

| Rights for People Seeking Refuge |                   |  |  |  |  |  |  |  |
|----------------------------------|-------------------|--|--|--|--|--|--|--|
| Party:                           | Australian Greens |  |  |  |  |  |  |  |

Summary of proposal:

This proposal has 5 components.

Component 1 – End offshore detention would commence from 1 July 2022, and would:

- Abolish Australian funding for offshore detention centres, honouring all contractual commitments in place as at 1 March 2022.
- Abolish the practice of removing unauthorised maritime arrivals in suspected illegal entry vessels from Australian waters ('boat turnbacks').
- Continue Navy operations and the current criminal penalties for operators of boats.
- Continue the defence in-depth operations which would continue to deter and disrupt people smuggling operations in neighbouring jurisdictions in the region and continue the strategic messaging campaigns and co-operative diplomatic dialogue and support currently in place.
- Use existing onshore detention facilities and, if required, set up new facilities in, or near, domestic regional centres.
- Establish a seven-day time limit on onshore immigration detention, contingent on the completion of health, character and security checks.
  - Preliminary checks would be completed in seven days, and within current budgets.
  - For cases where red flags were raised through a preliminary check, or where the preliminary checks could not be completed within a week, a seven-day extension could be sought from the courts.
- Accommodate the majority of asylum seekers arriving by boat in community detention while claims are processed
- Abolish Temporary Protection Visas (TPV) and Safe Haven Enterprise Visas (SHEV).
  - Current TPV and SHEV holders would be granted a Permanent Protection Visas (PPVs).
  - Current TPV and SHEV applicants would be granted a bridging visa and provided assistance under the Status Resolution Support Services program.
  - The number of PPVs granted would be in addition to the number of PPVs granted under the Humanitarian program.

**Component 2 – Increase Australia's humanitarian intake** would commence from 1 July 2022, and would:

• Increase Australia's annual humanitarian program to 50,000 places per year, exclusive of the quota for Community Support Program places.

- There would be 5,000 places for onshore (SC 785) and 45,000 places for offshore (SC 200, 201, 203 and 204) humanitarian applications in each year. This would include offering resettlement in Australia to all refugees and people seeking asylum who were detained offshore in Nauru and Papua New Guinea.
- If the annual quota is reached, people arriving by boat would be held in Australian immigration onshore detention facilities and processed in the following year.
- This increase in places would include the additional 16,500 Humanitarian visas allocated for Afghan nationals over 4 years from 2022-23 under the 2022-23 Budget, and would increase this to 20,000 places for people fleeing conflict and persecution in Afghanistan, within the current cap of 50,000 places per year.
- Increase the cap for the community sponsorship program to 10,000 places, with the following arrangements.
  - The Australian Government would cover visa processing costs.
  - The sponsor would provide travel and accommodation costs, food and living expenses and would assist with employment opportunities. This employment assistance would replace any Commonwealth assistance.
  - The refugee would have access to the same services as entrants under the humanitarian intake with these costs covered by the sponsor.

Component 3 – More funding to the United Nations High Commissioner for Refugees (UNHCR) would provide additional funding to UNHCR offices in Indonesia and Malaysia totalling \$500 million, evenly distributed over four years from 1 July 2023, with the strategic aim of supporting multilateral efforts to stop boat departures and encourage asylum seekers to use existing UNHCR resettlement channels, in light of the increased humanitarian intake.

Component 4 – Royal Commission into the immigration detention system would provide \$60 million in 2022-23 for a one-year Royal Commission into the immigration detention system.

**Component 5 – Additional Humanitarian places for refugees from Ukraine** would commence from 1 July 2022, and would:

- Provide 20,000 permanent protection visas for Ukrainian citizens over a period of up to 2 financial years. These places would be in addition to Australia's annual humanitarian intake.
- Provide permanent protection visas to any Ukrainian citizen who is in Australia on a temporary visa over the next 2 financial years.

# Costing overview

This proposal would be expected to decrease the fiscal balance by around \$20,450 million and the underlying cash balance by around \$20,520 million over the 2022-23 Budget forward estimates period. In fiscal terms, this reflects an increase in administered expenses of around \$18,470 million and departmental expenses of around \$3,320 million; this is partially offset by an increase in administered revenue of around \$1,340 million.

This proposal would have an ongoing impact beyond the 2022-23 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2032-33 is provided at Attachment A.

The estimated financial implications for Component 1 are highly uncertain and extremely sensitive to a range of factors, most of which are highly unpredictable.

- The number and costs relating to prospective asylum seekers arriving by boat are highly uncertain.
   The estimates for boat arrivals are heavily influenced by historical data, while future arrivals would depend on domestic and international circumstances and could deviate from historical trends significantly. As such, the resources required for health and security vetting would also be highly uncertain.
- TPV and SHEV applications that would be lodged over the period to 2032-33 are uncertain and would depend largely on the Australian Government's future decisions on international border restrictions in response to potential future COVID-19 outbreaks.
- Uncertainties remain around the assumption on releasing the bulk of detainees within seven days.
  - If the annual number of asylum seekers arriving by boat were to be significantly higher than projected, the estimated financial implications would be disproportionally larger due to new detention facilities being required and a longer duration of detention.
- There are inherent uncertainties related to the baseline estimates, including in particular the estimates for the number of people in offshore detention.
- There are also uncertainties around the assumption on the likely dependence of the humanitarian migrants on the relevant Australian Government services and welfare programs. The estimates for Components 2 and 5 are particularly sensitive to this assumption.

Table 1: Rights for People Seeking Refuge – Financial implications (\$m)(a)(b)

|                         | 2022-23  | 2023-24  | 2024-25  | 2025-26  | Total to<br>2025-26 |
|-------------------------|----------|----------|----------|----------|---------------------|
| Fiscal balance          | -2,214.4 | -3,923.4 | -6,282.3 | -8,029.8 | -20,449.9           |
| Underlying cash balance | -2,232.6 | -3,944.5 | -6,292.3 | -8,048.9 | -20,518.3           |

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

# Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

## Component 1 – End offshore detention

- Required legislation would be passed by the Parliament prior to the proposal start date.
- Under the baseline, no asylum seekers would arrive in Australia by boat and Australia's offshore
  detention centres would remain open over the period to 2032-33 with their current level of
  detainees.
- After the abolition of offshore detention and boat turnbacks, asylum seekers would arrive in Australia by boat.
  - The number of arrivals would be about half the previous historical peak of around 25,000 in the
    first year and would plateau at its previous peak from the second year.
  - Asylum seekers arriving by boat would be evenly distributed over the year.

<sup>(</sup>b) PDI impacts are not included in the totals.

- With some enhancements, current onshore detention facilities would have capacity to accommodate transferees from offshore detention and potential asylum seekers arriving by boat for the maximum specified onshore detention time of seven days.
  - About one-tenth of the detainees would be held for more than seven days for the completion of health, character or security checks.
- Assuming the flow of boat arrivals would be evenly distributed over the year implies that there would be less than 2,000 arrivals in any week. This weekly flow is within the capacity of existing detention centres once their capacity is enhanced, so new facilities would not be required.
- The average administered cost per detainee would grow in line with the relevant departmental cost index.
- The abolition of offshore detention and boat turnbacks under this proposal would not alter the need for, and associated expenses of, maritime surveillance of the Australian coastal waters, which would continue as per the specification.
- In the baseline, TPV and SHEV holders would remain in Australia for the full length of their visa and exit Australia at an even rate, as their visas expire.
- All future first-time TPV and SHEV applicants would apply for a PPV. Successful TPV, SHEV and PPV
  applicants would be granted their visa in the same financial year of arriving and lodging their
  application.
- PPV holders would access the Adult Migrant English Program and would receive Settlement services support for the first three years of their visa.
- The take-up of transfer payments would decline gradually over time, from almost 100% in the first year of each applicant being granted a PPV to around 60% after 10 years. This is consistent with the modelling by the Department of Social Services.
- Departmental costs associated with abolishing TPV and SHEV would not be significant and would be met by existing resources.

# Components 2 and 5: Increase Australia's humanitarian intake and Additional Humanitarian places for refugees from Ukraine

- Required legislation would be passed by the Parliament prior to the proposal start date.
- Under the baseline, the number of total places under the Humanitarian Program would remain constant at 13,750 people per year.
- Under the baseline and the proposal, the average age profile of the annual humanitarian migrant intake would not change over the costing horizon.
- The proposed additional humanitarian intake of 50,000 per year (excluding places allocated for Afghan nationals) would be fully taken up and be granted evenly over each financial year.
- Additional asylum seekers arriving by boat would not exceed the annual humanitarian intake of 50,000 per year under the policy and have similar demographic and economic characteristics to recent humanitarian migrants.
- Humanitarian migrants from Ukraine are assumed to have similar characteristics and demographics to a typical migrant on Refugee visas.
- Ukrainians citizens on temporary visas in Australia are assumed to have similar characteristics and demographics to a typical migrant on Permanent Protection visas.

- The arrival of 20,000 additional humanitarian migrants from Ukraine would occur over the course of the first year of the policy, from 1 July 2022.
- All Ukrainians on temporary visas in Australia would be converted to permanent protection visas. This would occur over the course of the first year from 1 July 2022.
- The take-up of transfer payments would decline gradually over time, from almost 100% in the first year of each annual cohort of humanitarian migrants to around 60% after 10 years. This is consistent with the modelling by the Department of Social Services.
- Departmental costs would not be significant and would be met by existing resources.
- Humanitarian migrants from Ukraine are assumed to have similar characteristics and demographics to a typical migrant on Refugee visas.
- Ukrainians citizens on temporary visas in Australia are assumed to have similar characteristics and demographics to a typical migrant on Permanent Protection visas.

#### Component 4: Royal Commission into the immigration detention system

• The departmental expenses for the Royal Commission into the immigration detention system would be 5% of the total funding, consistent with the funding profile of similar Royal Commissions.

# Methodology

## Component 1 – End offshore detention

The financial implications of Component 1, other than abolishing TPVs and SHEVs, were based on a combination of aggregate and unit costs for each key item of this component. These items are:

- ceasing some functions (about one-tenth) of Joint Agency Taskforce spending under Operation Sovereign Borders, with the vast majority of functions other than boat turnbacks to continue, as per the specification
- decommissioning offshore facilities
- transferring offshore detainees to Australia
- enhancing the operational capacity of onshore facilities
- operating onshore held and community detention.

Underlying estimates for each item under this component are PBO estimates derived from information provided by the Department of Home Affairs, and historical data on the number of asylum seekers arriving by boat and the costs associated with their management.

Behavioural responses resulting in an additional flow of asylum seekers arriving by boat under this proposal were modelled on the basis of historical data on asylum seekers arriving by boat prior to the introduction of the boat turnback policy. These estimates account for UNHCR information on the pool of potential asylum seekers and refugees in Australia's neighbouring regions.

Asylum seekers who are granted visas to enter Australia would be granted a visa under the Humanitarian program (relates to Component 2). As a result, there would be no additional cost to the proposal.

The financial implications associated with abolishing TPVs and SHEVs reflect:

- revenue impacts from Visa Application Charge changes, which were calculated by multiplying the relevant Visa Application Charge price by the decreased number of TPV and SHEV applicants and increased number of PPV applicants.
- personal income and indirect tax revenue impacts, which were calculated by multiplying the average taxes paid by these migrants by the projected number of migrants.
- various transfer payments expenses, which were calculated by multiplying the average transfer payments made to similar migrants by the projected number of migrants.
- increased costs of the provision of the programs below, which were calculated by multiplying the average level of expenditure per person by the increased number of eligible recipients.
  - The programs include the Adult Migrant English Program, Settlement services, Schools, Child
    Care Subsidy, Child Dental Benefits Scheme, Pharmaceutical Benefits Scheme, public hospitals,
    hearing services, Program of Assistance for Survivors of Torture and Trauma, Disability
    Employment Services and JobActive.

#### Component 2 – Increase Australia's humanitarian intake

The financial implications associated with increasing the number of places under the Humanitarian program was calculated on the same basis as abolishing TPVs and SHEVs under Component 1. They consider the much larger number of migrants.

#### Component 3 – More funding to the UNHCR

The financial implications of providing UNHCR funding are the specified annual funding amounts. Departmental expenses associated with administering this funding are not expected to be material and have not been included.

#### Component 4 – Royal Commission into the immigration detention system

The financial implications of running a one-year Royal Commission in 2023-24 are the specified funding amount, split into administered and departmental expenses based on previous Royal Commissions.

#### Component 5 – Additional Humanitarian places for refugees from Ukraine

The financial implications associated with increasing the number of places under the Humanitarian program was calculated on the same basis as abolishing TPVs and SHEVs under Component 1. This component reflects the Government's decision to offer temporary humanitarian visas to Ukrainian temporary visa holders.

#### All components

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.<sup>1</sup>

#### Data sources

Commonwealth of Australia 2021, 2022-23 Budget, Australian Government.

https://www.aph.gov.au/About Parliament/Parliamentary Departments/Parliamentary Budget Office/Costings and budget information

The Department of Finance and the Treasury provided indexation and efficiency dividend parameters as at the *Budget 2022-23*.

The Department of Home Affairs provided information on expenses relating to offshore and onshore detention of asylum seekers arriving by boat and the relevant data on current Visa Application Charges, the Adult Migrant English Program and Settlement Service payments.

The Treasury provided information on revenue estimates for average humanitarian migrants.

The Department of Finance provided relevant agency specific expenditure and revenue models for the humanitarian program of the following agencies.

- The Department of Education, Skills and Employment
- The Department of Health
- Services Australia
- The Department of Social Services
- The Treasury.

The Department of Health provided the hospital funding model as at the *Budget 2022-23*.

Department of Home Affairs, 2021. *Immigration Detention and Community Statistics Summary 31 August 2021*, accessed 13 December 2021. https://www.homeaffairs.gov.au/research-and-stats/files/immigration-detention-statistics-31-august-2021.pdf.

Department of Home Affairs, 2020. *Australia's offshore Humanitarian Program: 2019-20*. Accessed 15 December 2021, available at: https://www.homeaffairs.gov.au/research-and-statistics/visa-statistics/live/humanitarian-program.

Department of Home Affairs, 2013 to 2018. *Immigration Detention and Community Statistics Summary from 2013 to 2018*, Canberra: Department of Home Affairs.

Phillips, Janet, 2017. *Boat arrivals and boat 'turnbacks' in Australia since 1976: a quick guide to the statistics*, Canberra: Parliamentary Library.

United Nations High Commissioner for Refugees, 2018. *Population Statistics [database]*, accessed 2 October 2018. http://popstats.unhcr.org/en/time\_series.

# Attachment A – Rights for People Seeking Refuge – financial implications

Table A1: Rights for People Seeking Refuge – Fiscal balance (\$m)<sup>(a)</sup>

|                          | 2022-23  | 2023-24  | 2024-25  | 2025-26  | 2026-27  | 2027-28   | 2028-29   | 2029-30   | 2030-31   | 2031-32   | 2032-33   | Total to 2025-26 | Total to 2032-33 |
|--------------------------|----------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|------------------|------------------|
| Revenue                  |          |          |          |          |          |           |           |           |           |           |           |                  |                  |
| Component 1              | 12.0     | 25.0     | 39.0     | 61.0     | 69.0     | 112.0     | 120.0     | 130.0     | 140.0     | 151.0     | 162.0     | 137.0            | 1,021.0          |
| Component 2              | 100.0    | 210.0    | 320.0    | 450.0    | 590.0    | 750.0     | 920.0     | 1,100.0   | 1,310.0   | 1,530.0   | 1,760.0   | 1,080.0          | 9,040.0          |
| Component 5              | 28.6     | 30.6     | 31.7     | 33.2     | 34.6     | 36.0      | 37.6      | 39.4      | 41.2      | 43.1      | 45.0      | 124.1            | 401.0            |
| Total – administered tax | 140.6    | 265.6    | 390.7    | 544.2    | 693.6    | 898.0     | 1,077.6   | 1,269.4   | 1,491.2   | 1,724.1   | 1,967.0   | 1,341.1          | 10,462.0         |
| Expenses                 |          |          |          | ·        |          |           |           |           |           |           | ,         | ·                |                  |
| Administered             |          |          |          |          |          |           |           |           |           |           |           |                  |                  |
| Component 1              | -820.0   | -1,210.0 | -2,150.0 | -3,080.0 | -3,130.0 | -3,200.0  | -3,280.0  | -3,280.0  | -3,260.0  | -3,310.0  | -3,320.0  | -7,260.0         | -30,040.0        |
| Component 2              | -780.0   | -1,820.0 | -2,850.0 | -3,490.0 | -4,200.0 | -4,940.0  | -5,690.0  | -6,350.0  | -6,930.0  | -7,510.0  | -7,540.0  | -8,940.0         | -52,100.0        |
| Component 3              | -125.0   | -125.0   | -125.0   | -125.0   | -        | -         | -         | -         | -         | -         | -         | -500.0           | -500.0           |
| Component 4              | -57.0    | -        | -        | -        | -        | -         | -         | -         | -         | -         | -         | -57.0            | -57.0            |
| Component 5              | -403.0   | -544.0   | -508.0   | -259.0   | -223.0   | -194.0    | -190.0    | -155.0    | -102.0    | -88.0     | -90.0     | -1,714.0         | -2,756.0         |
| Total – administered     | -2,185.0 | -3,699.0 | -5,633.0 | -6,954.0 | -7,553.0 | -8,334.0  | -9,160.0  | -9,785.0  | -10,292.0 | -10,908.0 | -10,950.0 | -18,471.0        | -85,453.0        |
| Departmental             |          | <u> </u> |          |          |          |           |           | <u> </u>  |           |           |           |                  |                  |
| Total departmental costs | -170.0   | -490.0   | -1,040.0 | -1,620.0 | -1,650.0 | -1,670.0  | -1,700.0  | -1,730.0  | -1,760.0  | -1,780.0  | -         | -3,320.0         | -13,610.0        |
| Total – expenses         | -2,355.0 | -4,189.0 | -6,673.0 | -8,574.0 | -9,203.0 | -10,004.0 | -10,860.0 | -11,515.0 | -12,052.0 | -12,688.0 | -10,950.0 | -21,791.0        | -99,063.0        |
| Total (excluding PDI)    | -2,214.4 | -3,923.4 | -6,282.3 | -8,029.8 | -8,509.4 | -9,106.0  | -9,782.4  | -10,245.6 | -10,560.8 | -10,963.9 | -8,983.0  | -20,449.9        | -88,601.0        |

<sup>(</sup>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.

<sup>-</sup> Indicates nil.

Table A2: Rights for People Seeking Refuge – Underlying cash balance (\$m)<sup>(a)</sup>

|                          | 2022-23  | 2023-24  | 2024-25  | 2025-26  | 2026-27  | 2027-28   | 2028-29   | 2029-30   | 2030-31   | 2031-32   | 2032-33   | Total to 2025-26 | Total to 2032-33 |
|--------------------------|----------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|------------------|------------------|
| Receipts                 |          |          |          |          |          |           |           |           |           |           |           |                  |                  |
| Component 1              | 12.0     | 24.0     | 38.0     | 59.0     | 68.0     | 109.0     | 120.0     | 129.0     | 139.0     | 150.0     | 161.0     | 133.0            | 1,009.0          |
| Component 2              | 90.0     | 200.0    | 320.0    | 440.0    | 590.0    | 740.0     | 910.0     | 1,100.0   | 1,300.0   | 1,520.0   | 1,750.0   | 1,050.0          | 8,960.0          |
| Component 5              | 27.4     | 30.5     | 31.7     | 33.1     | 34.5     | 36.0      | 37.6      | 39.3      | 41.2      | 43.0      | 45.0      | 122.7            | 399.3            |
| Total – administered tax | 129.4    | 254.5    | 389.7    | 532.1    | 692.5    | 885.0     | 1,067.6   | 1,268.3   | 1,480.2   | 1,713.0   | 1,956.0   | 1,305.7          | 10,368.3         |
| Payments                 |          |          | ·        |          |          |           |           |           |           |           |           |                  |                  |
| Administered             |          |          |          |          |          |           |           |           |           |           |           |                  |                  |
| Component 1              | -820.0   | -1,210.0 | -2,150.0 | -3,080.0 | -3,130.0 | -3,200.0  | -3,280.0  | -3,280.0  | -3,260.0  | -3,310.0  | -3,320.0  | -7,260.0         | -30,040.0        |
| Component 2              | -770.0   | -1,820.0 | -2,850.0 | -3,490.0 | -4,200.0 | -4,930.0  | -5,680.0  | -6,350.0  | -6,930.0  | -7,510.0  | -7,540.0  | -8,930.0         | -52,070.0        |
| Component 3              | -125.0   | -125.0   | -125.0   | -125.0   | -        | -         | -         | -         | -         | -         | -         | -500.0           | -500.0           |
| Component 4              | -57.0    | -        | -        | -        | -        | -         | -         | -         | -         | -         | -         | -57.0            | -57.0            |
| Component 5              | -430.0   | -554.0   | -517.0   | -266.0   | -230.0   | -200.0    | -195.0    | -159.0    | -105.0    | -90.0     | -92.0     | -1,767.0         | -2,838.0         |
| Total – administered     | -2,202.0 | -3,709.0 | -5,642.0 | -6,961.0 | -7,560.0 | -8,330.0  | -9,155.0  | -9,789.0  | -10,295.0 | -10,910.0 | -10,952.0 | -18,514.0        | -85,505.0        |
| Departmental             |          |          |          |          |          |           |           |           |           |           |           |                  |                  |
| Total departmental costs | -160.0   | -490.0   | -1,040.0 | -1,620.0 | -1,650.0 | -1,670.0  | -1,700.0  | -1,730.0  | -1,760.0  | -1,780.0  | -         | -3,310.0         | -13,600.0        |
| Total – payments         | -2,362.0 | -4,199.0 | -6,682.0 | -8,581.0 | -9,210.0 | -10,000.0 | -10,855.0 | -11,519.0 | -12,055.0 | -12,690.0 | -10,952.0 | -21,824.0        | -99,105.0        |
| Total (excluding PDI)    | -2,232.6 | -3,944.5 | -6,292.3 | -8,048.9 | -8,517.5 | -9,115.0  | -9,787.4  | -10,250.7 | -10,574.8 | -10,977.0 | -8,996.0  | -20,518.3        | -88,736.7        |

<sup>(</sup>a) 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>-</sup> Indicates nil.

Table A3: Rights for People Seeking Refuge – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>

|                         | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29  | 2029-30  | 2030-31  | 2031-32  | 2032-33  | Total to 2025-26 | Total to 2032-33 |
|-------------------------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|----------|------------------|------------------|
| Fiscal balance          | -30.0   | -100.0  | -210.0  | -380.0  | -590.0  | -830.0  | -1,110.0 | -1,440.0 | -1,820.0 | -2,240.0 | -2,690.0 | -720.0           | -11,440.0        |
| Underlying cash balance | -20.0   | -90.0   | -200.0  | -360.0  | -560.0  | -800.0  | -1,080.0 | -1,400.0 | -1,770.0 | -2,190.0 | -2,640.0 | -670.0           | -11,110.0        |

<sup>(</sup>a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the tables 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>.

<sup>(</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>&</sup>lt;sup>2</sup> Online budget glossary – Parliament of Australia (aph.gov.au)