

ECR-2025-3215

National Disaster Response Unit						
Party:	Australian Greens					
Summary of proposal:						
The proposal would prov	vide \$500 million over the medium term, to create a National Disaster					

The proposal would provide \$500 million over the medium term, to create a National Disaster Response Unit with rapid-deployment aircraft and crews to respond quickly to floods, fires and remote rescues, and assist with humanitarian disaster relief across the Asia-Pacific region.

Funding for this proposal would include an initial \$375 million (in 2026-27) for capital costs and \$50 million per year for the unit's ongoing costs. The ongoing costs would be indexed to the Consumer Price Index (CPI).

The proposal would start from 1 July 2026.

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$529 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in 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.

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.

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-425.0	-51.0	-53.0	-529.0
Underlying cash balance	-	-425.0	-51.0	-53.0	-529.0

(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 is capped at a fixed amount in 2026-27, with the ongoing component of \$50 million indexed to CPI each year thereafter. Departmental expenses are as specified. We assume that no funds allocated to a given year are left unspent.

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

Data sources

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

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

Attachment A – National Disaster Response Unit – Financial implications

	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													
Total – departmental	-	-425.0	-51.0	-53.0	-54.0	-55.0	-57.0	-58.0	-59.0	-61.0	-62.0	-529.0	-935.0
Total (excluding PDI)	-	-425.0	-51.0	-53.0	-54.0	-55.0	-57.0	-58.0	-59.0	-61.0	-62.0	-529.0	-935.0

Table A1: National Disaster Response Unit – Fiscal and underlying cash balances (\$m)^(a)

(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 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 an increase in receipts or a decrease in payments or net capital investment in cash terms.

Indicates nil.

Table A2: National Disaster Response Unit – 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	-	-9.4	-20.4	-23.6	-27.0	-30.6	-34.5	-38.6	-43.0	-47.7	-52.7	-53.4	-327.5
Underlying cash balance	-	-7.1	-17.6	-22.8	-26.1	-29.7	-33.5	-37.6	-41.9	-46.6	-51.5	-47.5	-314.4

(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.²

(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 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 an increase in receipts or a decrease in payments or net capital investment in cash terms.

- Indicates nil.

² Online budget glossary – Parliamentary Budget Office (pbo.gov.au)