 million of which would be offset from within existing funding for the Clean Energy Training Investment Fund.</p> <p>The proposal would be non-ongoing and start on 1 July 2025.</p>	
<p>Additional information (based on further advice provided):</p> <p>The Commonwealth contribution would be distributed as \$12.5 million in 2025-26 and \$7.5 million in 2026-27. The \$15 million offset would be evenly distributed between 2025-26 and 2026-27.</p>	

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by \$5 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered expenses for the additional contribution above the amount specified to be offset from the Clean Energy Training Investment Fund.

The proposal would not be expected to have an impact beyond the 2025-26 Budget forward estimates period, other than for public debt interest (PDI) impacts. A breakdown of the financial implications (including separate PDI tables) over the period to 2035-36 is provided at Attachment A.

The Parliamentary Budget Office (PBO) has not made any assessment as to whether the specified funding would be sufficient to meet the objectives of the proposal.

Table 1: National training centre in new energy skills – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-5.0	-	-	-	-5.0
Underlying cash balance	-5.0	-	-	-	-5.0

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

Key assumptions and methodology

The proposal, including the offset, is capped at a fixed amount, distributed over 2 years from 2025-26 as specified. We assume that the Clean Energy Training Investment Fund would have sufficient funding to provide the specified offset for the commitment.¹ Departmental expenses associated with providing funding to the centre are expected to be small and are assumed to be absorbed within existing resources of the relevant department. Administered expenses are as specified in the proposal. We assume no funds allocated to a given year are left unspent.

Financial implications were rounded consistent with the PBO's rounding rules.²

Data sources

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

¹ The Department of Employment and Workplace Relations [website](#) notes that the Clean Energy Training Investment Fund is a \$50 million fund and is expected to realise projects from 2025-26 .

² <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – National training centre in new energy skills – Financial implications

Table A1: National training centre in new energy skills – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Administered													
<i>National training centre in new energy skills</i>	-12.5	-7.5	-	-	-	-	-	-	-	-	-	-20.0	-20.0
<i>Offset from Clean Energy Training Investment Fund</i>	7.5	7.5	-	-	-	-	-	-	-	-	-	15.0	15.0
Total – administered	-5.0	-	-	-	-	-	-	-	-	-	-	-5.0	-5.0
Total (excluding PDI)	-5.0	-	-	-	-	-	-	-	-	-	-	-5.0	-5.0

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: National training centre in new energy skills – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-0.1	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.7	-2.8
Underlying cash balance	-0.1	-0.2	-0.2	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.7	-2.8

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary³.

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

³ [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/online-budget-glossary)