

ECR-2025-3832

Transport, infrastructure and sustainable cities – Expand community grants – Double funding for
the Thriving Suburbs Program

Party: Australian Greens

Summary of proposal:

The proposal would provide additional funding of \$200 million each year to the Thriving Suburbs Program, indexed to the Consumer Price Index (CPI), to support local infrastructure projects.

The proposal would be ongoing, include departmental funding from within the capped amount, and start from 1 July 2026.

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$615.3 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase 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.

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.

A breakdown of projects that would be captured under this program is provided in Attachment B.

Table 1: Transport, infrastructure and sustainable cities – Expand community grants – Double funding for the Thriving Suburbs Program – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-200.0	-205.1	-210.2	-615.3
Underlying cash balance	-	-200.0	-205.1	-210.2	-615.3

⁽a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

Key assumptions and methodology

The proposal is capped at a fixed amount, provided annually from the commencement date and indexed to CPI. The Thriving Suburbs Program currently provides for grants of \$350 million over 3 years commencing in 2024-25. The proposal would increase the administered funding by an additional \$200 million per year from 2026-27, with indexation to commence in 2027-28.

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⁽b) PDI impacts are not included in the totals.

⁻ Indicates nil

Departmental expenses were estimated based on the cost of administering similar programs and are included within the capped funding amount from 2027-28 onwards. In 2026-27, it is assumed that no departmental funding is required, as it has already been provided for in the baseline as part of the existing Thriving Suburbs Program. Administered expenses are as specified in the proposal, less expected departmental expenses. It is assumed 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.

Departmental expenses were informed by similar measures in the Commonwealth budgets from 2015-16 to 2021-22.

Department of Infrastructure, Transport, Regional Development, Communications and the Arts (2025) *Thriving Suburbs Program*, accessed 17 May 2025.

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

Attachment A – Transport, infrastructure and sustainable cities – Expand community grants – Double funding for the Thriving Suburbs Program – Financial implications

Table A1: Transport, infrastructure and sustainable cities – Expand community grants – Double funding for the Thriving Suburbs Program – 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													
Total – administered	-	-200.0	-200.0	-205.0	-210.0	-215.0	-220.0	-226.0	-232.0	-237.0	-243.0	-605.0	-2,188.0
Total – departmental	-	-	-5.1	-5.2	-5.4	-5.5	-5.7	-5.8	-5.9	-6.1	-6.2	-10.3	-50.9
Total (excluding PDI)	-	-200.0	-205.1	-210.2	-215.4	-220.5	-225.7	-231.8	-237.9	-243.1	-249.2	-615.3	-2,238.9

⁽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.

Table A2: Transport, infrastructure and sustainable cities – Expand community grants – Double funding for the Thriving Suburbs Program – 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	-	-4.0	-14.0	-23.0	-34.0	-45.0	-57.0	-70.0	-84.0	-98.0	-114.0	-41.0	-543.0
Underlying cash balance	-	-3.0	-11.0	-21.0	-31.0	-42.0	-54.0	-67.0	-80.0	-95.0	-110.0	-35.0	-514.0

⁽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 glossary².

Indicates nil.

⁽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.

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

Attachment B – Transport, infrastructure and sustainable cities – Expand community grants – Double funding for the Thriving Suburbs Program – projects list

Table B1: Transport, infrastructure and sustainable cities – Expand community grants – Double funding for the Thriving Suburbs Program – projects list^{(a)(b)}

Projects list
Albert Park Lake & Grounds
Establish a multipurpose Hazara Community & Cultural Centre in Melbourne's southeast
Free recreation for kids - 3 youth centres in Wills (Glenroy, Fawkner and North Carlton)
Restore Adass Israel Synagogue
Safer roads for kids and cyclists
Upgrade Coburg Leisure Centre and Brunswick Baths
Upgrade sporting club facilities in Wills

- (a) This list may not be exhaustive.
- (b) The current Thriving Suburbs Program Guidelines stipulate that the maximum amount of federal funding that can be allocated to a given project is \$15 million and the Commonwealth Government can only contribute between 50% to 70% of the eligible project costs (refer to Thriving Suburbs Program—Program Guidelines).