



Department of Infrastructure, Transport, Regional Development, Communications and the Arts – Net Zero Unit and maritime strategic fleet – reprioritisation	
Party:	The Coalition
Summary of proposal: The proposal would reverse funding to Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRCA) for the Net Zero Unit and maritime strategic fleet. 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 \$8.3 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects a decrease departmental expense.

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.

Maritime strategic fleet expenses are commercially sensitive and values are denoted as not for publication (nfp) to not send pricing signals to the market. Values are not included in the totals.

Table 1: Department of Infrastructure, Transport, Regional Development, Communications and the Arts – Net Zero Unit and maritime strategic fleet – reprioritisation – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	2.0	2.1	2.1	2.1	8.3
Underlying cash balance	2.0	2.1	2.1	2.1	8.3

(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.

Methodology and Key assumptions

The estimated savings are the reverse of the average staffing level of the Net Zero Unit in 2025-26 grown in line with Wage Cost Indices 3 (WCI 3). The staffing levels were provided by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts. The PBO has assumed that all the allocated funding would be available to be returned as a saving to the consolidated revenue fund.

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

Data sources

The now Department of Infrastructure, Transport, Regional Development, Communications, Sports and the Arts provided staffing levels for the Net Zero Unit as at 20 May 2025.

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

Minister for Infrastructure, Transport, Regional Development and Local Government (2022) [*Net Zero Unit to drive transport and infrastructure emissions reduction*](#). The Hon Catherine King MP media release, accessed 20 May 2025.

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

Attachment A – Department of Infrastructure, Transport, Regional Development, Communications and the Arts – Net Zero Unit and maritime strategic fleet – reprioritisation – Financial implications

Table A1: Department of Infrastructure, Transport, Regional Development, Communications and the Arts – Net Zero Unit and maritime strategic fleet – reprioritisation – 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
Departmental													
<i>DITRDCA - Net Zero Unit</i>	2.0	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.3	2.3	2.3	8.3	24.0
<i>DITRDCA - Maritime strategic fleet</i>	nfp	nfp	nfp	nfp	-	-	-	-	-	-	-	nfp	nfp
Total – departmental	2.0	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.3	2.3	2.3	8.3	24.0
Total (excluding PDI)	2.0	2.1	2.1	2.1	2.2	2.2	2.2	2.2	2.3	2.3	2.3	8.3	24.0

(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.

nfp - Not for publication. Funding in the Budget 2024-25 was provided for 5 years from 2024-25 onwards, thus the impact is nil from 2029-30 onwards.

Table A2: Department of Infrastructure, Transport, Regional Development, Communications and the Arts – Net Zero Unit and maritime strategic fleet – reprioritisation – 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	0.3	0.5	0.6	0.7	0.8	1.0	1.1	1.3	0.6	6.6
Underlying cash balance	..	0.1	0.2	0.3	0.4	0.5	0.7	0.8	0.9	1.1	1.2	0.6	6.2

(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.

.. Not zero but rounded to zero.

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