

Part 1: Australian Government Budget Outcome 2024–25

Overview

In 2024–25, the Australian Government general government sector recorded an underlying cash deficit of just under \$10.0 billion (0.4 per cent of GDP). The outcome is around one-third of the estimated deficit at the 2025 Pre-election Economic and Fiscal Outlook (PEFO) and around one-fifth of the estimated deficit at the 2022 PEFO. As a share of the economy, it is around one-fifth of the average deficit between the Global Financial Crisis and the COVID-19 pandemic.

The 2024–25 outcome was an improvement of \$17.9 billion (0.6 percentage points of GDP) against the 2025 PEFO, \$17.6 billion (0.6 percentage points of GDP) against the 2025–26 Budget, and \$37.1 billion (1.5 percentage points of GDP) against the 2022 PEFO. This follows the first consecutive budget surpluses in nearly two decades in 2022–23 and 2023–24. Cumulatively, the underlying cash balance improved by \$209.4 billion over the last three years, compared to the estimates in the 2022 PEFO. This is the largest nominal budget improvement in a parliamentary term.

The Government's responsible economic and fiscal management has seen fiscal policy work alongside monetary policy to return inflation to the target band in 2024–25, while delivering improvements to the budget. This includes returning a total of around 70 per cent of tax receipt upgrades to the budget since the 2022 PEFO and limiting real growth in payments to an average of 1.2 per cent per year over the last three years, around one-third of the 30-year average.

The improvement in the 2024–25 outcome since the 2025 PEFO estimate was due to a combination of lower payments and higher receipts.

Payments were \$726.9 billion, \$4.6 billion lower than estimated in the 2025–26 Budget and \$4.9 billion lower than estimated in the 2025 PEFO. This outcome reflects lower-than-estimated payments across a range of programs, including around \$3.1 billion in lower payments across several National Partnership agreements. Payments as a share of the economy were 26.2 per cent in 2024–25, 0.1 percentage points lower than estimated at the 2025 PEFO and 0.4 percentage points lower than estimated at the 2022 PEFO.

Total receipts were \$717.0 billion, \$13.0 billion higher than forecast in the 2025–26 Budget and the 2025 PEFO. Tax receipts for 2024–25 was \$657.8 billion, \$12.6 billion higher than estimated at the 2025–26 Budget and the 2025 PEFO, largely driven by higher company tax receipts, personal income tax receipts and superannuation fund tax receipts. Since the 2022 PEFO, the resilient labour market has been among the biggest drivers of the improved outlook for receipts in 2024–25.

The Government's responsible fiscal management has significantly reduced the level of gross debt. Gross debt was \$928.6 billion (33.5 per cent of GDP) at the end of 2024–25, \$11.4 billion (0.2 percentage points of GDP) lower than estimated at the 2025–26 Budget and the 2025 PEFO, and \$188.4 billion (11.4 percentage points of GDP) lower than estimated at the 2022 PEFO. Lower debt means interest payments are at least \$60 billion lower over the 11 years to 2032–33.

Table 1.1: Overview of key Australian Government general government sector budget aggregates

	2024-25 Estimate at 2022 PEFO \$b	2024-25 Estimate at 2025-26 Budget \$b	2024-25 Estimate at 2025 PEFO \$b	2024-25 Outcome \$b	Change on 2022 PEFO \$b	Change on 2025-26 Budget \$b	Change on 2025 PEFO \$b
Underlying cash balance	-47.1	-27.6	-27.9	-10.0	37.1	17.6	17.9
Per cent of GDP	-1.9	-1.0	-1.0	-0.4			
Gross debt(a)	1,117.0	940.0	940.0	928.6	-188.4	-11.4	-11.4
Per cent of GDP	44.9	33.7	33.7	33.5			
Net debt(b)	823.2	556.0	556.3	532.3	-290.9	-23.6	-23.9
Per cent of GDP	33.1	19.9	20.0	19.2			

a) Gross debt measures the face value of Australian Government Securities (AGS) on issue and is presented as at the end of the financial year.

b) Net debt is the sum of interest bearing liabilities (which includes AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements) and is presented as at the end of the financial year.

Real GDP grew by 1.3 per cent in 2024–25, slightly below the 1½ per cent forecast in the 2025–26 Budget and the 2025 PEFO. The lower-than-expected growth reflected weaker public final demand and non-rural commodity exports. However, the economy grew by 1.8 per cent through the year to the June quarter – the strongest growth in almost two years.

While weaker than expected, real GDP growth over 2024–25 was supported by a recovery in private sector activity. This pick-up was driven by an improvement in consumption and dwelling investment. Households were supported by rising real disposable incomes, which began to grow again in 2024–25 due to a combination of moderating inflation, continued wage and employment growth, tax cuts and the easing in interest rates.

The labour market has remained resilient. The unemployment rate was 4.2 per cent in the June quarter, which was consistent with the forecast in the 2025–26 Budget and the 2025 PEFO and remains historically low. Employment grew by 2.2 per cent through the year to the June quarter, which was slightly lower than the 2025–26 Budget and 2025 PEFO forecast of 2¾ per cent.

The Wage Price Index (WPI) rose by 3.4 per cent through the year to the June quarter, which was stronger than the 3 per cent forecast in the 2025–26 Budget and the 2025 PEFO. Real wages, as measured by growth in the WPI relative to growth in the headline CPI, grew 1.3 per cent through the year to the June quarter. This is the strongest rate of real wage growth in five years and more than double the ½ per cent forecast at the 2025–26 Budget and 2025 PEFO.

During 2024–25, inflation returned to the Reserve Bank of Australia’s target band in both headline and underlying terms. Headline inflation was 2.1 per cent through the year to the June quarter, which was lower than the forecast of 2½ per cent in the 2025–26 Budget and the 2025 PEFO. This outcome reflects weaker-than-expected price increases for energy, automotive fuel, housing and insurance.

Nominal GDP grew by 3.7 per cent in 2024–25 and was lower than the 4¼ per cent forecast in the 2025–26 Budget and the 2025 PEFO. This was the result of lower-than-expected real GDP growth and lower-than-expected growth in prices across the economy.

Budget aggregates

Table 1.2: Australian Government general government sector budget aggregates

	2024-25 Estimate at 2025-26 Budget \$b	2024-25 Estimate at 2025 PEFO \$b	2024-25 Outcome \$b	Change on 2025-26 Budget \$b	Change on 2025 PEFO \$b
Underlying cash balance	-27.6	-27.9	-10.0	17.6	17.9
Per cent of GDP	-1.0	-1.0	-0.4		
Receipts	703.9	703.9	717.0	13.0	13.0
Per cent of GDP	25.3	25.3	25.9		
Tax receipts	645.2	645.2	657.8	12.6	12.6
Per cent of GDP	23.1	23.1	23.7		
Non-tax receipts	58.7	58.7	59.1	0.4	0.4
Per cent of GDP	2.1	2.1	2.1		
Payments(a)	731.5	731.8	726.9	-4.6	-4.9
Per cent of GDP	26.2	26.3	26.2		
Net interest payments(b)	14.9	14.9	13.7	-1.2	-1.2
Per cent of GDP	0.5	0.5	0.5		
Revenue	717.6	717.6	733.0	15.4	15.4
Per cent of GDP	25.7	25.7	26.4		
Expenses	762.8	762.8	770.1	7.3	7.3
Per cent of GDP	27.4	27.4	27.8		
Net operating balance	-45.2	-45.2	-37.1	8.1	8.1
Per cent of GDP	-1.6	-1.6	-1.3		
Net capital investment	5.5	5.5	7.7	2.3	2.3
Per cent of GDP	0.2	0.2	0.3		
Fiscal balance	-50.6	-50.7	-44.8	5.8	5.8
Per cent of GDP	-1.8	-1.8	-1.6		

a) Equivalent to cash payments for operating activities, purchases of non-financial assets and principal payments of lease liabilities.

b) Net interest payments are equal to the difference between interest payments and interest receipts.

The 2024–25 estimates at the 2025–26 Budget differ slightly from the estimates at the 2025 PEFO. The difference in the estimated 2024–25 underlying cash balance between the 2025–26 Budget and the 2025 PEFO largely reflects a \$281.1 million increase in payments for the Australian Government Disaster Recovery Payment and Disaster Recovery Allowance due to major disaster determinations, including in relation to ex-Tropical Cyclone Alfred in March 2025.

Underlying cash balance

Receipts

Total receipts for 2024–25 were \$717.0 billion, \$13.0 billion higher than forecast in the 2025–26 Budget and the 2025 PEFO.

Tax receipts were \$12.6 billion higher than estimated in the 2025–26 Budget and the 2025 PEFO. This was mostly due to higher-than-expected company tax, personal income tax and superannuation tax receipts.

- Company tax receipts were \$5.3 billion above the 2025–26 Budget estimate, primarily due to higher-than-expected collections relating to 2023–24 tax returns.
- Receipts from total individuals and other withholding taxes were \$3.4 billion above the 2025–26 Budget estimate. This was primarily due to higher-than-expected income tax withholding, consistent with stronger-than-expected growth in wages. Higher-than-expected gross other individuals also contributed to the outcome.
- Superannuation fund tax receipts were \$2.9 billion above the 2025–26 Budget estimate due to higher-than-expected contributions and tax from earnings on investments.
- GST receipts were \$0.9 billion above the 2025–26 Budget estimate, consistent with stronger-than-expected growth in consumption and dwelling investment.
- Excise and customs duty receipts were \$0.1 billion above the 2025–26 Budget estimate with higher tobacco excise equivalent duty offset by weaker fuel excise.

Non-tax receipts were \$59.1 billion in 2024–25, \$0.4 billion higher than estimated in the 2025–26 Budget and the 2025 PEFO. This increase largely reflected higher-than-estimated receipts for Commonwealth Debt Management, Aged Care Services and Department of Defence programs. This was partially offset by lower-than-estimated receipts, including from the Pharmaceutical Benefits program.

Table 1.3: Australian Government general government sector (cash) receipts

	2024-25 Estimate at 2025-26 Budget \$m	2024-25 Outcome \$m	Change on 2025-26 Budget \$m
Individuals and other withholding taxes			
Gross income tax withholding	293,600	295,827	2,227
Gross other individuals	80,500	81,707	1,207
less: Refunds	39,200	39,223	23
Total individuals and other withholding tax	334,900	338,312	3,412
Fringe benefits tax	4,950	4,927	-23
Company tax	133,500	138,762	5,262
Superannuation fund taxes	22,810	25,700	2,890
Petroleum resource rent tax	1,450	1,420	-30
Income taxation receipts	497,610	509,121	11,511
Goods and services tax	89,400	90,322	922
Wine equalisation tax	1,110	1,134	24
Luxury car tax	1,170	1,088	-82
Excise and customs duty			
Petrol	7,250	7,306	56
Diesel	17,390	17,262	-128
Other fuel products	2,040	1,731	-309
Tobacco	7,400	7,767	367
Beer	2,750	2,729	-21
Spirits	3,280	3,320	40
Other alcoholic beverages(a)	1,770	1,789	19
Other customs duty			
Textiles, clothing and footwear	160	153	-7
Passenger motor vehicles	380	339	-41
Other imports	1,560	1,504	-56
less: Refunds and drawbacks	870	711	-159
Total excise and customs duty	43,110	43,188	78
Major bank levy	1,770	1,768	-2
Agricultural levies	735	664	-70
Visa application charges	4,129	4,154	26
Other taxes	6,209	6,403	195
Indirect taxation receipts	147,632	148,723	1,091
Taxation receipts	645,242	657,844	12,602
Sales of goods and services	21,796	22,024	228
Interest received	9,520	10,545	1,026
Dividends and distributions	7,380	7,262	-119
Other non-taxation receipts	19,984	19,277	-707
Non-taxation receipts	58,680	59,107	427
Total receipts	703,922	716,951	13,029
<i>Memorandum:</i>			
Total excise	31,680	31,294	-386
Total customs duty	11,430	11,894	464

a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

Payments

Payments in 2024–25 were \$726.9 billion, \$4.6 billion lower than estimated in the 2025–26 Budget and \$4.9 billion lower than estimated in the 2025 PEFO. This reflected lower-than-estimated payments across a range of programs, including around \$3.1 billion in lower payments across several National Partnership agreements. The programs with the largest downward adjustments compared to the 2025 PEFO include:

- National Partnership Payments – Natural Disaster Relief program, largely reflecting delays in, and adjustments to, claims from the states (\$0.8 billion).
- National Partnership Payments – Climate Change program, largely reflecting lower demand and the timing of claims from the states in relation to Energy Bill Relief payments (\$0.8 billion).
- Pharmaceutical Benefits program, largely reflecting lower-than-estimated uptake of highly specialised medicines by patients, and lower-than-estimated utilisation of on-site pharmacists by residential aged care facilities (\$0.7 billion).
- National Partnership Payments – Housing program, largely reflecting delays in states meeting payment requirements for the Housing Support, Remote Indigenous Housing and HomeBuilder programs (\$0.6 billion).
- National Disability Insurance Agency costs, largely reflecting lower-than-expected agency operating costs due to delayed implementation of previously funded initiatives (\$0.5 billion).
- Support for the Child Care System program, largely reflecting the timing of payments for a number of grant programs including the Early Childhood Education and Care Worker Retention Payment (\$0.4 billion).
- National Partnership Payments – Water and Natural Resources program, largely reflecting delays in regulatory approvals and the identification of water supply measures by the states (\$0.4 billion).
- Housing Australia, largely reflecting revised payment milestones in contracts funded from the Housing Australia Future Fund Facility and the National Housing Infrastructure Facility – Crisis and Transitional Housing (\$0.4 billion).
- National Partnership Payments – General Health Services program, largely reflecting delays in states meeting payment milestones for the Comprehensive Cancer Centres and the Community Health and Hospitals programs (\$0.4 billion).
- National Partnership Payments – Regional Development program, largely reflecting project planning and construction delays (\$0.4 billion).
- Support Reliable, Secure and Affordable Energy program, largely reflecting project delays and delays in the execution of grant agreements (\$0.3 billion).

- Regional Development program, largely reflecting delivery delays for projects under a number of local and community infrastructure programs (\$0.3 billion).
- Health Protection, Emergency Response and Regulation program, largely reflecting delays in the production of COVID-19 vaccines at the mRNA manufacturing facility in Victoria (\$0.3 billion).
- Protect, Restore and Sustainably Manage Australia’s Water Resources program, largely reflecting delays in the finalisation of contracts for water entitlement purchases (\$0.3 billion).
- Aged Care Quality program, largely reflecting lower-than-anticipated demand for a range of activities within the program, including grants from the Aged Care Support Program and the Aged Care Surge Workforce Program (\$0.3 billion).

The programs with the largest upward adjustments compared to the 2025 PEFO include:

- Local Government program, largely reflecting bringing forward funding from 2025–26 for the Financial Assistance Grants program (\$1.6 billion).
- National Partnership Payments – Assistance to People with Disabilities program, largely reflecting Western Australia signing a National Disability Insurance Scheme Full Scheme Bilateral Agreement in June 2025 (\$0.8 billion).
- National Partnership Payments – Road Transport (\$0.6 billion) and Rail Transport (\$0.1 billion) programs reflecting higher-than-anticipated milestone payments to states for projects under the Infrastructure Investment Program.
- National Disability Insurance Scheme, largely reflecting higher-than-expected increases in average payments per participant (\$0.4 billion).

Primary balance

The primary balance, which excludes interest payments and interest receipts related to the existing stock of debt and financial assets from the underlying cash balance, was a surplus of \$3.7 billion (0.1 per cent of GDP) in 2024–25. The primary balance improved from the estimated deficits of \$12.7 billion (0.5 per cent of GDP) at the 2025–26 Budget and \$13.0 billion (0.5 per cent of GDP) at the 2025 PEFO.

Net operating balance and fiscal balance

The 2024–25 net operating deficit was \$37.1 billion, \$8.1 billion better than the \$45.2 billion deficit estimated at the 2025–26 Budget and the 2025 PEFO. The 2024–25 fiscal balance was a deficit of \$44.8 billion, compared with an estimated deficit of \$50.6 billion at the 2025–26 Budget and \$50.7 billion at the 2025 PEFO.

Revenue

Revenue is the accrual accounting equivalent of cash-based receipts. The differences between receipts and revenue generally reflect timing differences between the recognition of receipts when cash is received and revenue at the time it is earned.

Total revenue was \$733.0 billion in 2024–25, \$15.4 billion higher than estimated at the 2025–26 Budget and the 2025 PEFO. Total cash receipts were \$717.0 billion, \$13.0 billion higher than estimated at the 2025–26 Budget and the 2025 PEFO.

Tax revenue was \$677.2 billion in 2024–25, \$14.0 billion higher than estimated at the 2025–26 Budget and the 2025 PEFO. Total tax receipts were \$657.8 billion in 2024–25, \$12.6 billion higher than estimated at the 2025–26 Budget and the 2025 PEFO. Changes in taxation revenue were generally driven by the same factors as receipts.

Total non-tax revenue was \$55.8 billion in 2024–25, \$1.5 billion higher than estimated in the 2025–26 Budget and the 2025 PEFO. Non-tax receipts were \$59.1 billion in 2024–25, \$0.4 billion higher than estimated in the 2025–26 Budget and the 2025 PEFO.

Table 1.4: Australian Government general government sector (accrual) revenue

	2024-25 Estimate at 2025-26 Budget \$m	2024-25 Outcome \$m	Change on 2025-26 Budget \$m
Individuals and other withholding taxes			
Gross income tax withholding	296,800	299,394	2,594
Gross other individuals	86,200	86,228	28
less: Refunds	39,200	39,223	23
Total individuals and other withholding tax	343,800	346,399	2,599
Fringe benefits tax	5,070	5,194	124
Company tax	136,500	142,159	5,659
Superannuation fund taxes	22,830	26,055	3,225
Petroleum resource rent tax	1,500	1,483	-17
Income taxation revenue	509,700	521,290	11,590
Goods and services tax	94,420	96,543	2,123
Wine equalisation tax	1,120	1,135	15
Luxury car tax	1,170	1,088	-82
Excise and customs duty			
Petrol	7,100	7,180	80
Diesel	16,990	17,106	116
Other fuel products	2,010	1,620	-390
Tobacco	7,400	7,841	441
Beer	2,650	2,707	57
Spirits	3,280	3,311	31
Other alcoholic beverages(a)	1,770	1,775	5
Other customs duty			
Textiles, clothing and footwear	160	153	-7
Passenger motor vehicles	380	339	-41
Other imports	1,560	1,505	-55
less: Refunds and drawbacks	870	711	-159
Total excise and customs duty	42,430	42,826	396
Major bank levy	1,790	1,809	19
Agricultural levies	739	671	-67
Visa application charges	4,129	4,154	26
Other taxes	7,710	7,669	-41
Indirect taxation revenue	153,508	155,896	2,388
Taxation revenue	663,208	677,185	13,977
Sales of goods and services	21,166	20,596	-570
Interest	10,532	11,518	986
Dividends and distributions	7,205	7,495	290
Other non-taxation revenue	15,458	16,215	758
Non-taxation revenue	54,360	55,825	1,464
Total revenue	717,568	733,010	15,442
<i>Memorandum:</i>			
Total excise	31,000	30,857	-143
Total customs duty	11,430	11,969	539

a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).

Expenses and net capital investment

Total expenses were \$770.1 billion in 2024–25, \$7.3 billion higher than estimated in the 2025–26 Budget and the 2025 PEFO. Total net capital investment for 2024–25 was \$7.7 billion, \$2.3 billion higher than estimated in the 2025–26 Budget and the 2025 PEFO. This results in a net outcome for expenses and net capital investment of \$777.8 billion, which is \$9.6 billion higher than the \$768.2 billion estimated at the 2025–26 Budget and the 2025 PEFO.

In comparison, cash payments in 2024–25 were \$726.9 billion, \$4.6 billion lower than estimated in the 2025–26 Budget and \$4.9 billion lower than estimated in the 2025 PEFO.

The difference of \$50.9 billion between the net outcome for expenses and net capital investment, and the outcome for cash payments, generally reflects timing differences between the recognition of incurred expenses and the finalisation of corresponding payments.

Further information on expenses by function and sub function is provided in Appendix A.

Table 1.5: Australian Government general government sector expenses by function

	2024-25 Estimate at 2025-26 Budget \$m	2024-25 Outcome \$m	Change on 2025-26 Budget \$m
General public services			
Legislative and executive affairs	2,335	2,406	71
Financial and fiscal affairs	10,364	10,764	400
Foreign affairs and economic aid	8,760	7,488	-1,272
General research	4,775	4,346	-429
General services	1,240	1,748	508
Government superannuation benefits	5,578	6,136	558
Defence	49,344	47,785	-1,559
Public order and safety	8,778	8,517	-261
Education	63,503	50,901	-12,602
Health	117,067	132,249	15,182
Social security and welfare	274,901	285,479	10,578
Housing and community amenities	18,122	8,330	-9,793
Recreation and culture	5,859	5,966	108
Fuel and energy	16,437	14,954	-1,484
Agriculture, forestry and fishing	4,461	3,801	-660
Mining, manufacturing and construction	5,866	4,937	-930
Transport and communication	15,980	16,244	264
Other economic affairs			
Tourism and area promotion	197	196	0
Labour and employment affairs	6,104	5,425	-679
Immigration	3,963	3,758	-206
Other economic affairs nec	3,799	3,516	-282
Other purposes			
Public debt interest	23,940	23,868	-72
Nominal superannuation interest	14,241	14,250	9
General purpose inter-government transactions	97,382	99,937	2,555
Natural disaster relief	1,506	7,071	5,565
Contingency reserve	-1,747	0	1,747
Total expenses	762,756	770,071	7,315

Table 1.6: Australian Government general government sector net capital investment by function

	2024-25 Estimate at 2025-26 Budget	2024-25 Outcome	Change on 2025-26 Budget
	\$m	\$m	\$m
General public services	283	96	-187
Defence	5,915	8,272	2,357
Public order and safety	202	-36	-238
Education	46	38	-8
Health	-268	451	719
Social security and welfare	1	516	515
Housing and community amenities	206	139	-67
Recreation and culture	442	211	-232
Fuel and energy	22	-4	-26
Agriculture, forestry and fishing	615	462	-153
Mining, manufacturing and construction	-36	-31	5
Transport and communication	-2,063	-2,153	-90
Other economic affairs	48	-233	-281
Other purposes	46	16	-30
Total net capital investment	5,459	7,745	2,286

Table 1.7: Australian Government general government sector purchases of non-financial assets by function

	2024-25 Estimate at 2025-26 Budget	2024-25 Outcome	Change on 2025-26 Budget
	\$m	\$m	\$m
General public services	2,156	1,782	-374
Defence	14,130	14,731	601
Public order and safety	1,056	889	-166
Education	66	52	-14
Health	275	209	-66
Social security and welfare	982	1,532	550
Housing and community amenities	666	622	-44
Recreation and culture	952	743	-209
Fuel and energy	34	6	-28
Agriculture, forestry and fishing	741	592	-149
Mining, manufacturing and construction	15	12	-3
Transport and communication	147	81	-66
Other economic affairs	864	741	-123
Other purposes	51	25	-26
Total Government purchases of non-financial assets	22,133	22,016	-117

Headline cash balance

The headline cash balance consists of the underlying cash balance and net cash flows from investments in financial assets for policy purposes (for example, student loans and Clean Energy Finance Corporation loans and equity investments).

In 2024–25, the headline cash deficit was \$21.8 billion compared with an estimated deficit of \$46.7 billion in the 2025–26 Budget. The improvement in the headline cash balance of \$24.9 billion was primarily driven by the improvement in the underlying cash balance (\$17.6 billion).

Net cash flows from investments in financial assets for policy purposes also improved by \$7.3 billion since estimated in the 2025–26 Budget. This is primarily driven by lower-than-estimated drawdowns by the National Reconstruction Fund Corporation, the Clean Energy Finance Corporation and Housing Australia.

Table 1.8 provides further detail between the underlying and headline cash balance estimates of the Australian Government general government sector in 2024–25.

Table 1.8: Australian Government general government sector reconciliation of underlying and headline cash balance

	2024-25 Estimate at 2025-26 Budget \$m	2024-25 Outcome \$m	Change on 2025-26 Budget \$m
2024-25 Underlying cash balance	-27,605	-9,990	17,615
plus Net cash flows from investments in financial assets for policy purposes(a)			
Student loans	-3,869	-3,336	533
NBN investment	-1,473	-1,186	287
Snowy Hydro Limited Loan	-150	-150	0
Snowy Hydro Limited investment	-1,625	-1,625	0
Australian apprenticeship support loans	-114	-99	15
CEFC loans and investments	-3,106	-2,058	1,048
Northern Australia Infrastructure Facility	-492	-202	291
NRFC loans and investments	-1,299	-164	1,135
Australian Business Securitisation Fund	-563	-58	505
Structured Finance Support Fund	153	153	0
Drought and rural assistance loans	-334	-35	298
Official Development Assistance – Australian Development Investments	-102	-102	0
Official Development Assistance – Multilateral Replenishment	-142	-142	0
Home Equity Access Scheme	-179	-167	12
Housing Australia	-913	113	1,027
Indigenous Business Australia home and business loans	-104	-149	-44
National Interest Account loans and investments	-886	-258	628
COVID-19 Support for Indonesia – loan	100	100	0
Financial Assistance to Papua New Guinea – loan	-415	-415	0
Net other(b)	-3,561	-1,995	1,566
Total net cash flows from investments in financial assets for policy purposes	-19,076	-11,775	7,300
2024-25 Headline cash balance	-46,681	-21,765	24,916

a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.

b) 'Net other' includes amounts that cannot be itemised, including commercial-in-confidence transactions and decisions taken but not yet announced.

Gross debt, net debt, net financial worth and net worth

At the end of 2024–25, gross debt was \$928.6 billion (33.5 per cent of GDP), \$11.4 billion lower than estimated at the 2025–26 Budget and the 2025 PEFO. The reduction is smaller than the improvement in the fiscal position, reflecting the Australian Office of Financial Management's (AOFM) decision not to deviate from the issuance guidance provided to the market following the Budget for the remainder of 2024–25. The combination of the improved underlying cash balance and AOFM's adherence to announced issuance plans effectively pre-funds some of the Government's financing requirement for 2025–26.

At the end of 2024–25, net debt was \$532.3 billion (19.2 per cent of GDP), \$23.6 billion lower than estimated in the 2025–26 Budget and \$23.9 billion lower than estimated in the 2025 PEFO. Net debt is measured by the market value of Australian Government Securities on issue (whereas gross debt is measured by face value) and also includes selected financial assets and other interest-bearing liabilities.

Since the 2025–26 Budget, net debt has benefited from higher-than-estimated cash and deposits, advances paid and investments, loans and placements. This has been partially offset by higher government securities liabilities.

Net financial worth was -\$841.9 billion at the end of 2024–25, compared to -\$791.1 billion estimated in the 2025–26 Budget and the 2025 PEFO. Net worth was -\$614.5 billion at the end of 2024–25, compared to -\$570.5 billion estimated in the 2025–26 Budget and the 2025 PEFO. The changes in net financial worth and net worth largely reflect an increase in liabilities for military compensation, provisions for claims for veterans' benefits, and superannuation liabilities, partially offset by the improvement in advances paid for student loans. The increase in the superannuation liability is the result of the difference between the discount rates used to value the Government's defined benefit superannuation liability at the Budget and the Final Budget Outcome.

At the 2025–26 Budget and 2025 PEFO, the unfunded superannuation liabilities were estimated using an actuarially determined long-term discount rate of 5.0 per cent per annum. This rate reflected the average annual rate estimated to apply over the remainder of the term to maturity of the liability and the actuaries' views that short-term deviations are expected to be smoothed out in the longer term. This approach also reduces the volatility in reported liabilities that would occur from year to year if the market long-term government bond rate was used.

For the Final Budget Outcome, the Australian Accounting Standards (AAS) require the use of the long-term government bond rate as at 30 June 2025 that best matches each individual scheme's liability duration. This results in differences in the superannuation liability between Final Budget Outcomes, and between Budgets and Final Budget Outcomes. For the 2024–25 Final Budget Outcome, the bond rates used were between 3.8 and 5.0 per cent per annum depending on the defined benefit scheme.

The variance in the reported superannuation liability between the 2025–26 Budget and 2025 PEFO and the 2024–25 Final Budget Outcome was an increase of \$9.9 billion. By way of comparison, the variance between the 2024–25 Budget and the 2023–24 Final Budget Outcome was an increase of \$13.8 billion.

Table 1.9: Australian Government general government sector balance sheet aggregates^(a)

	2024-25 Estimate at 2025-26 Budget \$b	2024-25 Estimate at 2025 PEFO \$b	2024-25 Outcome \$b	Change on 2025-26 Budget \$b	Change on 2025 PEFO \$b
Financial assets	637.0	636.7	665.4	28.4	28.7
Per cent of GDP	22.9	22.8	24.0		
Non-financial assets	220.6	220.6	227.4	6.8	6.8
Per cent of GDP	7.9	7.9	8.2		
Total assets	857.6	857.3	892.8	35.2	35.5
Per cent of GDP	30.8	30.8	32.2		
Total liabilities	1,428.1	1,427.8	1,507.4	79.2	79.5
Per cent of GDP	51.2	51.2	54.4		
Net worth	-570.5	-570.5	-614.5	-44.0	-44.0
Per cent of GDP	-20.5	-20.5	-22.2		
Net financial worth(b)	-791.1	-791.1	-841.9	-50.8	-50.8
Per cent of GDP	-28.4	-28.4	-30.4		
Gross debt(c)	940.0	940.0	928.6	-11.4	-11.4
Per cent of GDP	33.7	33.7	33.5		
Net debt(d)	556.0	556.3	532.3	-23.6	-23.9
Per cent of GDP	19.9	20.0	19.2		
Total interest payments	24.4	24.4	24.3	-0.1	-0.1
Per cent of GDP	0.9	0.9	0.9		
Net interest payments(e)	14.9	14.9	13.7	-1.2	-1.2
Per cent of GDP	0.5	0.5	0.5		

a) Assets, liabilities, net worth, net financial worth, gross debt and net debt are presented as at the end of the financial year.

b) Net financial worth equals total financial assets minus total liabilities.

c) Gross debt measures the face value of Australian Government Securities (AGS) on issue.

d) Net debt is the sum of interest bearing liabilities (which includes AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

e) Net interest payments are equal to the difference between interest payments and interest receipts.

