



Funding for Makarrata, Treaty and 'Truth Telling' – redirect to Indigenous Affairs priorities	
Party:	The Coalition
Summary of proposal: The proposal would end funding to the Makarrata Commission, Treaty and Truth Telling policies and return any unused funding to consolidated revenue. The proposal would start on 1 July 2025.	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$26.0 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects a decrease in administered and departmental expenses.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Funding for Makarrata, Treaty and 'Truth Telling' – redirect to Indigenous Affairs priorities – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	26.0	-	-	-	26.0
Underlying cash balance	26.0	-	-	-	26.0

(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

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- Departmental work was assumed to cease following the Voice Referendum in 2023.
- The proposal would commence (funding would be reversed) from 1 July 2025 with all monies transferred from the Contingency Reserve to the Consolidated Revenue Fund.
- Approximately \$4.1 million of the \$5.8 million total department funding would be unspent and therefore available to be returned to the Consolidated Revenue Fund.

Methodology

- The \$21.9 million, revealed in an National Indigenous Australians Agency (NIAA) [FOI request](#) to be within the Contingency Reserve is profiled from 2022-23 to 2025-26, with no additional funds profiled beyond 2026-27.

Financial implications were rounded consistent with the PBO's rounding rules.¹

Data sources

The NIAA provided the funding profile of the Makarrata Commission as at 25 March 2025.

The NIAA provided the departmental ASL profile for the period of 2022-23 on 25 March 2025.

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

¹ <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Funding for Makarrata, Treaty and ‘Truth Telling’ – redirect to Indigenous Affairs priorities – Financial implications

Table A1: Funding for Makarrata, Treaty and ‘Truth Telling’ – redirect to Indigenous Affairs priorities – 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>Funding returned</i>	21.9	-	-	-	-	-	-	-	-	-	-	21.9	21.9
Departmental													
<i>Reversed funding</i>	4.1	-	-	-	-	-	-	-	-	-	-	4.1	4.1
Total (excluding PDI)	26.0	-	-	-	-	-	-	-	-	-	-	26.0	26.0

(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: Funding for Makarrata, Treaty and ‘Truth Telling’ – redirect to Indigenous Affairs priorities – 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	0.6	1.2	1.2	1.3	1.3	1.4	1.5	1.5	1.6	1.7	1.8	4.3	15.1
Underlying cash balance	0.4	1.0	1.2	1.3	1.3	1.4	1.4	1.5	1.6	1.7	1.7	3.9	14.5

(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 glossary².

(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.

² [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au)