



Peace and Conflict Prevention Division within DFAT	
Party:	Australian Greens
<p>Summary of proposal:</p> <p>The proposal would strengthen Australia's capacity to prevent and respond to conflicts through non-violent means by creating a Peace and Conflict Prevention Division within the Department of Foreign Affairs and Trade (DFAT), equipped to provide advice, mediators, and programs in vulnerable contexts.</p> <p>The proposal would start on 1 July 2026 and would be ongoing.</p>	
<p>Additional information (based on further advice provided):</p> <p>The division would have the same staffing allocation as the Defence and National Security Policy division in DFAT.</p>	

## Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$26.9 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.

**Table 1: Peace and Conflict Prevention Division within DFAT – Financial implications (\$m)<sup>(a)(b)</sup>**

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-8.9	-8.9	-9.1	-26.9
Underlying cash balance	-	-8.9	-8.9	-9.1	-26.9

(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.

- Indicates nil.

## Key assumptions and methodology

The division was assumed to comprise 44 full time equivalent staff. Departmental expenses were estimated using the Parliamentary Budget Office's (PBO's) departmental cost calculator, with staff costs indexed by Wage Cost Index 3 less an efficiency dividend.

The PBO has also assumed that DFAT would have sufficient physical space in its existing property footprint to accommodate staff for the new division without needing to acquire or fit-out new office space.

Financial implications were rounded consistent with the PBO's rounding rules.<sup>1</sup>

## Data sources

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

The Department of Foreign Affairs and Trade provided the staffing profile for the Defence and National Security Policy division as at 10 May 2024.

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

## Attachment A – Peace and Conflict Prevention Division within DFAT – Financial implications

**Table A1: Peace and Conflict Prevention Division within DFAT – Fiscal and underlying cash balances (\$m)<sup>(a)</sup>**

	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
<b>Expenses</b>													
<b>Departmental</b>													
<i>Peace and Conflict Prevention Division</i>	-	-8.9	-8.9	-9.1	-9.2	-9.3	-9.4	-9.5	-9.7	-9.8	-9.9	-26.9	-93.7
<b>Total (excluding PDI)</b>	-	-8.9	-8.9	-9.1	-9.2	-9.3	-9.4	-9.5	-9.7	-9.8	-9.9	-26.9	-93.7

(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: Peace and Conflict Prevention Division within DFAT – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	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
<b>Fiscal balance</b>	-	-0.2	-0.6	-1.0	-1.5	-2.0	-2.5	-3.0	-3.6	-4.2	-4.8	-1.8	-23.4
<b>Underlying cash balance</b>	-	-0.1	-0.5	-0.9	-1.4	-1.8	-2.3	-2.9	-3.4	-4.0	-4.7	-1.5	-22.0

(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<sup>2</sup>.

(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.

- Indicates nil.

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