



Double federal funding to states and territories for homelessness services and public and community housing

Party: Australian Greens

Summary of proposal:

The proposal would double federal funding to states and territories for homelessness services and public and community housing, by providing \$1.8 billion additional funding in 2025-26 and ongoing through the National Agreement on Social Housing and Homelessness (\$7.5 billion over the first 4 years).

The proposal would be ongoing, indexed to the Consumer Price Index (CPI) and start on 1 July 2025.

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$7.5 billion over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered 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 financial implications of the proposal are contingent on agreement from the states and territories to the extension of the updated agreement. While the Parliamentary Budget Office (PBO) has assumed the proposed agreements would be reached, this is not certain. There is also uncertainty around the sector's capacity to absorb the additional funding.

The PBO has not made any assessment as to whether the specified funding would be sufficient to meet the objectives of the proposal.

Table 1: Double federal funding to states and territories for homelessness services and public and community housing – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-1,800.0	-1,850.0	-1,890.0	-1,940.0	-7,480.0
Underlying cash balance	-1,800.0	-1,850.0	-1,890.0	-1,940.0	-7,480.0

(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.

Key assumptions and methodology

The proposal is capped at a fixed amount, distributed annually from the commencement date as specified and indexed to CPI. Departmental expenses associated with providing funding to the states and territories are expected to be small and are assumed to be absorbed within existing resources of the relevant department. Administered expenses are as specified in the proposal. 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 <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Double federal funding to states and territories for homelessness services and public and community housing – Financial implications

Table A1: Double federal funding to states and territories for homelessness services and public and community housing – 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	-1,800.0	-1,850.0	-1,890.0	-1,940.0	-1,990.0	-2,040.0	-2,090.0	-2,140.0	-2,190.0	-2,250.0	-2,300.0	-7,480.0	-22,480.0
Total (excluding PDI)	-1,800.0	-1,850.0	-1,890.0	-1,940.0	-1,990.0	-2,040.0	-2,090.0	-2,140.0	-2,190.0	-2,250.0	-2,300.0	-7,480.0	-22,480.0

(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.

Table A2: Double federal funding to states and territories for homelessness services and public and community housing – 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	-40.0	-120.0	-210.0	-300.0	-410.0	-510.0	-630.0	-750.0	-880.0	-1,030.0	-1,180.0	-670.0	-6,060.0
Underlying cash balance	-30.0	-100.0	-190.0	-280.0	-380.0	-490.0	-600.0	-720.0	-850.0	-990.0	-1,140.0	-600.0	-5,770.0

- (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.
- (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.

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