



Regionalisation Fund – abolish	
Party:	Australian Labor Party
Summary of proposal: The proposal would abolish the Regionalisation Fund from 1 July 2022.	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$400.0 million over the 2022-23 Budget forward estimates period. This is due to a decrease in administered expenses.

A breakdown of the financial implications (including separate PDI tables) over the period to 2032-33 is provided at Attachment A.

Table 1: Financial implications (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	50.0	100.0	120.0	130.0	400.0
Underlying cash balance	50.0	100.0	120.0	130.0	400.0

(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.

Methodology

Funding is reversed as per the policy proposal. The PBO confirmed with the Department of Infrastructure, Transport, Regional Development and Communications that there is sufficient uncommitted funding to meet the estimated savings from this proposal.

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

Data sources

The Department of Infrastructure, Transport, Regional Development and Communications provided financial information as at 12 April 2022.

¹ https://www.apb.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information

Attachment A – Regionalisation Fund – abolish – financial implications

Table A1: Regionalisation Fund – abolish – Fiscal and underlying cash balances (\$m)^(a)

	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
Expenses													
Administered													
<i>Regionalisation Fund</i>	50.0	100.0	120.0	130.0	100.0	-	-	-	-	-	-	400.0	500.0
Total (excluding PDI)	50.0	100.0	120.0	130.0	100.0	-	-	-	-	-	-	400.0	500.0

(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.

- Indicates nil.

Table A2: Regionalisation Fund – abolish – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	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
<i>Fiscal balance</i>	0.6	2.3	4.8	7.8	10.7	12.2	12.5	12.9	13.3	13.8	14.6	15.5	105.5
<i>Underlying cash balance</i>	0.5	2.1	4.5	7.4	10.3	12.0	12.5	12.9	13.3	13.7	14.5	14.5	103.7

(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 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 – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)