



Deliver a National Gas Plan – additional components	
Party:	The Coalition
<p>Summary of proposal:</p> <p>The proposal would seek to:</p> <ul style="list-style-type: none"><li>• streamline processes for gas title transfers – both offshore and onshore projects</li><li>• strengthen arrangements for the consideration of the national interest in approvals, requiring deep consideration of the economic and social benefits of projects</li><li>• reinstate carbon capture and storage in the investment mandates of Commonwealth funding vehicles, including the Clean Energy Finance Corporation</li><li>• introduce “use it or lose it” provisions for offshore gas tenements that would encourage permit or lease holding entities to develop their gas fields within a specified time frame and stop “tenement banking”</li><li>• include gas in the Capacity Investment Scheme (CIS), which currently only includes investments into renewable energy generation and clean dispatchable capacity.</li></ul> <p>The proposal would be ongoing and start on 1 July 2025.</p>	

## Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$16.4 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: Deliver a National Gas Plan – additional components – Financial implications (\$m)<sup>(a)(b)</sup>**

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-4.0	-4.1	-4.1	-4.2	-16.4
Underlying cash balance	-4.0	-4.1	-4.1	-4.2	-16.4

(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.

## Uncertainties

The “use it or lose it” provisions for offshore gas tenements may have impacts on supply and demand, which would further impact economic activity. Consistent with the Parliamentary Budget Office’s

(PBO) standard practice and the Charter of Budget Honesty Policy Costing Guidelines, the PBO's costing do not include these broader 'second round' or 'flow-through' impacts.<sup>1</sup>

## Key assumptions and Methodology

The proposal would require 22 additional FTE staff to undertake the 5 different elements of this proposal. The additional staffing costs were grown in line with the Wage Cost Index 3 (WCI 3) using the PBO's departmental calculator over the medium term.

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

## Data sources

The Department of Infrastructure, Science and Resources provided departmental effort insights as at 2 May 2025.

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

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<sup>1</sup> <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/including-broader-economic-effects-policy-costings>

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

## Attachment A – Deliver a National Gas Plan – additional components – Financial implications

**Table A1: Deliver a National Gas Plan – additional components – 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>Total – departmental</b>	-4.0	-4.1	-4.1	-4.2	-4.2	-4.3	-4.3	-4.4	-4.5	-4.5	-4.6	-16.4	-47.2
<b>Total (excluding PDI)</b>	-4.0	-4.1	-4.1	-4.2	-4.2	-4.3	-4.3	-4.4	-4.5	-4.5	-4.6	-16.4	-47.2

(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: Deliver a National Gas Plan – additional components – 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>	-0.1	-0.3	-0.5	-0.7	-0.9	-1.1	-1.4	-1.6	-1.9	-2.2	-2.5	-1.6	-13.2
<b>Underlying cash balance</b>	-0.1	-0.2	-0.4	-0.6	-0.8	-1.1	-1.3	-1.6	-1.8	-2.1	-2.4	-1.3	-12.4

- (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.<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)