



Landmass and territorial water lock up – reverse	
Party:	The Coalition
Summary of proposal: The proposal would reverse the funding allocated to the budget measure <i>Protecting Our Environment</i> in the 2025-26 budget. ¹ 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 \$211.9 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: Landmass and territorial water lock up – reverse – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	51.4	52.0	50.8	57.7	211.9
Underlying cash balance	51.4	52.0	50.8	57.7	211.9

(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.

Key assumptions and methodology

The administrative and departmental expenses for the landmass and territorial water lock up reversal would be equivalent to the *Protecting Our Environment* measure expenses reflected in the 2025-26 Budget. As funding for this measure is being held in the Contingency Reserve, we have assumed that the funding in its totality can be reversed.

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

¹ 2025-26 Budget BP2 measure, [Protecting Our Environment](#) (page 26): The Government will provide \$212.0 million over four years from 2025–26 (and an additional \$50.0 million in 2029–30) to protect more of Australia's natural environment and to help meet the Government's commitment to protect 30 per cent of Australia's landmass and territorial waters by 2030.

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

Data sources

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

Commonwealth of Australia (2025) *2025-26 Budget*, Commonwealth of Australia.

Department of Climate Change, Energy, the Environment and Water, [Portfolio Budget Statements 2025-26](#), accessed on 22 May 2025.

Attachment A – Landmass and territorial water lock up – reverse – Financial implications

Table A1: Landmass and territorial water lock up – reverse – 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>Department of Climate Change, Energy, the Environment and Water</i>	50.0	50.0	50.0	50.0	50.0	-	-	-	-	-	-	200.0	250.0
Total – administered	50.0	50.0	50.0	50.0	50.0	-	-	-	-	-	-	200.0	250.0
Departmental													
<i>Director of National Parks</i>	1.4	2.0	0.8	7.7	-	-	-	-	-	-	-	11.9	11.9
Total – departmental	1.4	2.0	0.8	7.7	-	-	-	-	-	-	-	11.9	11.9
Total (excluding PDI)	51.4	52.0	50.8	57.7	50.0	-	-	-	-	-	-	211.9	261.9

- (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: Landmass and territorial water lock up – reverse – 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	1.1	3.5	5.9	8.6	11.3	13.0	13.5	14.2	14.8	15.5	16.2	19.1	117.6
Underlying cash balance	0.9	2.9	5.3	7.9	10.7	12.6	13.4	14.0	14.6	15.3	16.0	17.0	113.6

- (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 glossary.³
- (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)