



Redirect funding from the Department of Climate Change, Energy, the Environment and Water	
Party:	The Coalition
<p>Summary of proposal:</p> <p>The proposal would redirect uncommitted program funding provided to the Department of Climate Change, Energy, the Environment and Water (DCCEEW) to other government priorities.</p> <p>The proposal would start on 1 July 2025.</p>	
<p>Additional information (based on further advice provided):</p> <p>The proposal would reverse uncommitted program funding from the following components of the 2024-25 Budget measure <i>Future Made in Australia – Strengthen Approvals Processes</i>:</p> <ul style="list-style-type: none"><li>• <i>Accelerated renewable industry environmental approvals</i> – funding over 4 years for DCCEEW to strengthen environmental approvals for renewable energy, transmission, and critical minerals projects, deliver additional regional plans, and undertake targeted scientific studies to improve the environmental data used in decision-making.</li><li>• <i>Critical Actions Supporting Cultural Heritage Reform</i> – funding over 3 years from 2024-25 to reduce the backlog of support administration of complex heritage applications under the <i>Aboriginal and Torres Strait Islander Heritage Protection Act 1984</i> and progress the reform of Australia’s cultural heritage laws.</li></ul>	

## Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$47.6 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects a decrease in administered expenses from the reversal of the two components of the measure.

The proposal would not 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) notes the financial implications of this costing are sensitive to potential additional costs, including reducing existing staffing and contractors (e.g. involuntary/voluntary redundancies), reneging on contracts, breaking leases, and legislative changes.

**Table 1: Redirect funding from the Department of Climate Change, Energy, the Environment and Water – Financial implications (\$m)<sup>(a)(b)</sup>**

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	38.1	9.5	-	-	<b>47.6</b>
Underlying cash balance	38.1	9.5	-	-	<b>47.6</b>

(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

The PBO has made the following assumptions in costing this proposal.

- All relevant legislative and policy changes would be in place at the start of the 2025-26 financial year.
- All funding for 2024-25 would be spent within the year, and the funding for 2025-26 onwards is currently uncommitted and would be able to be reversed.
  - No costs would be associated with unwinding ongoing funding from 2025-26.

## Methodology

The financial implications of the proposal were taken to be a reduction in administered expenses for DCCEEW for 2025-26 and 2026-27<sup>1</sup>.

As these measures are non-ongoing, no funding is reversed over the medium term.

Financial implications were rounded consistent with the PBO's rounding rules.<sup>2</sup>

## Data sources

Commonwealth of Australia (2024) *2024-25 Budget, Budget Paper No. 2, [Future Made in Australia – Strengthening Approvals Processes](#)*, page 71, Canberra: Commonwealth of Australia.

Commonwealth of Australia, 2023. *2023-24 Mid-Year Economic and Fiscal Outlook*, Canberra: Commonwealth of Australia.

Commonwealth of Australia, 2024. *2024-25 Budget*, Canberra: Commonwealth of Australia.

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

<sup>1</sup> *Future Made in Australia – Strengthening Approvals Processes*, \$17.7 million over three years from 2024–25 for Cultural Heritage reform, and \$19.9 million over four years from 2024–25 for renewable energy related projects and process assessments for priority projects, page 71, Budget Paper No. 2, 2024-25 Budget.

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

## Attachment A – Redirect funding from the Department of Climate Change, Energy, the Environment and Water – Financial implications

**Table A1: Redirect funding from the Department of Climate Change, Energy, the Environment and Water – 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>Administered</b>													
<i>Accelerated renewable industry environmental approvals</i>	31.6	4.7	-	-	-	-	-	-	-	-	-	36.3	36.3
<i>Critical Actions Supporting Cultural Heritage Reform</i>	6.5	4.8	-	-	-	-	-	-	-	-	-	11.3	11.3
<b>Total – expenses</b>	<b>38.1</b>	<b>9.5</b>	-	-	-	-	-	-	-	-	-	<b>47.6</b>	<b>47.6</b>
<b>Total (excluding PDI)</b>	<b>38.1</b>	<b>9.5</b>	-	-	-	-	-	-	-	-	-	<b>47.6</b>	<b>47.6</b>

(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: Redirect funding from the Department of Climate Change, Energy, the Environment and Water – 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><i>Fiscal balance</i></b>	0.8	1.9	2.2	2.3	2.4	2.5	2.7	2.8	2.9	3.0	3.2	7.2	26.7
<b><i>Underlying cash balance</i></b>	0.6	1.7	2.2	2.3	2.4	2.5	2.6	2.7	2.9	3.0	3.2	6.8	26.1

- (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>3</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.

<sup>3</sup> [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/)