Budget
2025–26

FINAL BUDGET OUTCOME
2025–26

Statement by

The Honourable Jim Chalmers MP
Treasurer of the Commonwealth of Australia

and

Senator the Honourable Katy Gallagher
Minister for Finance, Minister for Women, Minister for the Public Service, Minister for Government Services of the Commonwealth of Australia

For the information of honourable members

September 2026

Treasury acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

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Notes

(a) The following definitions are used in this Budget Paper:

- 'real' means adjusted for the effect of inflation
- real growth in expenses and payments is calculated using the Consumer Price Index (CPI) as the deflator
- one billion is equal to one thousand million.

(b) Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding:

- figures under $100,000 are rounded to the nearest thousand
- figures $100,000 and over are generally rounded to the nearest tenth of a million
- figures midway between rounding points are rounded up
- the percentage changes in statistical tables are calculated using unrounded data.

(c) For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.

(d) The following notations are used:

-	nil
na	not applicable (unless otherwise specified)
..	not zero, but rounded to zero
$m	millions of dollars
$b	billions of dollars
NEC/nec	not elsewhere classified

(e) The Australian Capital Territory and the Northern Territory are referred to as 'the territories'. References to the 'states' or 'each state' include the territories. The following abbreviations are used for the names of the states, where appropriate:

NSW	New South Wales
VIC	Victoria
QLD	Queensland
WA	Western Australia
SA	South Australia
TAS	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory

(f) In this paper the term Commonwealth refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

The term Australian Government is used when referring to the Government and the decisions and activities made by the Government on behalf of the Commonwealth of Australia.

Contents

Preface

The Final Budget Outcome for 2025–26 has been prepared in a manner consistent with the *Charter of Budget Honesty Act 1998* (the Charter). The Charter requires that the Government provide a final budget outcome report no later than 3 months after the end of the financial year. Consistent with these requirements, this report encompasses Australian Government general government sector fiscal outcomes for the 2025–26 financial year and is based on external reporting standards.

- **Part 1** provides the general government sector budget aggregates for 2025–26 together with an analysis of the Final Budget Outcome for 2025–26. This includes summary analysis of cash flows, revenue, expenses, net capital investment and the balance sheet (net debt, net financial worth and net worth).

- **Part 2** presents the Australian Government financial statements for 2025–26 with the Australian Bureau of Statistics' (ABS) Government Finance Statistics (GFS) as the basis for accounting policy, except for where the Government has decided to depart because Australian Accounting Standards provide a better conceptual treatment for presenting information of relevance to users of public sector financial reports. This data covers the general government sector as well as the Australian Government public corporations sectors.

- **Part 3** provides details for 2025–26 on Australia's Federal Financial Relations, updated from that contained in the 2026–27 Budget Paper No. 3, *Federal Financial Relations*.

- **Appendix A** contains expenses data on a functional and sub-functional basis. Historical Australian Government data are presented in **Appendix B**.

Part 1: Australian Government Budget Outcome 2025–26

Overview

In 2025–26, the Australian Government general government sector recorded an underlying cash deficit of $22.3 billion (0.8 per cent of GDP). This outcome was an improvement of $6.0 billion against the 2026–27 Budget estimate ($28.3 billion), $19.9 billion against the 2025 Pre-Election Economic and Fiscal Outlook (PEFO) estimate ($42.2 billion) and $20.7 billion against the 2022 PEFO estimate ($42.9 billion). As a share of the economy, it is less than half the average deficit between the Global Financial Crisis and the COVID-19 pandemic.

The 2025-26 outcome is around half the estimated deficit at the 2022 PEFO. Cumulatively, the underlying cash balance improved by $230.0 billion over the last four years compared to the estimates in the 2022 PEFO.

These Budget improvements reflect the Government's responsible economic and fiscal management. The Government has returned 77 per cent of tax receipt upgrades to the budget in the last four years and limited real growth in payments to an average of 2.0 per cent per year over the last four years, well below the 30-year average of 3.4 per cent. The Government's responsible fiscal management has been recognised by the rating agencies with both S&P Global and Moody's recently re-affirming the Australian Government's AAA credit rating. Australia is one of only nine countries to have a AAA credit rating from all three major rating agencies.

At the same time, the Government is providing responsible cost-of-living relief including tax cuts for every taxpayer which mean that income tax withholding as a percentage of GDP fell from 11.0 per cent in 2023–24 to 10.8 per cent in 2025–26.

The improvement in the 2025–26 outcome since the 2026–27 Budget estimate was due to a combination of lower payments and a better-than-expected outcome for receipts.

Payments were $786.6 billion, $1.4 billion lower than estimated in the 2026–27 Budget, reflecting lower-than-estimated payments across a range of programs.

Total receipts were $764.4 billion, $4.6 billion higher than forecast in the 2026–27 Budget. Tax receipts in 2025–26 were $704.2 billion, $4.6 billion higher than estimated at the 2026–27 Budget, largely driven by higher personal income tax from business and investment income and higher superannuation fund tax receipts. Personal income tax from wage and salary income was broadly consistent with the 2026–27 Budget estimate.

The Government's responsible fiscal management has significantly reduced the level of gross debt. As a share of the economy, gross debt has fallen for the last four years. Gross debt was $971.4 billion (33.2 per cent of GDP) at the end of 2025–26, $10.6 billion lower than estimated at the 2026–27 Budget, $50.6 billion lower than estimated at the 2025 PEFO and $197.6 billion lower than estimated at the 2022 PEFO (44.7 per cent of GDP). Lower debt means interest payments will be at least $70 billion lower over the 11 years to 2032–33.

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

	2025-26 Estimate at 2022 PEFO $b	2025-26 Estimate at 2026-27 Budget $b	2025-26 Outcome $b	Change on 2022 PEFO $b	Change on 2026-27 Budget $b
Underlying cash balance	**-42.9**	**-28.3**	**-22.3**	**20.7**	**6.0**
Per cent of GDP	-1.6	-1.0	-0.8		
Gross debt(a)	**1,169.0**	**982.0**	**971.4**	**-197.6**	**-10.6**
Per cent of GDP	44.7	33.1	33.2		
Net debt(b)	**864.5**	**556.0**	**550.0**	**-314.5**	**-6.0**
Per cent of GDP	33.1	18.8	18.8		

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

The Australian economy has been resilient in the face of heightened global uncertainty and conflict. Real GDP grew by 2.4 per cent in 2025–26. This was slightly stronger than the 2¼ per cent forecast in the 2026–27 Budget. In through-the-year terms, Australia recorded equal fastest growth compared to the major advanced economies.

The stronger-than-expected outcome in 2025–26 reflected strength in private final demand. New private final demand grew by 3.6 per cent in 2025–26, more than ½ percentage point stronger than the Budget forecast. New public final demand grew much more slowly at 2.2 per cent. This was the slowest rate in 11 years and ½ percentage point below the Budget forecast.

The primary driver of the stronger-than-expected private demand was strength in business investment. New business investment grew by 7.4 per cent in 2025–26, nearly double the Budget forecast of 4 per cent. The boost this provided to GDP was partially offset by stronger imports growth. New business investment reached a decade high in 2025–26 at 12.7 per cent of GDP.

The labour market remained resilient in 2025–26, though there was some evidence of a gradual easing in conditions. The unemployment rate remained low by historical standards at 4.4 per cent in the June quarter 2026, slightly above the Budget forecast.

Employment grew by 1.1 per cent through the year to the June quarter 2026, below the 1½ per cent forecast in the Budget. Nevertheless, the labour force participation rate remained near record highs, at 66.8 per cent in the June quarter 2026, consistent with the Budget forecast.

Headline inflation was 3.9 per cent through the year to the June quarter 2026, materially lower than the forecast of 5 per cent in the 2026–27 Budget. This reflects lower-than-expected petrol prices, and subdued pass-through of broader cost pressures from the Middle East conflict to consumer prices. The Wage Price Index rose by 3.2 per cent through the year to the June quarter 2026, in line with Budget forecasts. This was the sixteenth consecutive quarter that annual nominal wages grew above 3 per cent, something that has not occurred for 17 years.

Nominal GDP grew by 5.4 per cent in 2025–26, lower than the 6¾ per cent forecast in the 2026–27 Budget. This reflected lower-than-expected growth in domestic prices and weaker-than-expected terms of trade outcomes.

Budget aggregates

Table 1.2: Australian Government general government sector budget aggregates

	2025-26 Estimate at 2026-27 Budget $b	2025-26 Outcome $b	Change on 2026-27 Budget $b
Underlying cash balance	**-28.3**	**-22.3**	**6.0**
Per cent of GDP	-1.0	-0.8	
Receipts	**759.8**	**764.4**	**4.6**
Per cent of GDP	25.6	26.1	
Tax receipts	**699.5**	**704.2**	**4.6**
Per cent of GDP	23.6	24.1	
Non-tax receipts	**60.2**	**60.2**	**0.0**
Per cent of GDP	2.0	2.1	
Payments(a)	**788.1**	**786.6**	**-1.4**
Per cent of GDP	26.6	26.9	
Net interest payments(b)	**17.7**	**17.6**	**-0.1**
Per cent of GDP	0.6	0.6	
Revenue	**773.1**	**777.3**	**4.2**
Per cent of GDP	26.1	26.6	
Expenses	**812.1**	**812.1**	**0.1**
Per cent of GDP	27.4	27.7	
Net operating balance	**-39.0**	**-34.8**	**4.2**
Per cent of GDP	-1.3	-1.2	
Net capital investment	**11.2**	**9.3**	**-1.9**
Per cent of GDP	0.4	0.3	
Fiscal balance	**-50.1**	**-44.1**	**6.0**
Per cent of GDP	-1.7	-1.5	

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.

Underlying cash balance

Receipts

Total receipts for 2025–26 were $764.4 billion, $4.6 billion higher than forecast in the 2026–27 Budget.

Tax receipts were $4.6 billion higher than estimated in the 2026–27 Budget. This was mostly due to higher-than-expected personal income tax and superannuation fund tax receipts.

- Receipts from total individuals and other withholding taxes were $2.3 billion above the 2026–27 Budget estimate. This was driven by gross other individuals, reflecting higher-than-expected collections relating to 2024–25 tax returns due to strong business and investment income. Income tax withholding was broadly consistent with 2026-27 Budget estimates.

- Superannuation fund tax receipts were $1.9 billion above the 2026–27 Budget estimate primarily due to higher-than-expected foreign exchange gains.

- Company tax receipts were $0.7 billion above the 2026–27 Budget estimate.

- GST receipts were $0.2 billion below the 2026–27 Budget estimate.

- Excise and customs duty receipts were $0.1 billion below the 2026–27 Budget estimate, with weaker tobacco and fuel excise partly offset by lower refunds and drawbacks.

Non-tax receipts were aligned with estimates in the 2026–27 Budget.

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

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Individuals and other withholding taxes			
Gross income tax withholding	315,300	316,013	713
Gross other individuals and trusts	89,300	91,146	1,846
less: Refunds	40,400	40,658	258
Total individuals and other withholding tax	364,200	366,502	2,302
Fringe benefits tax	5,310	5,236	-74
Company tax	148,500	149,222	722
Superannuation fund taxes	33,060	34,959	1,899
Petroleum resource rent tax	1,400	1,416	16
Income taxation receipts	**552,470**	**557,335**	**4,865**
Goods and services tax	96,341	96,105	-237
Wine equalisation tax	1,110	1,119	9
Luxury car tax	1,150	1,107	-43
Excise and customs duty			
Petrol	6,400	6,300	-100
Diesel	15,110	15,193	83
Other fuel products	1,500	1,366	-134
Tobacco	4,130	3,930	-200
Beer	2,710	2,683	-27
Spirits	3,270	3,289	19
Other alcoholic beverages(a)	1,840	1,817	-23
Other customs duty(b)	1,910	1,920	10
less: Refunds and drawbacks	1,940	1,657	-283
Total excise and customs duty	34,930	34,841	-89
Major bank levy	1,920	1,926	6
Agricultural levies	673	685	12
Visa application charges	4,668	4,660	-8
Other taxes	6,267	6,375	108
Indirect taxation receipts	**147,059**	**146,818**	**-242**
Taxation receipts	**699,529**	**704,152**	**4,623**
Sales of goods and services	21,760	22,768	1,008
Interest received	9,329	9,355	26
Dividends and distributions	7,630	8,156	526
Other non-taxation receipts	21,523	19,926	-1,597
Non-taxation receipts	**60,243**	**60,206**	**-37**
Total receipts	**759,772**	**764,358**	**4,586**
Memorandum:			
Total excise	*28,180*	*27,899*	*-281*
Total customs duty	*6,750*	*6,942*	*192*

a) ‘Other alcoholic beverages’ are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).
b) ‘Other customs duty’ includes duty paid on textiles, clothing and footwear, passenger motor vehicles and other imports that are not subject to excise equivalent duty.

Payments

Payments in 2025–26 were $786.6 billion, $1.4 billion lower than estimated in the 2026–27 Budget. The programs with the largest payment decreases compared to estimates at the 2026–27 Budget include:

- Aged Care Services program, largely reflecting lower-than-anticipated payments under the Support at Home program due to provider capacity constraints, and lower-than-anticipated residential aged care claim volumes ($1.4 billion).
- Pharmaceutical Benefits program, largely reflecting lower-than-anticipated patient claim volumes and amounts, and delays in payment claims from pharmacies ($0.7 billion).
- Support for the Child Care System program, largely reflecting lower-than-anticipated program demand and forecast back payments for the Worker Retention Payment ($0.5 billion).
- National Partnership Payments – Regional Development program, largely reflecting delays in delivery of project milestones for some regional development programs ($0.4 billion).
- National Partnership Payments – Natural Disaster Relief program, largely reflecting delays in, and adjustments to, claims from the states ($0.4 billion).
- Health Protection, Emergency Response and Regulation program, largely reflecting lower-than-anticipated demand for COVID-19 vaccinations ($0.3 billion).

The programs with the largest payment increases compared to estimates at the 2026–27 Budget include:

- National Partnership Payments – Road Transport program, largely reflecting higher-than-anticipated payment milestones to states for road projects under the Infrastructure Investment Program ($0.8 billion).
- National Partnership Payments – Rail Transport program, largely reflecting higher-than-anticipated payment milestones to states for rail projects under the Infrastructure Investment Program ($0.4 billion).
- Support reliable, secure and affordable energy program, largely reflecting higher-than-anticipated uptake of the Cheaper Home Batteries Program ($0.4 billion).
- Fuel Tax Credits Scheme program, largely reflecting higher-than-anticipated claims in the mining and agriculture, forestry and fishing sectors ($0.4 billion).
- Clean Energy Regulator Other Administered program, largely reflecting higher-than-anticipated refunds of Large-scale Generation Certificate shortfall charges to participants ($0.3 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 deficit of $4.6 billion (0.2 per cent of GDP) in 2025–26. The primary balance improved from an estimated deficit of $10.6 billion (0.4 per cent of GDP) at the 2026–27 Budget.

Net operating balance and fiscal balance

The 2025–26 net operating deficit was $34.8 billion, $4.2 billion better than the $39.0 billion deficit estimated at the 2026–27 Budget. The 2025–26 fiscal balance was a deficit of $44.1 billion, compared with an estimated deficit of $50.1 billion at the 2026–27 Budget.

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 $777.3 billion in 2025–26, $4.2 billion higher than estimated at the 2026–27 Budget. Total cash receipts were $764.4 billion, $4.6 billion higher than estimated at the 2026–27 Budget.

Tax revenue was $720.8 billion in 2025–26, $4.2 billion higher than estimated at the 2026–27 Budget. Total tax receipts were $704.2 billion in 2025–26, $4.6 billion higher than estimated at the 2026–27 Budget. Changes in taxation revenue were generally driven by the same factors as receipts.

Total non-tax revenue was $56.5 billion in 2025–26, aligned with estimates in the 2026–27 Budget.

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

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Individuals and other withholding taxes			
Gross income tax withholding	317,700	319,081	1,381
Gross other individuals and trusts	95,500	98,257	2,757
less: Refunds	40,400	40,658	258
Total individuals and other withholding tax	372,800	376,681	3,881
Fringe benefits tax	5,560	5,370	-190
Company tax	151,300	149,740	-1,560
Superannuation fund taxes	33,050	34,759	1,709
Petroleum resource rent tax	1,670	1,661	-9
Income taxation revenue	**564,380**	**568,210**	**3,830**
Goods and services tax	100,750	100,575	-174
Wine equalisation tax	1,060	1,077	17
Luxury car tax	1,160	1,090	-70
Excise and customs duty			
Petrol	6,320	6,305	-15
Diesel	14,960	15,163	203
Other fuel products	1,500	1,383	-117
Tobacco	4,130	3,920	-210
Beer	2,720	2,681	-39
Spirits	3,270	3,288	18
Other alcoholic beverages(a)	1,840	1,814	-26
Other customs duty(b)	1,910	1,920	10
less: Refunds and drawbacks	1,940	1,657	-283
Total excise and customs duty	34,710	34,818	108
Major bank levy	1,940	1,972	32
Agricultural levies	673	686	13
Visa application charges	4,668	4,660	-8
Other taxes	7,281	7,699	418
Indirect taxation revenue	**152,242**	**152,577**	**334**
Taxation revenue	**716,622**	**720,787**	**4,165**
Sales of goods and services	22,213	22,389	176
Interest	10,216	10,598	382
Dividends and distributions	7,591	8,179	588
Other non-taxation revenue	16,439	15,356	-1,083
Non-taxation revenue	**56,459**	**56,521**	**62**
Total revenue	**773,081**	**777,308**	**4,227**
Memorandum:			
Total excise	*27,960*	*27,885*	*-75*
Total customs duty	*6,750*	*6,933*	*183*

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

b) ‘Other customs duty’ includes duty paid on textiles, clothing and footwear, passenger motor vehicles and other imports that are not subject to excise equivalent duty.

Expenses and net capital investment

Total expenses were $812.1 billion in 2025–26, aligned with estimates in the 2026–27 Budget. Total net capital investment for 2025–26 was $9.3 billion, $1.9 billion lower than estimated in the 2026–27 Budget.

Expenses are the accrual accounting equivalent of cash-based payments. The differences between the outcome for expenses and the outcome for cash payments generally reflect 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

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
General public services			
Legislative and executive affairs	2,105	1,994	-111
Financial and fiscal affairs	10,270	10,107	-163
Foreign affairs and economic aid	10,168	9,264	-904
General research	4,557	4,281	-277
General services	1,915	2,932	1,017
Government superannuation benefits	5,944	5,942	-1
Defence	52,854	54,130	1,276
Public order and safety	9,601	9,401	-199
Education	64,974	64,584	-389
Health	127,015	128,037	1,021
Social security and welfare	297,805	294,383	-3,421
Housing and community amenities	8,831	7,626	-1,205
Recreation and culture	5,984	5,951	-33
Fuel and energy	19,160	20,248	1,088
Agriculture, forestry and fishing	4,715	4,024	-691
Mining, manufacturing and construction	5,358	3,690	-1,668
Transport and communication	16,928	17,902	974
Other economic affairs			
Tourism and area promotion	198	193	-5
Labour and employment affairs(a)	6,123	5,866	-257
Immigration	4,536	4,312	-224
Other economic affairs nec	3,811	3,763	-48
Other purposes			
Public debt interest	27,629	27,716	87
Nominal superannuation interest	14,803	14,807	4
General purpose inter-government transactions	107,887	107,717	-171
Natural disaster relief	2,936	3,245	309
Contingency reserve	-4,045	0	4,045
Total expenses	**812,063**	**812,117**	**54**

a) Includes vocational and industry training, labour market assistance to job seekers and industry, and industrial relations sub-functions.

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

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
General public services	332	-77	-409
Defence	8,687	7,771	-916
Public order and safety	355	91	-264
Education	39	30	-8
Health	388	249	-139
Social security and welfare	34	307	272
Housing and community amenities	-30	13	43
Recreation and culture	350	266	-83
Fuel and energy	22	16	-5
Agriculture, forestry and fishing	1,074	921	-153
Mining, manufacturing and construction	-7	-26	-20
Transport and communication	-28	17	45
Other economic affairs	-51	-279	-229
Other purposes	-7	-6	1
Total net capital investment	**11,158**	**9,292**	**-1,865**

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

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
General public services	2,273	1,622	-651
Defence	16,155	16,480	325
Public order and safety	1,194	1,074	-120
Education	58	49	-10
Health	266	142	-124
Social security and welfare	902	1,119	217
Housing and community amenities	544	589	45
Recreation and culture	929	827	-101
Fuel and energy	35	28	-7
Agriculture, forestry and fishing	1,220	1,056	-164
Mining, manufacturing and construction	36	15	-21
Transport and communication	96	163	67
Other economic affairs	778	630	-148
Other purposes	1	2	1
Total Government purchases of non-financial assets	**24,487**	**23,797**	**-690**

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 2025–26, the headline cash deficit was $36.1 billion compared with an estimated deficit of $47.9 billion at the 2026–27 Budget. The improvement in the headline cash balance of $11.8 billion was driven by a combination of the improvement in the underlying cash balance ($6.0 billion), as well as lower cash outflows for investments in financial assets for policy purposes.

Net cash flows from investments in financial assets for policy purposes improved by $5.8 billion compared with estimates in the 2026–27 Budget. This was primarily driven by Housing Australia, Clean Energy Finance Corporation and student loan programs.

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

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
2025-26 Underlying cash balance	**-28,284**	**-22,254**	**6,030**
***plus* Net cash flows from investments in financial assets for policy purposes(a)**			
Student loans	-4,745	-3,893	852
NBN investment	-621	-621	0
Snowy Hydro Limited Loan	-1,450	-1,450	0
Snowy Hydro Limited investment	-975	-975	0
Australian apprenticeship support loans	-101	-83	18
CEFC loans and investments	-939	-77	862
Northern Australia Infrastructure Facility	-575	-445	130
NRFC loans and investments	-2,093	-1,304	789
Australian Business Securitisation Fund	-311	-142	169
Drought and rural assistance loans	-356	318	674
Official Development Assistance – Multilateral Replenishment	-202	-202	0
Finance Procurement Services	-12	-22	-10
Historical state and territory loans	97	97	0
Home Equity Access Scheme	-232	-188	44
Housing Australia	-2,455	-1,344	1,111
100,000 Homes for First Home Buyers	-57	-57	0
Indigenous Business Australia home and business loans	-219	-177	42
Marinus Link investment	-212	-201	11
National Interest Account loans and investments	-696	-511	185
COVID-19 Support for Indonesia – loan	100	100	0
Financial Assistance to Papua New Guinea – loan	169	169	0
Rex Airlines	-65	-72	-7
Net other(b)	-3,678	-2,749	929
Total net cash flows from investments in financial assets for policy purposes	**-19,629**	**-13,832**	**5,797**
2025-26 Headline cash balance	**-47,913**	**-36,087**	**11,826**

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 2025–26, gross debt was $971.4 billion (33.2 per cent of GDP), $10.6 billion lower than estimated at the 2026–27 Budget. The reduction was broadly in line with the improvement in the fiscal position and reflects a reduction in Treasury Note issuance compared to estimates at the 2026–27 Budget.

At the end of 2025–26, net debt was $550.0 billion (18.8 per cent of GDP), $6.0 billion lower than estimated in the 2026–27 Budget. 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 2026–27 Budget, net debt has benefited from the lower market value of Australian Government Securities on issue, higher-than-estimated investments loans and placements and lower loan liabilities. This improvement has been partially offset by lower-than-expected advances paid, and cash and deposits.

Net financial worth was -$875.6 billion at the end of 2025–26, compared to -$852.5 billion estimated in the 2026–27 Budget. Net worth was -$639.5 billion at the end of 2025–26, compared to -$614.9 billion estimated in the 2026–27 Budget. The changes in net financial worth and net worth largely reflect an increase in liabilities for military compensation.

At the 2026–27 Budget, 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 2026 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 2025–26 Final Budget Outcome, the bond rates used were between 4.6 and 5.4 per cent per annum depending on the defined benefit scheme.

The variance in the reported superannuation liability between the 2026–27 Budget and the 2025–26 Final Budget Outcome was a decrease of $7.9 billion. By way of comparison, the variance between the 2025–26 Budget and the 2024–25 Final Budget Outcome was an increase of $9.9 billion.

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

	2025-26 Estimate at 2026-27 Budget $b	2025-26 Outcome $b	Change on 2026-27 Budget $b
Financial assets	**690.3**	**690.1**	**-0.2**
Per cent of GDP	23.3	23.6	
Non-financial assets	**237.6**	**236.1**	**-1.5**
Per cent of GDP	8.0	8.1	
Total assets	**927.9**	**926.2**	**-1.7**
Per cent of GDP	31.3	31.6	
Total liabilities	**1,542.8**	**1,565.7**	**22.9**
Per cent of GDP	52.0	53.5	
Net worth	**-614.9**	**-639.5**	**-24.6**
Per cent of GDP	-20.7	-21.8	
Net financial worth(b)	**-852.5**	**-875.6**	**-23.1**
Per cent of GDP	-28.8	-29.9	
Gross debt(c)	**982.0**	**971.4**	**-10.6**
Per cent of GDP	33.1	33.2	
Net debt(d)	**556.0**	**550.0**	**-6.0**
Per cent of GDP	18.8	18.8	
Total interest payments	**27.1**	**27.0**	**-0.1**
Per cent of GDP	0.9	0.9	
Net interest payments(e)	**17.7**	**17.6**	**-0.1**
Per cent of GDP	0.6	0.6	

a) Assets, liabilities, net worth, net financial worth, gross debt and net debt are 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.

Part 2: Australian Government Financial Statements

Consistent with the *Charter of Budget Honesty Act 1998* (the Charter), the Government has produced a set of financial statements for the Australian Government general government sector (GGS), the public non-financial corporations (PNFC) sector, the total non-financial public sector (NFPS) and the public financial corporations (PFC) sector. The financial statements comply with both the Australian Bureau of Statistics' (ABS) accrual Government Finance Statistics (GFS) and Australian Accounting Standards (AAS), with departures disclosed. These statements are:

- an operating statement, including other economic flows, which shows net operating balance and net lending/borrowing (fiscal balance)
- a balance sheet, which shows net worth, net financial worth, net financial liabilities and net debt
- a cash flow statement, which includes the calculation of the underlying cash balance.

In addition to these general purpose statements, notes to the financial statements are required. These notes include a summary of accounting policies, disaggregated information and other disclosures required by AAS.

The financial statements for the Final Budget Outcome for 2025–26 have been prepared on a basis consistent with the 2026–27 Budget. This enables comparison of the 2025–26 revised estimates published at the 2026–27 Budget and the outcome.

The statements reflect the Government's policy that the ABS GFS remains the basis of budget accounting policy, except where AAS is applied because it provides a better conceptual basis for presenting information of relevance to users of public sector financial reports.

The Australian, state and territory governments have an agreed framework – the Uniform Presentation Framework (UPF) – for the presentation of government financial information on a basis broadly consistent with the Australian Accounting Standard AASB 1049. The financial statements are consistent with the requirements of the UPF.

Australian Government Financial Statements

Table 2.1: Australian Government general government sector operating statement

	Note	2025-26 Estimate at 2026-27 Budget $m	Month of June 2026 (a) $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Revenue					
Taxation revenue	3	716,622	57,766	720,787	4,165
Sales of goods and services	4	22,213	1,060	22,389	176
Interest income	5	10,216	2,865	10,598	382
Dividend and distribution income	5	7,591	1,530	8,179	588
Other	6	16,439	-1,065	15,356	-1,083
Total revenue		**773,081**	**62,156**	**777,308**	**4,227**
Expenses					
Gross operating expenses					
Wages and salaries(b)	7	31,790	2,857	31,347	-443
Superannuation	7	9,287	1,230	9,692	405
Depreciation and amortisation	8	13,888	1,861	15,358	1,470
Supply of goods and services	9	232,351	20,136	226,068	-6,283
Other operating expenses(b)	7	16,018	4,437	19,467	3,449
Total gross operating expenses		*303,334*	*30,522*	*301,932*	*-1,402*
Superannuation interest expense	7	14,803	1,254	14,807	4
Interest expenses	10	38,310	5,231	38,770	460
Current transfers					
Current grants	11	224,901	19,950	224,923	23
Subsidy expenses		19,424	1,054	18,310	-1,114
Personal benefits	12	171,296	11,752	169,765	-1,531
Total current transfers		*415,621*	*32,755*	*412,998*	*-2,623*
Capital transfers	11				
Mutually agreed write-downs		13,206	168	12,873	-332
Other capital grants		26,790	17,285	30,736	3,947
Total capital transfers		*39,996*	*17,453*	*43,610*	*3,614*
Total expenses		**812,063**	**87,215**	**812,117**	**54**
Net operating balance		**-38,982**	**-25,058**	**-34,809**	**4,173**
Other economic flows – included in operating result					
Net write-downs of assets		-7,578	-2,289	-13,341	-5,763
Assets recognised for the first time		570	371	658	88
Actuarial revaluations		1,433	-25,256	-25,041	-26,474
Net foreign exchange gains		84	329	-530	-613
Net swap interest received		562	-166	2,302	1,740
Market valuation of debt		24,015	-5,524	17,753	-6,261
Other gains/(losses)		13,884	4,153	27,284	13,401
Total other economic flows – included in operating result		**32,969**	**-28,383**	**9,086**	**-23,883**
Operating result(c)		**-6,012**	**-53,442**	**-25,722**	**-19,710**

Table 2.1: Australian Government general government sector operating statement (continued)

	Note	2025-26 Estimate at 2026-27 Budget $m	Month of June 2026 (a) $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Non-owner movements in equity					
Revaluation of equity investments		-433	-6,499	-6,499	-6,066
Actuarial revaluations		-1,771	-4,300	-4,300	-2,529
Other economic revaluations		92	-7,184	-6,998	-7,091
Total other economic flows – included in equity		**-2,111**	**-17,983**	**-17,797**	**-15,685**
Comprehensive result – Total change in net worth		**-8,124**	**-71,425**	**-43,519**	**-35,395**
Net operating balance		**-38,982**	**-25,058**	**-34,809**	**4,173**
Net acquisition of non-financial assets					
Purchases of non-financial assets		24,487	3,867	23,797	-690
less Sales of non-financial assets		446	95	156	-290
less Depreciation		13,888	1,861	15,358	1,470
plus Change in inventories		1,005	119	1,007	2
plus Other movements in non-financial assets		0	2	3	3
Total net acquisition of non-financial assets		**11,158**	**2,031**	**9,292**	**-1,865**
Fiscal balance (Net lending/borrowing)(d)		**-50,139**	**-27,089**	**-44,101**	**6,038**

a) The month of June is derived by deducting May year-to-date published data from the annual outcome. Statistically, June movements in some series relate to earlier published months that are not reissued; this can result in negative movements.
b) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.
c) Operating result under AAS.
d) The term fiscal balance is not used by the ABS.

Table 2.2: Australian Government general government sector balance sheet

	Note	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Assets				
Financial assets				
Cash and deposits		73,677	73,065	-612
Advances paid	13	72,420	69,741	-2,679
Investments, loans and placements	14	261,106	264,734	3,628
Other receivables	13	96,739	95,985	-754
Equity investments				
Investments in other public sector entities		51,763	44,714	-7,049
Equity accounted investments		6,762	7,003	240
Investments – shares		127,854	134,850	6,997
Total financial assets		*690,320*	*690,092*	*-229*
Non-financial assets	15			
Land		15,576	15,170	-406
Buildings		54,872	55,944	1,072
Plant, equipment and infrastructure		124,227	121,889	-2,337
Inventories		13,586	14,336	750
Intangibles		15,851	14,881	-969
Investment properties		225	228	3
Biological assets		5	7	1
Heritage and cultural assets		13,195	13,176	-20
Assets held for sale		40	461	421
Other non-financial assets		6	9	3
Total non-financial assets		*237,582*	*236,100*	*-1,482*
Total assets		**927,902**	**926,192**	**-1,710**
Liabilities				
Interest bearing liabilities				
Deposits held		416	336	-80
Government securities		910,584	906,279	-4,305
Loans	16	32,987	31,516	-1,470
Lease liabilities		19,215	19,377	162
Total interest bearing liabilities		*963,202*	*957,509*	*-5,693*

Table 2.2: Australian Government general government sector balance sheet (continued)

	Note	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Provisions and payables				
Superannuation liability	17	317,789	309,912	-7,876
Other employee liabilities	17	97,182	116,343	19,161
Suppliers payables	18	14,124	11,642	-2,483
Personal benefits payables	18	4,840	4,867	27
Subsidies payables	18	632	841	209
Grants payables	18	6,204	3,729	-2,475
Other payables	18	6,747	14,124	7,377
Provisions	18	132,078	146,726	14,648
Total provisions and payables		*579,596*	*608,185*	*28,589*
Total liabilities		**1,542,798**	**1,565,694**	**22,896**
Net worth(a)		**-614,895**	**-639,502**	**-24,607**
Net financial worth(b)		*-852,477*	*-875,602*	*-23,125*
Net financial liabilities(c)		*904,240*	*920,316*	*16,076*
Net debt(d)		*555,999*	*549,969*	*-6,030*

a) Net worth equals total assets minus total liabilities.
b) Net financial worth equals total financial assets minus total liabilities.
c) Net financial liabilities equals total liabilities less financial assets other than investments in other public sector entities.
d) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

Table 2.3: Australian Government general government sector cash flow statement(a)

	2025-26 Estimate at 2026-27 Budget $m	Month of June 2026 (b) $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Cash receipts from operating activities				
Taxes received	699,529	64,854	704,152	4,623
Receipts from sales of goods and services	21,760	1,904	22,768	1,008
Interest receipts	9,329	864	9,355	26
Dividends, distributions and income tax equivalents	7,630	1,367	8,156	526
Other receipts	21,313	1,738	19,893	-1,419
Total operating receipts	**759,562**	**70,726**	**764,325**	**4,764**
Cash payments for operating activities				
Payments to employees(c)	-50,824	-4,167	-50,527	297
Payments for goods and services	-228,322	-15,240	-220,051	8,271
Grants and subsidies paid	-272,284	-38,675	-277,889	-5,605
Interest paid	-27,058	-3,170	-26,971	88
Personal benefit payments	-171,517	-14,340	-172,197	-680
Other payments(c)	-12,544	-1,382	-13,264	-721
Total operating payments	**-762,549**	**-76,974**	**-760,898**	**1,650**
Net cash flows from operating activities	**-2,987**	**-6,248**	**3,427**	**6,414**
Cash flows from investments in non-financial assets				
Sales of non-financial assets	210	-124	33	-178
Purchases of non-financial assets	-22,676	-4,479	-22,712	-36
Net cash flows from investments in non-financial assets	**-22,466**	**-4,604**	**-22,679**	**-213**
Net cash flows from investments in financial assets for policy purposes	**-19,629**	**-977**	**-13,832**	**5,797**
Net cash flows from investments in financial assets for liquidity purposes	**-3,899**	**5,047**	**-7,033**	**-3,134**
Cash receipts from financing activities				
Borrowing	291,910	10,460	245,416	-46,494
Other financing	9,863	1,115	21,661	11,798
Total cash receipts from financing activities	**301,773**	**11,575**	**267,077**	**-34,696**
Cash payments for financing activities				
Borrowing	-243,840	-12,941	-208,232	35,608
Other financing	-14,147	-1,820	-24,535	-10,387
Total cash payments for financing activities	**-257,987**	**-14,762**	**-232,766**	**25,221**
Net cash flows from financing activities	**43,786**	**-3,187**	**34,310**	**-9,475**
Net increase/(decrease) in cash held	**-5,196**	**-9,967**	**-5,807**	**-612**

Table 2.3: Australian Government general government sector cash flow statement (continued)[(a)]

	2025-26 Estimate at 2026-27 Budget	Month of June 2026 (b)	2025-26 Outcome	Change on 2026-27 Budget
	$m	$m	$m	$m
GFS cash surplus(+)/deficit(-)(d)	**-25,453**	**-10,851**	**-19,252**	**6,201**
plus Principal payments of lease liabilities(e)	-2,831	-456	-3,002	-171
Equals underlying cash balance(f)	**-28,284**	**-11,307**	**-22,254**	**6,030**
plus Net cash flows from investments in financial assets for policy purposes	-19,629	-977	-13,832	5,797
Equals headline cash balance	**-47,913**	**-12,284**	**-36,087**	**11,826**

a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.
b) The month of June is derived by deducting May year-to-date published data from the annual outcome. Statistically, June movements in some series relate to earlier published months that are not reissued; this can result in negative movements.
c) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.
d) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.
e) Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the underlying cash balance to maintain consistency of measure following the implementation of AASB 16.
f) The term underlying cash balance is not used by the ABS.

Table 2.4: Australian Government public non-financial corporations sector operating statement

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Revenue			
Grants and subsidies	183	217	35
Sales of goods and services	24,165	24,117	-48
Interest income	45	124	80
Other	69	354	284
Total revenue	**24,462**	**24,812**	**351**
Expenses			
Gross operating expenses			
Wages and salaries(a)	5,539	5,329	-210
Superannuation	661	675	14
Depreciation and amortisation	4,514	5,307	793
Supply of goods and services	12,287	11,452	-835
Other operating expenses(a)	877	1,071	193
Total gross operating expenses	*23,879*	*23,835*	*-45*
Interest expenses	2,349	2,370	20
Other property expenses	151	153	2
Current transfers			
Tax expenses	119	2	-117
Total current transfers	*119*	*2*	*-117*
Total expenses	**26,499**	**26,360**	**-139**
Net operating balance	**-2,038**	**-1,547**	**490**
Other economic flows	**-1,249**	**-8,965**	**-7,716**
Comprehensive result – Total change in net worth excluding contribution from owners	**-3,287**	**-10,512**	**-7,225**
Net acquisition of non-financial assets			
Purchases of non-financial assets	13,454	12,164	-1,290
less Sales of non-financial assets	455	511	57
less Depreciation	4,514	5,307	793
plus Change in inventories	11	135	124
plus Other movements in non-financial assets	20	-12	-32
Total net acquisition of non-financial assets	**8,517**	**6,470**	**-2,047**
Fiscal balance (Net lending/borrowing)(b)	**-10,554**	**-8,017**	**2,537**

a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

b) The term fiscal balance is not used by the ABS.

Table 2.5: Australian Government public non-financial corporations sector balance sheet

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Assets			
Financial assets			
Cash and deposits	1,252	2,837	1,584
Investments, loans and placements	918	903	-15
Other receivables	6,792	6,304	-488
Equity investments	390	405	15
Total financial assets	*9,352*	*10,448*	*1,096*
Non-financial assets			
Land and other fixed assets	87,849	78,075	-9,774
Other non-financial assets(a)	4,468	4,541	73
Total non-financial assets	*92,318*	*82,616*	*-9,702*
Total assets	**101,670**	**93,064**	**-8,606**
Liabilities			
Interest bearing liabilities			
Deposits held	0	0	0
Advances received and loans	42,921	42,334	-587
Lease liabilities	14,628	14,470	-158
Total interest bearing liabilities	*57,549*	*56,804*	*-745*
Provisions and payables			
Superannuation liability	7	2	-5
Other employee liabilities	2,023	2,209	186
Other payables	6,795	6,531	-264
Other provisions(a)	1,048	1,211	163
Total provisions and payables	*9,874*	*9,954*	*80*
Total liabilities	**67,423**	**66,758**	**-665**
Shares and other contributed capital	**34,247**	**26,306**	**-7,941**
Net worth(b)	**34,247**	**26,306**	**-7,941**
Net financial worth(c)	*-58,071*	*-56,310*	*1,761*
Net debt(d)	*55,379*	*53,065*	*-2,314*

a) Excludes the impact of commercial taxation adjustments.
b) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
c) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under the ABS GFS, net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
d) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits and investments, loans and placements).

Table 2.6: Australian Government public non-financial corporations sector cash flow statement[a]

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Cash receipts from operating activities			
Receipts from sales of goods and services	26,451	25,886	-565
Grants and subsidies received	37	77	40
GST input credit receipts	148	232	84
Other receipts	53	111	57
Total operating receipts	**26,688**	**26,305**	**-383**
Cash payments for operating activities			
Payments to employees(b)	-6,021	-5,963	58
Payment for goods and services	-14,337	-13,481	857
Interest paid	-2,675	-2,449	225
GST payments to taxation authority	-407	-399	8
Distributions paid	-154	-156	-2
Other payments(b)	-1,072	-1,056	16
Total operating payments	**-24,666**	**-23,504**	**1,161**
Net cash flows from operating activities	**2,022**	**2,801**	**778**
Cash flows from investments in non-financial assets			
Sales of non-financial assets	243	286	43
Purchases of non-financial assets	-12,028	-10,485	1,543
Net cash flows from investments in non-financial assets	**-11,785**	**-10,199**	**1,586**
Net cash flows from investments in financial assets for policy purposes	**-4**	**-4**	**0**
Net cash flows from investments in financial assets for liquidity purposes	**113**	**78**	**-35**
Net cash flows from financing activities			
Borrowing (net)	3,985	4,159	174
Other financing (net)	4,552	3,633	-919
Net cash flows from financing activities	**8,537**	**7,792**	**-745**
Net increase/(decrease) in cash held	**-1,115**	**469**	**1,584**
Cash at the beginning of the year	**2,368**	**2,368**	**0**
Cash at the end of the year	**1,252**	**2,837**	**1,584**
GFS cash surplus(+)/deficit(-)(c)	**-9,762**	**-7,398**	**2,364**
plus Principal payments of lease liabilities(d)	-406	-601	-196
Adjusted GFS cash surplus(+)/deficit(-)(d)	**-10,168**	**-7,999**	**2,169**

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

b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.

c) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.

d) Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the GFS cash surplus/deficit to maintain consistency of measure following the implementation of AASB 16.

Table 2.7: Australian Government total non-financial public sector operating statement

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Revenue			
Taxation revenue	716,215	720,505	4,289
Sales of goods and services	44,105	44,567	461
Interest income	10,200	10,665	464
Dividend and distribution income	7,443	8,029	586
Other	16,490	15,457	-1,033
Total revenue	**794,455**	**799,223**	**4,768**
Expenses			
Gross operating expenses			
Wages and salaries(a)	37,304	36,676	-627
Superannuation	9,948	10,363	415
Depreciation and amortisation	18,402	20,666	2,263
Supply of goods and services	242,440	235,555	-6,885
Other operating expenses(a)	16,898	20,541	3,643
Total gross operating expenses	*324,993*	*323,801*	*-1,191*
Superannuation interest expense	14,803	14,807	4
Interest expenses	40,599	41,082	483
Current transfers			
Current grants	224,901	224,923	23
Subsidy expenses	19,174	18,078	-1,097
Personal benefits	171,296	169,765	-1,531
Total current transfers	*415,371*	*412,766*	*-2,605*
Capital transfers	39,854	43,451	3,597
Total expenses	**835,619**	**835,907**	**288**
Net operating balance	**-41,164**	**-36,685**	**4,480**
Other economic flows	**29,715**	**-10,198**	**-39,913**
Comprehensive result – Total change in net worth	**-11,449**	**-46,883**	**-35,434**
Net acquisition of non-financial assets			
Purchases of non-financial assets	37,864	35,961	-1,903
less Sales of non-financial assets	900	667	-233
less Depreciation	18,402	20,666	2,263
plus Change in inventories	1,016	1,142	126
plus Other movements in non-financial assets	20	-9	-29
Total net acquisition of non-financial assets	**19,598**	**15,762**	**-3,836**
Fiscal balance (Net lending/borrowing)(b)	**-60,762**	**-52,446**	**8,315**

a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

b) The term fiscal balance is not used by the ABS.

Table 2.8: Australian Government total non-financial public sector balance sheet

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Assets			
Financial assets			
Cash and deposits	74,929	75,902	973
Advances paid	70,792	68,114	-2,678
Investments, loans and placements	261,985	265,598	3,613
Other receivables	102,531	101,343	-1,189
Equity investments	137,508	145,540	8,031
Total financial assets	*647,745*	*656,496*	*8,751*
Non-financial assets			
Land and other fixed assets	309,186	298,548	-10,638
Other non-financial assets	20,367	19,898	-469
Total non-financial assets	*329,552*	*318,446*	*-11,107*
Total assets	**977,298**	**974,942**	**-2,356**
Liabilities			
Interest bearing liabilities			
Deposits held	416	336	-80
Government securities	910,584	906,279	-4,305
Advances received and loans	74,240	72,184	-2,056
Lease liabilities	33,843	33,848	5
Total interest bearing liabilities	*1,019,084*	*1,012,647*	*-6,436*
Provisions and payables			
Superannuation liability	317,795	309,914	-7,881
Other employee liabilities	99,205	118,552	19,347
Other payables	38,840	41,313	2,473
Other provisions	132,754	147,540	14,787
Total provisions and payables	*588,594*	*617,320*	*28,726*
Total liabilities	**1,607,678**	**1,629,967**	**22,289**
Net worth(a)	**-630,380**	**-655,025**	**-24,646**
Net financial worth(b)	*-959,932*	*-973,471*	*-13,539*
Net debt(c)	*611,378*	*603,034*	*-8,344*

a) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

b) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under the ABS GFS, net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

c) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

Table 2.9: Australian Government total non-financial public sector cash flow statement[(a)]

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Cash receipts from operating activities			
Taxes received	699,441	704,048	4,607
Receipts from sales of goods and services	43,685	44,155	469
Interest receipts	9,297	9,421	124
Dividends, distributions and income tax equivalents	7,479	8,006	526
Other receipts	21,277	19,886	-1,392
Total operating receipts	**781,180**	**785,515**	**4,335**
Cash payments for operating activities			
Payments to employees(b)	-56,819	-56,487	333
Payments for goods and services	-238,420	-229,128	9,291
Grants and subsidies paid	-272,232	-277,839	-5,607
Interest paid	-29,655	-29,361	294
Personal benefit payments	-171,517	-172,197	-680
Other payments(b)	-13,501	-14,276	-774
Total operating payments	**-782,145**	**-779,288**	**2,857**
Net cash flows from operating activities	**-965**	**6,228**	**7,192**
Cash flows from investments in non-financial assets			
Sales of non-financial assets	454	319	-135
Purchases of non-financial assets	-34,704	-33,197	1,507
Net cash flows from investments in non-financial assets	**-34,251**	**-32,878**	**1,373**
Net cash flows from investments in financial assets for policy purposes	**-13,124**	**-8,042**	**5,082**
Net cash flows from investments in financial assets for liquidity purposes	**-3,786**	**-6,955**	**-3,169**
Net cash flows from financing activities			
Borrowing (net)	50,614	39,901	-10,713
Other financing (net)	-4,799	-3,593	1,207
Net cash flows from financing activities	**45,815**	**36,309**	**-9,506**
Net increase/(decrease) in cash held	**-6,311**	**-5,339**	**973**
Cash at the beginning of the year	**81,240**	**81,240**	**0**
Cash at the end of the year	**74,929**	**75,902**	**973**
GFS cash surplus(+)/deficit(-)(c)	**-35,216**	**-26,650**	**8,565**
plus Principal payments of lease liabilities(d)	-3,237	-3,603	-367
Adjusted GFS cash surplus(+)/deficit(-)(d)	**-38,452**	**-30,254**	**8,198**

a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.
b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.
c) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.
d) Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the GFS cash surplus/deficit to maintain consistency of measure following the implementation of AASB 16.

Table 2.10: Australian Government public financial corporations sector operating statement

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Revenue			
Grants and subsidies	279	283	4
Sales of goods and services	1,702	1,690	-12
Interest income	9,609	9,970	361
Other	7	166	159
Total revenue	**11,598**	**12,109**	**511**
Expenses			
Gross operating expenses			
Wages and salaries(a)	469	495	25
Superannuation	49	77	28
Depreciation and amortisation	60	79	19
Supply of goods and services	1,411	2,005	594
Other operating expenses(a)	102	111	9
Total gross operating expenses	*2,092*	*2,767*	*675*
Interest expenses	9,990	10,774	785
Other property expenses	40	39	-1
Current transfers			
Tax expenses	13	25	12
Total current transfers	*13*	*25*	*12*
Total expenses	**12,134**	**13,606**	**1,471**
Net operating balance	**-536**	**-1,497**	**-960**
Other economic flows	**1,390**	**-3,354**	**-4,743**
Comprehensive result – Total change in net worth excluding contribution from owners	**853**	**-4,850**	**-5,704**
Net acquisition of non-financial assets			
Purchases of non-financial assets	209	144	-65
less Sales of non-financial assets	0	1	0
less Depreciation	60	79	19
plus Change in inventories	-103	1	104
plus Other movements in non-financial assets	0	0	0
Total net acquisition of non-financial assets	**46**	**65**	**19**
Fiscal balance (Net lending/borrowing)(b)	**-582**	**-1,562**	**-980**

a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.

b) The term fiscal balance is not used by the ABS.

Table 2.11: Australian Government public financial corporations sector balance sheet

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Assets			
Financial assets			
Cash and deposits	1,140	4,636	3,496
Investments, loans and placements	386,003	375,047	-10,956
Other receivables	334	606	272
Equity investments	1,871	1,852	-19
Total financial assets	*389,348*	*382,140*	*-7,207*
Non-financial assets			
Land and other fixed assets	835	1,012	177
Other non-financial assets(a)	50	44	-6
Total non-financial assets	*885*	*1,056*	*172*
Total assets	**390,232**	**383,196**	**-7,036**
Liabilities			
Interest bearing liabilities			
Deposits held	364,808	360,115	-4,693
Borrowing	9,923	16,315	6,393
Total interest bearing liabilities	*374,730*	*376,431*	*1,700*
Provisions and payables			
Superannuation liability	0	0	0
Other employee liabilities	211	236	25
Other payables	12,257	10,965	-1,292
Other provisions(a)	4,833	3,111	-1,723
Total provisions and payables	*17,302*	*14,312*	*-2,990*
Total liabilities	**392,032**	**390,743**	**-1,290**
Shares and other contributed capital	**-1,800**	**-7,547**	**-5,746**
Net worth(b)	**-1,800**	**-7,547**	**-5,746**
Net financial worth(c)	*-2,685*	*-8,603*	*-5,918*
Net debt(d)	*-12,412*	*-3,252*	*9,160*

a) Excludes the impact of commercial taxation adjustments.

b) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

c) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under the ABS GFS, net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.

d) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits and investments, loans and placements).

Table 2.12: Australian Government public financial corporations sector cash flow statement(a)

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Cash receipts from operating activities			
Receipts from sales of goods and services	1,864	1,587	-277
Grants and subsidies received	279	281	1
GST input credit receipts	4	39	35
Interest receipts	9,139	10,064	925
Other receipts	160	24	-136
Total operating receipts	**11,447**	**11,995**	**548**
Cash payments for operating activities			
Payments to employees(b)	-513	-546	-33
Payments for goods and services	-1,244	-1,927	-684
Interest paid	-10,047	-10,650	-603
GST payment to taxation authority	0	-99	-99
Distributions paid	-56	-48	7
Other payments(b)	-101	-100	1
Total operating payments	**-11,961**	**-13,371**	**-1,410**
Net cash flows from operating activities	**-514**	**-1,376**	**-862**
Cash flows from investments in non-financial assets			
Sales of non-financial assets	0	0	0
Purchases of non-financial assets	-147	-52	95
Net cash flows from investments in non-financial assets	**-147**	**-52**	**95**
Net cash flows from investments in financial assets for policy purposes	**-1,218**	**-1,150**	**69**
Net cash flows from investments in financial assets for liquidity purposes	**28,145**	**33,357**	**5,212**
Net cash flows from financing activities			
Borrowing and deposits received (net)	-31,543	-30,959	584
Other financing (net)	5,080	3,478	-1,602
Net cash flows from financing activities	**-26,463**	**-27,481**	**-1,018**
Net increase/(decrease) in cash held	**-197**	**3,299**	**3,496**
Cash at the beginning of the year	**1,337**	**1,337**	**0**
Cash at the end of the year	**1,140**	**4,636**	**3,496**
GFS cash surplus(+)/deficit(-)(c)	**-661**	**-1,428**	**-767**
plus Principal payments of lease liabilities(d)	-34	-34	0
Adjusted GFS cash surplus(+)/deficit(-)(d)	**-695**	**-1,462**	**-767**

a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.
b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.
c) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.
d) Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the GFS cash surplus/deficit to maintain consistency of measure following the implementation of AASB 16.

Notes to the general government sector financial statements

Note 1: External reporting standards and accounting policies

The *Charter of Budget Honesty Act 1998* (the Charter) requires that the Final Budget Outcome (FBO) be based on external reporting standards and that departures from applicable external reporting standards be identified.

The external standards used for the FBO reporting purposes are:

- the Australian Bureau of Statistics' (ABS) accrual Government Finance Statistics (GFS) publication, *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2015* (cat. no. 5514.0), which is based on the International Monetary Fund (IMF) accrual GFS framework

- the Australian Accounting Standards (AAS), issued by the Australian Accounting Standards Board (AASB), which includes International Financial Reporting Standards as adopted in Australia for use by the not-for-profit sector and specific standards such as AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

The financial statements have been prepared on an accrual basis that complies with both the ABS GFS and AAS, except for departures disclosed at Note 2. A more detailed description of the AAS and the ABS GFS frameworks, in addition to definitions of key terms used in these frameworks, can be found in Attachment A. Detailed accounting policies, as well as a set of notes and other disclosures as required by AAS, are disclosed in the Australian Government Consolidated Financial Statements (CFS).

Fiscal reporting focuses on the general government sector (GGS). The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies. This sector comprises all government departments, offices and some other bodies. In preparing financial statements for the GGS, all material transactions and balances between entities within the GGS have been eliminated.

The statements for the GGS are based on audit cleared financial statements for material entities, with the exception of the Department of Climate Change, Energy, the Environment and Water.

The Government's key fiscal aggregates are based on the ABS GFS concepts and definitions, including the ABS GFS cash surplus/deficit and net financial worth. AASB 1049 requires the disclosure of other ABS GFS fiscal aggregates, including the net operating balance, net lending/borrowing (fiscal balance) and net worth. In addition to these ABS GFS aggregates, the Uniform Presentation Framework (UPF) requires disclosure of net debt, net financial worth and net financial liabilities.

AASB 1049 and the UPF also provide a basis for reporting the public non-financial corporations (PNFC) and public financial corporations (PFC) sectors and the total non-financial public sector (NFPS).

AASB 1049 requires disaggregated information, by ABS GFS function, for expenses and total assets to be disclosed where they are reliably attributable. The ABS GFS does not require total assets to be attributed to functions. In accordance with the ABS GFS, disaggregated information for expenses and net acquisition of non-financial assets by function is disclosed in Part 1. In accordance with the UPF, purchases of non-financial assets by function are also disclosed in Part 1.

AASB 1049 also requires the FBO and CFS to be released at the same time. The Charter requires the FBO to be released before the end of three months after the end of the financial year, whereas the CFS is not released until it is audit cleared, generally around December each year.

AASB 1055 *Budgetary Reporting* requires major variances between original budget estimates and outcomes to be explained in the financial statements. Explanations of variances in fiscal balance, revenue, expenses, net capital investment, cash flows, net debt, net financial worth and net worth for the 2025–26 year from the 2025–26 Budget to the *Mid-Year Economic and Fiscal Outlook 2025–26* (MYEFO) are disclosed in the 2025–26 MYEFO. Explanations of variances for the 2025–26 year from the 2025–26 MYEFO to the 2026–27 Budget are disclosed in Statement 3 of 2026–27 Budget Paper No.1, *Budget Strategy and Outlook*. Explanations of variances from the 2026–27 Budget to the Final Budget Outcome for 2025–26 are disclosed in Part 1.

Note 2: Departures from external reporting standards

The Charter requires that departures from applicable external reporting standards be identified. The major differences between AAS and the ABS GFS treatments of transactions are outlined in Table 2.13.

AASB 1049 requires AAS measurement of items to be disclosed on the face of the financial statements with reconciliation to the ABS GFS measurement of key fiscal aggregates, where different, in notes to the financial statements. Only one measure of each aggregate has been included on the face statements to avoid confusion.

Further information on the differences between the two systems is provided in the ABS publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2015* (cat. no. 5514.0).

Table 2.13: Major differences between AAS and ABS GFS

Issue	AAS treatment	ABS GFS treatment	Treatment adopted
Circulating coins – seigniorage	The profit between the cost and sale of circulating coins (seigniorage) is treated as revenue.	Circulating coins is treated as a liability, and the cost of producing the coins is treated as an expense.	AAS
Valuation of loans	Changes in the valuation of loans are treated as a revenue or an expense. In some circumstances recognition as a revenue or an expense is delayed until the loan ends or is transferred.	Changes in the valuation of loans (excluding mutually agreed write-downs) are treated as an 'other economic flow'.	ABS GFS
Leases	Right of use assets and lease liabilities are recognised on the balance sheets for leases that were previously accounted for as operating expense.	The distinction between operating leases and finance leases is continued for lessees.	AAS
Concessional loans	Concessional elements are treated as an expense on initial recognition and unwound over the loan term.	Concessional elements are treated as an 'other economic flow'.	AAS
Investment in other public sector entities	Valued at fair value in the balance sheet as long as it can be reliably measured, otherwise net assets is used.	Unlisted entities are valued based on their net assets in the balance sheet.	AAS
Provision for restoration, decommissioning and make-good	Capitalised when the asset is acquired.	Capitalised when make-good activity takes place.	AAS
Renewable Energy Certificates (RECs)	Recognise revenue from the surrender of RECs and expenses associated with the refund of the shortfall charges.	The issuance and registration of RECs is considered to be government financial transactions resulting in the recognition of assets, liabilities, revenue and expenses.	AAS
Dividends paid by public corporations	Treated as an equity distribution. Equity distributions are treated as a distribution of profits, as opposed to an expense.	Dividends are treated as an expense.	ABS GFS
Dividends paid by the Reserve Bank of Australia	Dividends are recognised in the year profit was earned.	Dividends are recognised when the Treasurer makes a determination.	AAS

Table 2.13: Major differences between AAS and ABS GFS (continued)

Issue	AAS treatment	ABS GFS treatment	Treatment adopted
National Disability Insurance Scheme (NDIS) revenue	Funding contributions by the state and territory governments to NDIS are treated as sales of goods and services revenue. In-kind disability services provided by the state and territory governments are treated as other revenue.	Funding contributions by the state and territory governments to NDIS are treated as grants revenue. In-kind disability services provided by the state and territory governments are treated as sales of goods and services revenue.	AAS
Commercial tax effect accounting assets and liabilities	Corporations in the PNFC and PFC sectors record tax expenses on a commercial basis.	Deferred tax assets and liabilities are reversed so that corporations record tax expenses on a consistent basis to the Australian Taxation Office.	ABS GFS
Regional Broadband Scheme	The revenue from the levy on internet service providers (ISPs) and the associated subsidy expense to NBN Co for the provision of regional broadband services are recorded separately on a gross basis.	The revenue from the levy on ISPs and the associated subsidy expense to NBN Co are recorded on a net basis.	AAS
Fiscal aggregates differences			
Net worth of PNFC and PFC sectors	Calculated as assets less liabilities.	Calculated as assets less liabilities less shares and other contributed capital.	AAS
Net financial worth of PNFC and PFC sectors	Calculated as financial assets less total liabilities.	Calculated as financial assets less total liabilities less shares and contributed capital.	AAS
Classification differences			
Prepayments	Treated as a non-financial asset.	Treated as a financial asset.	ABS GFS
Spectrum sales	Recognise operating leases when licences commence. The upfront consideration is recognised as a contract liability and amortised as revenue over the licence term. Recognise cash at the time of receipt.	Recognise non-financial asset sale for fiscal balance at time of auction as this is regarded as the point at which control is transferred. Recognise cash at the time of receipt.	AAS
Classification of Australian Government funding of non-government schools	Direct grants to states and territories made in accordance with bilateral agreements with the Commonwealth and consistent with section 96 of the Constitution.	Personal benefit payments – indirect included in goods and services expenses.	AAS

Note 3: Taxation revenue by type

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Individuals and other withholding taxes			
Gross income tax withholding	317,700	319,081	1,381
Gross other individuals and trusts	95,500	98,257	2,757
less: Refunds	40,400	40,658	258
Total individuals and other withholding tax	372,800	376,681	3,881
Fringe benefits tax	5,560	5,370	-190
Company tax	151,300	149,740	-1,560
Superannuation fund taxes	33,050	34,759	1,709
Petroleum resource rent tax	1,670	1,661	-9
Income taxation revenue	**564,380**	**568,210**	**3,830**
Goods and services tax	100,750	100,575	-174
Wine equalisation tax	1,060	1,077	17
Luxury car tax	1,160	1,090	-70
Excise and customs duty			
Petrol	6,320	6,305	-15
Diesel	14,960	15,163	203
Other fuel products	1,500	1,383	-117
Tobacco	4,130	3,920	-210
Beer	2,720	2,681	-39
Spirits	3,270	3,288	18
Other alcoholic beverages(a)	1,840	1,814	-26
Other customs duty(b)	1,910	1,920	10
less: Refunds and drawbacks	1,940	1,657	-283
Total excise and customs duty	34,710	34,818	108
Major bank levy	1,940	1,972	32
Agricultural levies	673	686	13
Visa application charges	4,668	4,660	-8
Other taxes	7,281	7,699	418
Mirror taxes	1,060	1,032	-28
less: Transfers to states in relation to mirror tax revenue	1,060	1,032	-28
Mirror tax revenue	0	0	0
Indirect taxation revenue	**152,242**	**152,577**	**334**
Taxation revenue	**716,622**	**720,787**	**4,165**
Memorandum:			
Total excise	*27,960*	*27,885*	*-75*
Total customs duty	*6,750*	*6,933*	*183*

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

b) Other customs duty’ includes duty paid on textiles, clothing and footwear, passenger motor vehicles and other imports that are not subject to excise equivalent duty.

Note 3(a): Taxation revenue by source

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Taxes on income, profits and capital gains			
Income and capital gains levied on individuals	378,360	382,054	3,694
Income and capital gains levied on enterprises	186,020	186,156	136
Total taxes on income, profits and capital gains	**564,380**	**568,210**	**3,830**
Taxes on employers' payroll and labour force	1,935	2,219	284
Taxes on the provision of goods and services			
Sales/goods and services tax	102,970	102,742	-228
Excises and levies	28,633	28,571	-62
Taxes on international trade	6,750	6,933	183
Total taxes on the provision of goods and services	**138,353**	**138,246**	**-107**
Taxes on the use of goods and performance of activities	11,954	12,112	157
Total taxation revenue	**716,622**	**720,787**	**4,165**

Note 4: Sales of goods and services revenue

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Sales of goods	1,863	1,849	-15
Rendering of services	17,062	16,985	-77
Lease rental	431	758	327
Fees from regulatory services	2,856	2,796	-60
Total sales of goods and services revenue	**22,213**	**22,389**	**176**

Note 5: Interest and dividend and distribution revenue

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Interest from other governments			
State and territory debt	8	10	2
Housing agreements	57	57	0
Total interest from other governments	**65**	**67**	**2**
Interest from other sources			
Advances	807	782	-24
Deposits	3,359	3,640	282
Indexation of HELP receivable and other student loans	1,115	1,188	73
Other	4,870	4,919	49
Total interest from other sources	**10,151**	**10,531**	**380**
Total interest	**10,216**	**10,598**	**382**
Dividends and distributions			
Dividends from other public sector entities	173	179	6
Other dividends and distributions	7,418	8,000	582
Total dividends and distributions	**7,591**	**8,179**	**588**
Total interest and dividend and distribution revenue	**17,807**	**18,777**	**970**

Note 6: Other sources of non-taxation revenue

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Industry contributions	114	116	2
Royalties	653	668	15
Seigniorage	56	131	76
Other	15,617	14,441	-1,176
Total other sources of non-taxation revenue	**16,439**	**15,356**	**-1,083**

Note 7: Employee and superannuation expense

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Wages and salaries expenses	**31,790**	**31,347**	**-443**
Other operating expenses			
Leave and other entitlements	4,124	4,783	658
Separations and redundancies	137	305	168
Workers compensation premiums and claims	8,622	11,107	2,485
Other	3,134	3,272	138
Total other operating expenses	**16,018**	**19,467**	**3,449**
Superannuation expenses			
Superannuation	9,287	9,692	405
Superannuation interest cost	14,803	14,807	4
Total superannuation expenses	**24,090**	**24,498**	**409**
Total employee and superannuation expense	**71,898**	**75,312**	**3,414**

Note 8: Depreciation and amortisation expense

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Depreciation			
Specialist military equipment	5,086	6,114	1,028
Buildings	4,366	4,650	283
Other infrastructure, plant and equipment	3,151	3,275	124
Heritage and cultural assets	60	72	12
Other	10	10	0
Total depreciation(a)	**12,674**	**14,121**	**1,447**
Total amortisation	**1,214**	**1,237**	**23**
Total depreciation and amortisation expense	**13,888**	**15,358**	**1,470**
Memorandum:			
Depreciation relating to right of use assets			
Specialist military equipment	*39*	*39*	*0*
Buildings	*2,543*	*2,580*	*37*
Other infrastructure, plant and equipment	*321*	*382*	*62*
Other	*10*	*10*	*0*
Total depreciation of right of use assets	***2,913***	***3,012***	***99***

a) Includes depreciation of right of use (leased) assets, resulting from implementation of AASB 16.

Note 9: Supply of goods and services expense

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Supply of goods and services	56,419	51,538	-4,881
Lease expenses	138	214	76
Personal benefits – indirect	165,068	161,717	-3,351
Health care payments	7,737	8,868	1,131
Other	2,989	3,732	743
Total supply of goods and services expense	**232,351**	**226,068**	**-6,283**

Note 10: Interest expense

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Interest on debt			
Government securities	27,619	27,682	63
Loans	169	162	-7
Other	1,149	1,074	-75
Total interest on debt	**28,937**	**28,918**	**-19**
Interest on lease liabilities	**543**	**651**	**108**
Other financing costs	**8,829**	**9,201**	**372**
Total interest expense	**38,310**	**38,770**	**460**

Note 11: Current and capital grants expense

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Current grants expense			
State and territory governments	182,664	181,805	-859
Private sector	5,330	4,215	-1,115
Overseas	5,631	5,278	-354
Non-profit organisations	13,958	16,300	2,342
Multi-jurisdictional sector	14,274	13,664	-610
Other	3,044	3,661	618
Total current grants expense	**224,901**	**224,923**	**23**
Capital grants expense			
Mutually agreed write-downs	13,206	12,873	-332
Other capital grants			
State and territory governments	20,656	21,201	545
Local governments	1,091	1,010	-80
Non-profit organisations	1,323	573	-750
Private sector	195	141	-54
Multi-jurisdictional sector	4	6	2
Overseas	70	3,800	3,730
Other	3,450	4,004	554
Total capital grants expense	**39,996**	**43,610**	**3,614**
Total grants expense	**264,896**	**268,533**	**3,637**

Note 12: Personal benefits expense

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Social welfare – assistance to the aged	65,315	65,112	-203
Assistance to veterans and dependants	4,441	4,414	-27
Assistance to people with disabilities	37,519	37,445	-74
Assistance to families with children	32,936	30,728	-2,208
Assistance to the unemployed	17,641	17,852	211
Student assistance	2,884	2,898	15
Other welfare programs	1,022	1,068	46
Financial and fiscal affairs	1,186	1,297	111
Vocational and industry training	417	355	-62
Other	7,936	8,596	660
Total personal benefits expense	**171,296**	**169,765**	**-1,531**

Note 13: Advances paid and other receivables

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Advances paid			
Loans to state and territory governments	1,283	1,286	3
Student loans	45,392	45,432	40
Other	26,800	23,951	-2,848
less Impairment allowance	1,055	929	-126
Total advances paid	**72,420**	**69,741**	**-2,679**
Other receivables			
Goods and services receivable	1,335	1,516	181
Recoveries of benefit payments	6,959	7,259	300
Taxes receivable	52,139	47,179	-4,960
Prepayments	6,803	6,425	-378
Other	33,844	37,710	3,866
less Impairment allowance	4,340	4,104	-236
Total other receivables	**96,739**	**95,985**	**-754**

Note 14: Investments, loans and placements

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Investments – deposits	9,783	10,745	962
IMF quota and SDR holdings	25,351	24,535	-816
Structured finance securities	528	361	-167
Collective investment vehicles	143,484	149,786	6,303
Other interest bearing securities	53,451	54,661	1,210
Other	28,509	24,645	-3,864
Total investments, loans and placements	**261,106**	**264,734**	**3,628**

Note 15: Non-financial assets

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Land and buildings			
Land	15,576	15,170	-406
Buildings	54,872	55,944	1,072
Total land and buildings	**70,447**	**71,113**	**666**
Plant, equipment and infrastructure			
Specialist military equipment	99,627	97,886	-1,741
Other plant, equipment and infrastructure	24,599	24,003	-597
Total plant, equipment and infrastructure	**124,227**	**121,889**	**-2,337**
Inventories			
Inventories held for sale	376	390	14
Inventories not held for sale	13,210	13,946	737
Total inventories	**13,586**	**14,336**	**750**
Intangibles			
Computer software	7,572	6,985	-587
Other	8,279	7,896	-383
Total intangibles	**15,851**	**14,881**	**-969**
Total investment properties	**225**	**228**	**3**
Total biological assets	**5**	**7**	**1**
Total heritage and cultural assets	**13,195**	**13,176**	**-20**
Total assets held for sale	**40**	**461**	**421**
Total other non-financial assets	**6**	**9**	**3**
Total non-financial assets(a)	**237,582**	**236,100**	**-1,482**
Memorandum:			
Total relating to right of use assets			
Land	*354*	*321*	*-34*
Buildings	*15,255*	*15,413*	*158*
Specialist military equipment	*143*	*128*	*-15*
Other plant, equipment and infrastructure	*1,194*	*1,199*	*6*
Total right of use assets	***16,945***	***17,061***	***115***

a) Includes right of use (leased) assets, resulting from implementation of AASB 16.

Note 16: Loans

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Promissory notes	9,727	9,180	-547
Special drawing rights	19,140	18,524	-616
Other	4,120	3,812	-307
Total loans	**32,987**	**31,516**	**-1,470**

Note 17: Employee and superannuation liabilities

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Total superannuation liability(a)	**317,789**	**309,912**	**-7,876**
Other employee liabilities			
Leave and other entitlements	11,428	11,717	289
Accrued salaries and wages	1,196	1,315	119
Workers compensation claims	2,104	2,214	110
Military compensation	81,593	100,464	18,871
Other	861	634	-227
Total other employee liabilities	**97,182**	**116,343**	**19,161**
Total employee and superannuation liabilities	**414,970**	**426,255**	**11,285**

a) For budget reporting purposes, a discount rate of 5.0 per cent determined by actuaries in preparing the 2023 Long Term Cost Reports is used to value the superannuation liability. This reflects the average annual rate estimated to apply over the term of the liability and it reduces the volatility in reported liabilities that would occur from year to year if the spot rates on long-term government bonds were used. Consistent with AAS, the superannuation liability for the 2025–26 FBO was calculated using the spot rates on long-term government bonds as at 30 June 2026 that best matched each individual scheme's liability duration. These rates were between 4.6 and 5.4 per cent per annum.

Note 18: Provisions and payables

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Suppliers payables			
Trade creditors	8,770	8,033	-738
Lease rental payable	11	0	-11
Personal benefits payables – indirect	3,414	2,034	-1,380
Other creditors	1,929	1,575	-354
Total suppliers payables	**14,124**	**11,642**	**-2,483**
Total personal benefits payables – direct	**4,840**	**4,867**	**27**
Total subsidies payable	**632**	**841**	**209**
Grants payables			
State and territory governments	127	808	681
Non-profit organisations	186	302	116
Private sector	307	334	26
Overseas	2,018	1,801	-216
Local governments	1	25	25
Other	3,565	459	-3,106
Total grants payables	**6,204**	**3,729**	**-2,475**
Total other payables	**6,747**	**14,124**	**7,377**
Provisions			
Provisions for tax refunds	1,739	2,078	339
Grants provisions	17,360	16,653	-707
Personal benefits provisions – direct	7,073	5,988	-1,085
Personal benefits provisions – indirect	4,346	4,307	-39
Provisions for subsidies	7,944	7,061	-883
Other	93,617	110,639	17,022
Total provisions	**132,078**	**146,726**	**14,648**

Note 19: Reconciliation of cash

	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Net operating balance (revenues *less* expenses)	**-38,982**	**-34,809**	**4,173**
less **Revenues not providing cash**			
Other	2,384	2,987	603
Total revenues not providing cash	**2,384**	**2,987**	**603**
plus **Expenses not requiring cash**			
Increase/(decrease) in employee entitlements	13,236	3,275	-9,961
Depreciation/amortisation expense	13,888	15,358	1,470
Mutually agreed write-downs	13,206	12,873	-332
Other	8,529	8,804	275
Total expenses not requiring cash	**48,859**	**40,311**	**-8,548**
plus **Cash provided/(used) by working capital items**			
Decrease/(increase) in inventories	-1,005	-1,719	-714
Decrease/(increase) in receivables	-13,081	-14,782	-1,701
Decrease/(increase) in other financial assets	-1,589	-819	770
Decrease/(increase) in other non-financial assets	77	892	815
Increase/(decrease) in benefits, subsidies and grants payable	951	-4,285	-5,236
Increase/(decrease) in suppliers' liabilities	-379	1,459	1,838
Increase/(decrease) in other provisions and payables	4,545	20,164	15,619
Net cash provided/(used) by working capital	**-10,481**	**910**	**11,391**
equals (Net cash from/(to) operating activities)	-2,987	3,427	6,414
plus (Net cash from/(to) investing activities)	-45,994	-43,545	2,449
Net cash from operating activities and investment	**-48,981**	**-40,118**	**8,864**
plus (Net cash from/(to) financing activities)	43,786	34,310	-9,475
***equals* Net increase/(decrease) in cash**	**-5,196**	**-5,807**	**-612**
Cash at the beginning of the year	**78,872**	**78,872**	**0**
Net increase/(decrease) in cash	-5,196	-5,807	-612
Cash at the end of the year	**73,677**	**73,065**	**-612**

Attachment A: Financial reporting standards and budget concepts

The Final Budget Outcome primarily focuses on the financial performance and position of the general government sector (GGS). The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies. AASB 1049 recognises the GGS as a reporting entity.

AASB 1049 Conceptual framework

AASB 1049 seeks to 'harmonise' the ABS GFS and AAS.

The reporting framework for AASB 1049 requires the preparation of accrual-based general purpose financial reports, showing government assets, liabilities, revenue, expenses and cash flows. GGS reporting under AASB 1049 aims to provide users with information about the stewardship of each government in relation to its GGS and accountability for the resources entrusted to it; information about the financial position, performance and cash flows of each government's GGS; and information that facilitates assessments of the macroeconomic impact. AASB 1049 also provides a basis for whole-of-government reporting, including for the PNFC and PFC sectors.

AASB 1049 has adopted the AAS conceptual framework and principles for the recognition of assets, liabilities, revenues and expenses and their presentation, measurement and disclosure. In addition, AASB 1049 has broadly adopted the ABS GFS conceptual framework for presenting government financial statements. In particular, AASB 1049 requires the GGS to prepare a separate set of financial statements, overriding AASB 10 *Consolidated Financial Statements*. AASB 1049 also follows the ABS GFS by requiring changes in net worth to be split into either transactions or 'other economic flows' and for this to be presented in a single operating statement. AASB 1049 is therefore broadly consistent with international statistical standards and the International Monetary Fund's (IMF) *Government Finance Statistics Manual 2014*.[1]

1 Additional information on the Australian accrual GFS framework is available in the ABS publication Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2015 (cat. no. 5514.0).

All financial data presented in the financial statements are recorded as either stocks (assets and liabilities) or flows (classified as either transactions or ‘other economic flows’). Transactions result from a mutually agreed interaction between economic entities. Despite their compulsory nature, taxes are transactions deemed to occur by mutual agreement between the government and the taxpayer. Transactions that increase or decrease net worth (assets less liabilities) are reported as revenues and expenses respectively in the operating statement.[2]

A change to the value or volume of an asset or liability that does not result from a transaction is an ‘other economic flow’. This can include changes in values from market prices, most actuarial valuations and exchange rates, and changes in volumes from discoveries, depletion and destruction. All ‘other economic flows’ are reported in the operating statement.

Consistent with the ABS GFS framework, and in general AAS, the financial statements record flows in the period in which they occur. As a result, prior period outcomes may be revised for classification changes relating to information that could reasonably have been expected to be known in the past, is material in at least one of the affected periods and can be reliably assigned to the relevant period(s).

Operating statement

The operating statement presents details of transactions in revenues, expenses, the net acquisition of non-financial assets (net capital investment) and other economic flows for an accounting period.

Revenues arise from transactions that increase net worth and expenses arise from transactions that decrease net worth. Revenues less expenses gives the net operating balance. The net operating balance is similar to the National Accounts concept of government saving plus capital transfers.

The net acquisition of non-financial assets (net capital investment) equals gross fixed capital formation, less depreciation, plus changes (investment) in inventories, plus other transactions in non-financial assets.

‘Other economic flows’ are presented in the operating statement and outline changes in net worth that are driven by economic flows other than revenues and expenses. Revenues, expenses and ‘other economic flows’ sum to the total change in net worth during a period. The majority of ‘other economic flows’ for the Australian Government GGS arise from price movements in its assets and liabilities.

2 Not all transactions impact net worth. For example, transactions in financial assets and liabilities do not impact net worth as they represent the swapping of assets and liabilities on the balance sheet.

Net operating balance

The net operating balance is the excess of revenue from transactions over expenses from transactions. The net operating balance excludes expenditure on the acquisition of capital assets but includes non-cash costs such as accruing superannuation entitlements and the consumption of capital (depreciation). By including all accruing costs, including depreciation, the net operating balance encompasses the full current cost of providing government services. This makes it a measure of the sustainability of the government's fiscal position over time and provides an indication of the sustainability of the existing level of government services.

Fiscal balance

The fiscal balance (or net lending/borrowing) is the net operating balance less net capital investment. The fiscal balance includes the impact of net expenditure (effectively purchases less sales) on non-financial assets rather than consumption (depreciation) of non-financial assets.[3]

The fiscal balance measures the Australian Government's investment-saving balance. It measures in accrual terms the gap between government savings plus net capital transfers and investment in non-financial assets. As such, it approximates the contribution of the Australian Government GGS to the balance on the current account in the balance of payments.

Balance sheet

The balance sheet shows stocks of assets, liabilities and net worth. In accordance with the UPF, net debt, net financial worth and net financial liabilities are also reported in the balance sheet.

Net worth

The net worth of the GGS, PNFC and PFC sectors is defined as assets less liabilities. This differs from the ABS GFS definition for the PNFC and PFC sectors where net worth is defined as assets less liabilities less shares and other contributed capital. Net worth is an economic measure of wealth, reflecting the Australian Government's contribution to the wealth of Australia.

3 The net operating balance includes consumption of non-financial assets because depreciation is an expense. Depreciation is deducted in the calculation of net capital investment as the full investment in non-financial assets is included in the calculation of fiscal balance.

Net financial worth

Net financial worth measures a government's net holdings of financial assets. It is calculated from the balance sheet as financial assets minus liabilities. This differs from the ABS GFS definition of net financial worth for the PNFC and PFC sectors, defined as financial assets, less liabilities, less shares and other contributed capital. Net financial worth is a broader measure than net debt, in that it incorporates provisions made (such as superannuation) as well as equity holdings. Net financial worth includes all classes of financial assets and all liabilities, only some of which are included in net debt. As non-financial assets are excluded from net financial worth, this is a narrower measure than net worth. However, it avoids the concerns inherent with the net worth measure relating to the valuation of non-financial assets and their availability to offset liabilities.

Net financial liabilities

Net financial liabilities comprises total liabilities less financial assets but excludes equity investments in the other sectors of the jurisdiction. Net financial liabilities is a more accurate indicator than net debt of a jurisdiction's fiscal position as it includes substantial non-debt liabilities such as accrued superannuation and long service leave entitlements. Excluding the net worth of other sectors of government results in a purer measure of financial worth than net financial worth as, in general, the net worth of other sectors of government, in particular the PNFC sector, is backed by physical assets.

Net debt

Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements). Financial assets include the Future Fund's investments in interest bearing securities and collective investment vehicles (CIVs). CIVs enable investors to pool their money and invest the pooled funds, rather than buying securities directly. Net debt does not include superannuation related liabilities. Net debt is a common measure of the strength of a government's financial position. High levels of net debt impose a call on future revenue flows to service that debt.

The 2015 ABS GFS Manual presents debt in a matrix format, with no single net debt aggregate identified. The Australian Government continues to report net debt in accordance with the UPF as described above.

Cash flow statement

The cash flow statement identifies how cash is generated and applied in a single accounting period. The cash flow statement reflects a cash basis of recording (rather than an accrual basis) where information is derived indirectly from underlying accrual transactions and movements in balances. This, in effect, means that transactions are captured when cash is received or when cash payments are made. Cash transactions are specifically identified because cash management is considered an integral function of accrual budgeting.

Underlying cash balance

The underlying cash balance is the cash counterpart of the fiscal balance, reflecting the Australian Government's cash investment-saving balance.

For the GGS, the underlying cash balance is calculated as shown below:

Net cash flows from operating activities

plus

Net cash flows from investments in non-financial assets

equals

ABS GFS cash surplus/deficit

plus

Principal payments of lease liabilities

equals

Underlying cash balance

Under *the Future Fund Act 2006*, earnings are required to be reinvested to meet the Government's future public sector superannuation liabilities. The Government excluded net Future Fund cash earnings from the calculation of the underlying cash balance between 2005–06 and 2019–20. From 2020–21 onwards, net Future Fund cash earnings have been included in the calculation of the underlying cash balance because the Future Fund became available to meet the Government's superannuation liabilities from this year.

In contrast, net Future Fund earnings have been included in the net operating balance and fiscal balance for all years because superannuation expenses relating to future cash payments are recorded in the net operating balance and fiscal balance.

Net Future Fund earnings are separately identified in the historical tables in Appendix B.

Headline cash balance

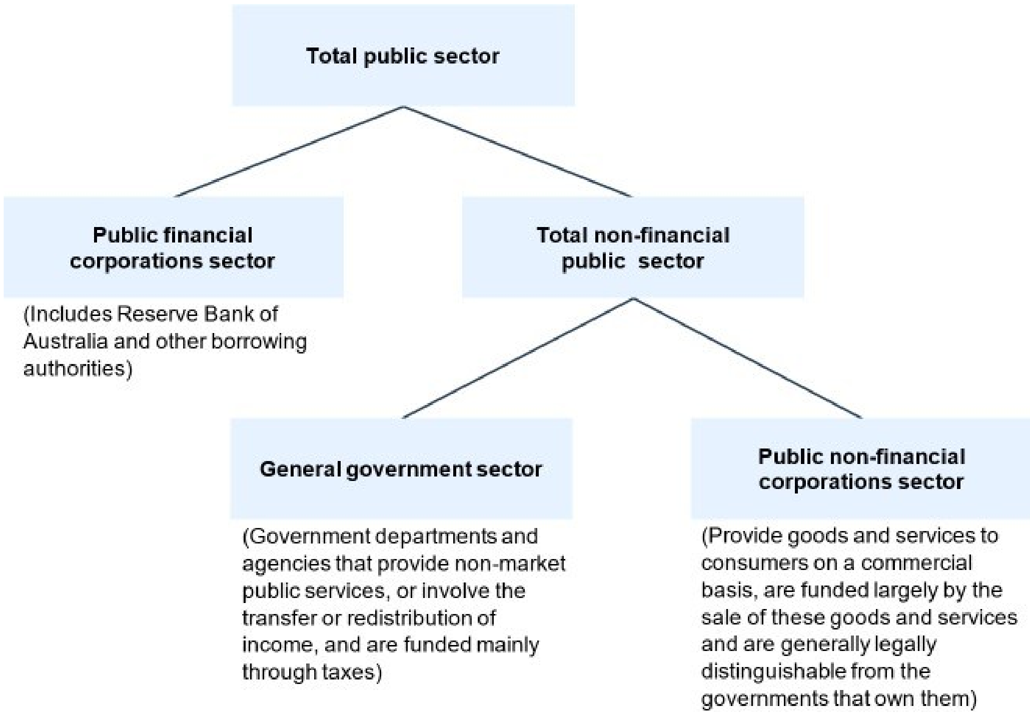
The headline cash balance is calculated by adding net cash flows from investments in financial assets for policy purposes to the underlying cash balance.

Net cash flows from investments in financial assets for policy purposes include equity transactions and advances paid. Equity transactions include equity injections into controlled businesses and privatisations of government businesses. Advances paid include net loans to the states and net loans to students.

Sectoral classifications

To assist in analysing the public sector, data are presented by institutional sector as shown in Figure 2.1. The ABS GFS defines the GGS, PNFC and PFC sectors. AASB 1049 has also adopted this sectoral reporting.

Figure 2.1: Institutional structure of the public sector



All entities are classified as GGS entities except for the following list of portfolio entities that are classified as PFC or PNFC (Table 2.14).

A table which provides a full list of public sector principal entities under the current portfolio structure is available on the Department of Finance website at https://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-and-list.

Table 2.14: Entities outside of the general government sector – 2025–26

Public financial corporations

Employment and Workplace Relations Portfolio

- Coal Mining Industry (Long Service Leave Funding) Corporation

Foreign Affairs and Trade Portfolio

- Export Finance and Insurance Corporation (Export Finance Australia)

Industry, Science and Resources Portfolio

- CSIRO Coinvestment Fund Pty Ltd
- CSIRO FollowOn Services Pty Ltd
- CSIRO FollowOn Services 2 Pty Ltd
- CSIRO General Partner Pty Ltd
- CSIRO General Partner 2 Pty Ltd
- CSIROGP Fund 2 Pty Ltd
- MS GP Fund 3 Pty Ltd
- MS NGS Pty Ltd
- MS Opportunity Fund Pty Ltd
- MS Parallel Fund Pty Ltd

Treasury Portfolio

- Australian Reinsurance Pool Corporation
- Housing Australia – Australian Housing Bond Aggregator (AHBA)*
- Reserve Bank of Australia

Table 2.14: Entities outside of the general government sector – 2025–26 (continued)

Public non-financial corporations
Climate Change, Energy, the Environment and Water Portfolio • Snowy Hydro Limited
Finance Portfolio • ASC Pty Ltd • Australian Naval Infrastructure Pty Ltd • CEA Technologies Pty Limited
Health, Disability and Ageing Portfolio • Australian Hearing Services (Hearing Australia)
Infrastructure, Transport, Regional Development, Communications, Sport and the Arts Portfolio • Airservices Australia • Australian Postal Corporation (Australia Post) • Australian Rail Track Corporation Limited • National Intermodal Corporation Limited • NBN Co Limited • WSA Co Ltd
Prime Minister and Cabinet Portfolio • Voyages Indigenous Tourism Australia Pty Ltd†

* Housing Australia, a corporate Commonwealth entity, operates an affordable housing bond aggregator to encourage greater private and institutional investment and provide cheaper and longer term finance to registered providers of affordable housing. The Housing Australia Bond Aggregator is a PFC. Other Housing Australia programs, including the National Housing Infrastructure Facility, are included in the GGS.

† Sale of Voyages Indigenous Tourism Australia Pty Ltd was completed effective 27 February 2026.

Part 3: Australia's Federal Financial Relations

This part provides information on payments to state and territory governments (the states) for specific purposes and general revenue assistance, including the GST entitlement.

Australian Government payments to the states are made under the Intergovernmental Agreement on Federal Financial Relations (the Intergovernmental Agreement), which has been in place since 1 January 2009. The Intergovernmental Agreement recognises that the states have primary responsibility for many areas of service delivery, but coordinated action is also necessary to address Australia's economic and social challenges and opportunities.

The Council on Federal Financial Relations (CFFR) oversees the financial relationship between the Commonwealth and the states. On 28 August 2020, CFFR implemented the Federation Funding Agreements (FFA) Framework to govern Commonwealth–state funding agreements. The FFA Framework complements the Intergovernmental Agreement.

More detailed information on Australia's federal financial relations can be found in Budget Paper No. 3, *Federal Financial Relations 2026–27* and on the Federal Financial Relations website at: www.federalfinancialrelations.gov.au.

Overview of payments to the states

The states receive substantial financial support from the Australian Government. In 2025–26, the Australian Government provided the states with payments totalling $204.0 billion, comprising specific purpose payments of $101.3 billion and general revenue assistance (predominantly GST entitlements) of $102.7 billion, as shown in Table 3.1. Payments to the states constituted 25.1 per cent of total Australian Government expenditure in 2025–26.

Table 3.1: Australian Government payments to the states, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Payments for specific purposes	27,799	25,666	22,717	11,059	7,889	2,392	1,676	2,134	101,332
General revenue assistance	28,230	28,403	16,913	8,464	9,761	3,871	2,168	4,875	102,684
Total payments to the states	**56,028**	**54,070**	**39,630**	**19,522**	**17,651**	**6,263**	**3,843**	**7,009**	**204,016**

Payments for specific purposes

The Australian Government provides payments to the states for specific purposes in policy areas administered by the states, including health, education, skills and workforce development, community services, housing, Indigenous affairs, infrastructure and the environment.

In 2025–26, the Australian Government provided the following types of specific purpose payments to the states:

- National Health Reform funding
- Better and Fairer Schools funding for government and non-government schools
- National Skills Agreement funding
- National Agreement on Social Housing and Homelessness funding
- Energy Bill Relief funding
- National Access to Justice Partnership funding
- National Partnership payments across a wide range of policy areas, including infrastructure.

Funding for key service delivery sectors

In 2025–26, the Australian Government continued to provide support for key service delivery sectors through National Health Reform funding, Better and Fairer Schools funding, National Skills Agreement funding, National Agreement on Social Housing and Homelessness funding, and National Access to Justice Partnership funding. The Australian Government also supported households by providing Energy Bill Relief to all Australians until 31 December 2025.

Payments for 2025–26 National Health Reform funding are made in advance, based on advice from the Administrator of the National Health Funding Pool. The funding amount is linked to growth in public hospital services activity, and the national efficient price and cost determined by the Independent Health and Aged Care Pricing Authority. The amounts published in this Part comprise advance payments for estimated service delivery in 2025–26 and adjustments for 2024–25 final entitlements determined by the Assistant Minister for Productivity, Competition, Charities and Treasury in December 2025. Final entitlements for 2025–26 will be determined following the Administrator's annual reconciliation of actual public hospital service delivery.

Better and Fairer Schools is a needs-based funding model that aims to improve the educational outcomes of Australian students. Funding is provided to government and non-government schools in all states, and includes recurrent funding, capital funding and special circumstances funding for non-government schools, funding for non-government representative bodies and other prescribed purpose funding. Better and Fairer Schools funding is distributed among the states in accordance with the *Australian Education Act 2013* and agreements made under that Act.

The National Skills Agreement commenced on 1 January 2024 and comprises flexible funding to support state training systems, deliver national priorities, and for seven Specific Policy Initiatives. In 2025–26, payments under the flexible funding component were made in advance based on Australian Government estimates of relevant growth factors and the funding methodology specified in the National Skills Agreement. Final entitlements for 2025–26 will be determined following the end of the financial year once final data is available. Payments for the seven Specific Policy Initiatives were made in accordance with the National Skills Agreement and its associated implementation plans.

The National Agreement on Social Housing and Homelessness commenced on 1 July 2024 and is made up of a general funding component and a specified homelessness funding component, which is matched by the states. Payments for 2025–26 were made in advance based on Australian Government estimates of the relevant growth factors. Final entitlements for 2025–26 will be determined following the end of the financial year.

The Australian Government extended Energy Bill Relief until 31 December 2025. The rebates have provided financial assistance to households and eligible small businesses in accordance with agreements with the states. The Australian Government is reimbursing the states for payments made in accordance with these agreements.

The National Access to Justice Partnership commenced on 1 July 2025 and provides ongoing funding for legal assistance services delivered by legal aid commissions, community legal centres and Aboriginal and Torres Strait Islander Legal Services.

National Partnership payments

Under the Intergovernmental Agreement, National Partnership payments to the states are the key vehicle to support the delivery of specified projects, facilitate reforms or reward jurisdictions that deliver on nationally significant reforms.

National Partnership payments are typically time-limited, reflecting the nature of the project or reform involved. Federation Funding Agreements for National Partnership payments are publicly available at: www.federalfinancialrelations.gov.au.

Total payments for specific purposes

In 2025–26, the states received $101.3 billion in payments for specific purposes, which constituted 12.5 per cent of total Australian Government expenditure. Total payments for specific purposes by category are shown in Table 3.2.

Table 3.2: Total payments for specific purposes by category, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Health Reform funding(a)	9,497	7,784	7,543	3,468	2,179	707	580	483	32,240
Better and Fairer Schools funding(b)	9,659	8,270	7,168	3,564	2,392	748	501	556	32,858
National Skills Agreement(c)	768	606	487	260	172	55	48	31	2,427
National Agreement on Social Housing and Homelessness(d)	551	460	363	195	122	38	31	57	1,817
Energy Bill Relief	463	448	365	184	126	39	31	14	1,672
National Access to Justice Partnership	192	129	158	98	58	24	15	62	736
National Partnership payments(e)	6,669	7,969	6,632	3,290	2,840	781	471	932	29,581
Total payments for specific purposes	**27,799**	**25,666**	**22,717**	**11,059**	**7,889**	**2,392**	**1,676**	**2,134**	**101,332**

a) Entitlements for 2025–26 will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool and a subsequent Determination by a Treasury portfolio minister.
b) The 2025–26 Better and Fairer Schools funding outcome will be finalised following a Determination by the Minister for Education.
c) Entitlements for 2025–26 will be finalised after states report on their actual Eligible State Expenditure and a subsequent Determination by a Treasury portfolio minister.
d) Entitlements for 2025–26 will be finalised after states report on their actual expenditure via statements of assurance and a subsequent Determination by a Treasury portfolio minister.
e) Includes financial assistance grants for local governments, payments direct to local governments, and payments funded through legislative appropriations other than section 16 (National Partnership payments) of the *Federal Financial Relations Act 2009*. Excludes National Partnership payments made under the National Skills Agreement, Energy Bill Relief and National Access to Justice Partnership, which are shown separately.

Table 3.3: Total payments for specific purposes by sector and category, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Health									
National Health Reform funding(a)	9,497	7,784	7,543	3,468	2,179	707	580	483	32,240
National Partnerships	660	578	532	247	317	98	68	182	2,682
Total health payments	10,156	8,362	8,075	3,714	2,497	805	647	665	34,922
Education									
Better and Fairer Schools funding(b)	9,659	8,270	7,168	3,564	2,392	748	501	556	32,858
National Partnerships(c)	220	195	162	87	64	27	21	35	811
Total education payments	9,879	8,466	7,330	3,651	2,456	775	522	591	33,669
Skills and workforce development									
National Skills Agreement(d)	768	606	487	260	172	55	48	31	2,427
National Partnerships(e)	64	48	38	24	17	6	8	2	206
Total skills and workforce development payments	832	654	525	284	189	61	56	33	2,634
Community services									
National Partnerships	43	30	27	16	16	6	3	86	228
Affordable housing									
National Agreement on Social Housing and Homelessness(f)	551	460	363	195	122	38	31	57	1,817
National Partnerships	27	3	4	74	21	10	..	120	258
Total affordable housing payments	578	463	367	268	143	48	31	176	2,075
Infrastructure									
National Partnerships(c)	3,671	5,370	2,717	2,158	1,671	339	242	270	16,437
Environment, energy and water									
Energy Bill Relief	463	448	365	184	126	39	31	14	1,672
National Partnerships(c)(g)	413	402	208	66	176	121	11	66	1,461
Total environment, energy and water payments	876	850	573	250	302	160	42	79	3,133
Contingent payments									
National Partnerships	103	197	1,948	6	15	2	1	94	2,366
Other									
National Access to Justice Partnership	192	129	158	98	58	24	15	62	736
National Partnerships(c)(h)	1,468	1,144	997	612	544	172	117	78	5,132
Total other payments	1,660	1,273	1,155	711	602	196	132	139	5,868
Total payments for specific purposes	**27,799**	**25,666**	**22,717**	**11,059**	**7,889**	**2,392**	**1,676**	**2,134**	**101,332**

a) Entitlements for 2025–26 will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool and a subsequent Determination by a Treasury portfolio minister.

b) The 2025–26 Better and Fairer Schools funding outcome will be finalised following a Determination by the Minister for Education.

c) Includes financial assistance grants for local governments, payments direct to local governments, and/or payments funded through legislative appropriations other than section 16 (National Partnership payments) of the *Federal Financial Relations Act 2009*.

d) Entitlements for 2025–26 will be finalised after states report on their actual Eligible State Expenditure and a subsequent Determination by a Treasury portfolio minister.
e) Excludes National Partnership payments made under the National Skills Agreement, which are shown separately.
f) Entitlements for 2025–26 will be finalised after states report on their actual expenditure via statements of assurance and a subsequent Determination by a Treasury portfolio minister.
g) Excludes National Partnership payments made under Energy Bill Relief, which are shown separately.
h) Excludes National Partnership payments made under the National Access to Justice Partnership, which are shown separately.

Disaster Recovery Funding Arrangements

The Australian Government provides funding under the Disaster Recovery Funding Arrangements (DRFA) to assist the states in relief and recovery efforts following eligible disasters.

Table 3.4: DRFA cash payments, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
DRFA	2,279.3	540.4	2,330.9	26.2	28.8	2.8	0.2	9.8	5,218.3
Total	**2,279.3**	**540.4**	**2,330.9**	**26.2**	**28.8**	**2.8**	**0.2**	**9.8**	**5,218.3**

For accounting purposes, the Australian Government recognises a liability equal to the present value of future payments expected to be made to the states under the DRFA. This is regardless of whether a state has completed eligible disaster reconstruction work or submitted an eligible claim. See Table 3.20 in Attachment A for the expense outcome.

General revenue assistance

General revenue assistance is provided to the states, without conditions, to spend according to their own budget priorities.

In 2025–26, the states received $102.7 billion in general revenue assistance from the Australian Government, consisting of $97.1 billion in GST entitlements (comprising GST revenue and the Commonwealth funded GST pool boost), $5.1 billion in horizontal fiscal equalisation (HFE) transition payments (also known as the No Worse Off Guarantee) and $459 million in other general revenue assistance (Table 3.5). Total general revenue assistance to the states constituted 12.6 per cent of total Australian Government expenditure in 2025–26.

Table 3.5: General revenue assistance, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement(a)	25,939	26,519	16,855	8,051	9,258	3,719	1,993	4,807	97,140
HFE transition payments	2,291	1,884	58	-	504	152	129	68	5,085
Other general revenue assistance(b)	-	-	-	413	-	-	46	-	459
Total	**28,230**	**28,403**	**16,913**	**8,464**	**9,761**	**3,871**	**2,168**	**4,875**	**102,684**

a) The 2025–26 GST outcome will be finalised following a Determination by a Treasury portfolio minister.
b) More detail about other general revenue assistance payments is provided in Table 3.22.

GST payments

Under the *Federal Financial Relations Act 2009,* the states are entitled to receive payments from the Australian Government equivalent to the revenue raised from the GST in any given financial year, subject to some minor adjustments. Since 2021–22, the states' GST entitlements have been boosted each year by additional Australian Government funding.

The Australian Government makes monthly payments (advances) to the states throughout the year based on GST estimates for that year. Estimates of the GST are used because the actual amount of GST revenue for the financial year is unknown until after the end of the financial year. Once the amount of GST revenue raised is known, the Treasurer makes a determination of the GST entitlement for that year. A balancing adjustment is made to each state's payment to ensure they receive the GST to which they are entitled. These balancing adjustments (referred to as the 'prior year balancing adjustment') are made in the following financial year.

GST receipts are the basis for GST paid to the states in any given year because GST revenue (an accrual concept) includes amounts not yet collected by the Australian Government. Minor adjustments are made to GST receipts to calculate the states' GST entitlement for that year as detailed below.

- Some GST revenue accrued during a financial year is not remitted to the Australian Taxation Office (ATO) by 30 June of that year, because it is not due to be paid until Business Activity Statements (BAS) are lodged the following financial year. For taxpayers other than Australian Government agencies, this accrued amount is included in GST revenue, but not in GST receipts.

- Penalties owed to the ATO, other than general interest charge (GIC) penalties, are not included in the GST to be paid to the states, as defined in the *Federal Financial Relations Act 2009*.

- Some GST collected by Australian Government agencies is not remitted to the ATO by 30 June in each financial year because it is not due to be paid until the next BAS is lodged. This amount is included in Australian Government receipts but is not included in GST payments to the states until it is remitted to the ATO.

From 2021–22, the Australian Government is boosting the states' GST entitlement each year with additional funding. Since 2021–22, the Australian Government has injected $600 million annually into the GST pool, with this amount growing in line with the underlying growth of the GST pool. In 2025–26 the Australian Government further boosted the GST pool by an additional $250 million. This additional funding will be distributed to the states in the same way as GST revenue. A reconciliation of GST revenue and the states' GST entitlement is provided in Table 3.6.

Table 3.6: Reconciliation of GST revenue and the states' GST entitlement, 2025–26

$million	Total
GST revenue	100,575
less Change in GST receivables	4,471
GST receipts	96,105
less Non-GIC penalties collected	168
less Net GST collected by Commonwealth agencies but not yet remitted to the ATO	-159
plus GST pool boost	1,044
States' GST entitlement(a)	**97,140**

a) The 2025–26 GST outcome will be finalised following a Determination by a Treasury portfolio minister.

For 2025–26, the states' GST entitlement is expected to be $97.1 billion, which includes a top-up to the GST pool of $1.0 billion. This is $115 million lower than the advances paid during 2025–26. Table 3.7 provides a reconciliation of the states' GST entitlement and GST advances.

Table 3.7: States' GST entitlement and GST advances, 2025–26

$million	Total
States' GST entitlement(a)	97,140
less Advances of GST made throughout 2025-26	97,256
equals Balancing adjustment	-115

a) The 2025–26 GST outcome will be finalised following a Determination by a Treasury portfolio minister.

Distribution of the GST among the states

The Australian Government distributes the GST among the states based on the GST revenue sharing relativities recommended by the Commonwealth Grants Commission. Following consultation with the states, the Treasurer issued a Determination of the GST revenue sharing relativities for 2025–26 in June 2025. The relativities for 2025–26 are shown in Table 3.8.

Table 3.8: GST relativities, 2025–26

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2025-26	0.86034	1.06722	0.84571	0.75000	1.38876	1.84053	1.17223	5.15112

The detailed calculation for the distribution of the GST entitlement in 2025–26 is shown in Table 3.9. This method of calculation is prescribed in legislation in the *Federal Financial Relations Act 2009*. The entitlements are allocated using the population as at 31 December 2025, as determined by the Australian Statistician.

Table 3.9: Calculation of the 2025–26 GST entitlements[(a)]

	Population as at 31 December 2025 (1)	GST revenue sharing relativities (2)	Adjusted population (1) x (2)	Share of adjusted population (per cent)	Share of GST pool ($million)
NSW	8,641,085	0.86034	7,434,271	26.7	25,939
VIC	7,121,913	1.06722	7,600,648	27.3	26,519
QLD	5,712,124	0.84571	4,830,800	17.4	16,855
WA	3,076,528	0.75000	2,307,396	8.3	8,051
SA	1,910,553	1.38876	2,653,300	9.5	9,258
TAS	579,110	1.84053	1,065,869	3.8	3,719
ACT	487,202	1.17223	571,113	2.1	1,993
NT	267,478	5.15112	1,377,811	4.9	4,807
Total	27,795,993	na	27,841,208	100	97,140

a) The 2025–26 GST outcome will be finalised following a Determination by a Treasury portfolio minister.

Table 3.10 provides a summary of the advances made in 2025–26 against the states' estimated final entitlements shown in Table 3.9. The variance between advances paid in 2025–26 and the states' final entitlements will be included as a balancing adjustment to payments in the 2026–27 financial year.

Table 3.10: Summary of GST advances made in 2025–26 and distribution of the balancing adjustment across states[(a)]

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement	25,939	26,519	16,855	8,051	9,258	3,719	1,993	4,807	97,140
25-26 advances	25,977	26,581	16,877	8,055	9,275	3,712	1,996	4,783	97,256
Balancing adjustment	-38	-62	-21	-4	-18	7	-4	24	-115

a) The 2025–26 GST outcome will be finalised following a Determination by a Treasury portfolio minister.

HFE transition payments

In 2018, the Australian Government reformed the GST distribution system. 2025–26 is the fifth year in the 6-year transition to the updated GST distribution system, which ensures that no state has a per capita GST share lower than the fiscally stronger of New South Wales or Victoria.

From 2021–22 to 2029–30, the Australian Government has guaranteed that each state will not receive less than they would have under the previous GST distribution system using, if necessary, HFE transition payments (also known as the No Worse Off Guarantee).

Table 3.11 provides a summary of the advances made in 2025–26 against the states' estimated final entitlements to HFE transition payments. Similar to the GST entitlements process, the variance between advances paid in 2025–26 and the states' final entitlements to HFE transition payments will be included as a balancing adjustment to payments in the 2026–27 financial year.

Table 3.11: HFE transition payments and advances made in 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
HFE transition payments	2,291	1,884	58	-	504	152	129	68	5,085
25-26 advances	2,276	1,870	55	-	500	150	128	66	5,045
Balancing adjustment	15	14	2	-	4	2	1	1	39

GST administration

States compensate the Australian Government for the agreed costs incurred by the ATO in administering the GST, including by the Department of Home Affairs, as shown in Table 3.12.

Table 3.12: GST administration, 2025–26

$million	Actual	
	2024-25	2025-26
Administration estimate at Budget(a)	709	693
Variations from Budget to MYEFO	-	-
Variations from MYEFO to Budget	-60	-
Administration budget at 2026-27 Budget	649	693
Final Administration Outcome	674	694
equals remaining following year outcome adjustment (future payment impact)	25	1
Variation from Budget to Budget	-60	-
remaining following year outcome adjustment	25	1
Total annual adjustment	-35	1
Administration budget at Budget	709	693
Prior year outcome adjustment	-33	25
Variations from Budget to Budget	-60	-
equals State government administration payments	616	719

a) Figures presented in the 2024-25 column refer to 2024-25 Budget estimates. Figures presented in the 2025-26 column refer to 2025-26 Budget estimates.

Attachment A: Payments to the states

This attachment provides information on Australian Government payments to the states and local governments on an expense basis. Details regarding Australian Government advances (loans) to the states, including repayments of advances and interest on advances, are provided in Table 3.24.

The following tables detail payments and other financial flows to the states for 2025–26:

Table 3.13 – Health

Table 3.14 – Education

Table 3.15 – Skills and workforce development

Table 3.16 – Community services

Table 3.17 – Affordable housing

Table 3.18 – Infrastructure

Table 3.19 – Environment, energy and water

Table 3.20 – Contingent liabilities

Table 3.21 – Other purposes

Table 3.22 – General revenue assistance

Table 3.23 – Total payments, presented by function based on the International Monetary Fund's Classification of the Functions of Government

Table 3.24 – Estimated advances, repayment of advances and interest payments.

Table 3.13: Payments for specific purposes to support state health services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Health Reform funding(a)									
Hospital services(b)	9,312.9	7,632.8	7,422.1	3,402.0	2,138.7	694.6	569.1	476.7	31,648.9
Public health	183.9	151.0	121.3	65.7	40.8	12.3	10.5	5.8	591.3
Total National Health Reform funding	9,496.8	7,783.7	7,543.5	3,467.7	2,179.5	706.9	579.6	482.5	32,240.2
National Partnership payments									
Health services									
Access to HIV treatment and prevention	10.4	8.3	4.5	2.3	1.4	0.3	0.4	0.4	28.0
Comprehensive palliative care in aged care	3.6	-	2.1	1.0	0.9	0.2	0.2	0.1	8.1
Eliminating cervical cancer in Australia	1.8	1.5	1.3	0.8	0.6	0.8	0.4	0.3	7.6
Management of Torres Strait / Papua New Guinea cross-border health issues	-	-	5.7	-	-	-	-	-	5.7
Medicare Urgent Care Clinics	-	41.5	-	-	-	9.6	6.1	20.9	78.1
Mosquito control in the Torres Strait Protected Zone	-	-	0.9	-	-	-	-	-	0.9
National bowel cancer screening program – participant follow-up function	2.9	2.4	1.9	1.0	0.7	0.3	0.2	0.2	9.5
National Critical Care and Trauma Response Centre	-	-	-	-	-	-	-	28.4	28.4
National Mental Health and Suicide Prevention Agreement – bilateral schedules	6.4	37.1	6.5	3.0	9.4	1.8	3.5	-	67.6
One-time funding for hospital and related health services	407.0	402.0	414.0	158.1	169.2	50.0	50.0	51.0	1,701.3
OzFoodNet	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	2.1
Palliative Care Services Navigation Pilot	-	-	-	-	3.0	-	-	-	3.0
Reducing stillbirths	1.1	0.9	0.8	0.5	0.4	0.3	0.3	0.3	4.7
Smoking and vaping cessation activities	2.1	0.8	0.7	0.5	0.4	0.4	0.3	0.3	5.5
Specialist dementia care	2.2	1.4	1.7	0.9	0.8	0.3	0.6	-	7.8
Supporting older Australian patients	46.2	30.5	42.5	15.4	10.4	2.5	2.2	3.7	153.5
Vaccine-preventable diseases surveillance	0.3	0.3	0.2	0.1	0.1	..	..	..	1.1
World-class newborn bloodspot screening program	4.1	3.7	3.2	2.4	2.1	0.3	0.3	0.2	16.2
Total Health services	488.4	530.8	486.5	186.3	199.6	67.0	64.7	105.9	2,129.3

Table 3.13: Payments for specific purposes to support state health services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Health infrastructure									
Bentley Hospital Surgicentre	-	-	-	17.5	-	-	-	-	17.5
Community Health, Hospitals and Infrastructure projects	90.0	2.0	-	21.4	7.5	3.5	-	-	124.4
Comprehensive Cancer Centres	-	-	-	-	15.0	-	-	-	15.0
Expansion of the Flinders Medical Centre	-	-	-	-	70.0	-	-	-	70.0
Health and Medical Research Centre for Launceston	-	-	-	-	-	0.4	-	-	0.4
Northern Heart Centre in Launceston	-	-	-	-	-	8.0	-	-	8.0
St George Illawarra Dragons Community and High Performance Centre	13.6	-	-	-	-	-	-	-	13.6
Support for maternity service delivery and infrastructure	4.0	-	-	-	-	5.0	-	-	9.0
Supporting Palliative Care in Launceston	-	-	-	-	-	5.0	-	-	5.0
Yass Maternity Care Centre	0.6	-	-	-	-	-	-	-	0.6
Total Health infrastructure	108.2	2.0	-	38.9	92.5	21.9	-	-	263.5
First Nations health									
Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait	-	-	1.1	-	-	-	-	-	1.1
Improving trachoma control services for First Nations Australians	-	-	0.3	1.6	1.3	-	-	1.8	4.9
Northern Territory Remote Aboriginal Investment – Health component	-	-	-	-	-	-	-	15.4	15.4
Primary Health Care Services in remote Northern Territory	-	-	-	-	-	-	-	47.7	47.7
Rheumatic fever strategy	-	-	0.9	0.9	0.4	-	-	1.0	3.1
Total First Nations health	-	-	2.3	2.5	1.6	-	-	65.8	72.2

Table 3.13: Payments for specific purposes to support state health services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Other health									
Australian Primary Care Prevocational Program(c)	9.1	4.3	10.6	2.8	9.5	2.9	0.4	5.8	45.4
Canoe Slalom World Championship 2025	0.4	-	-	-	-	-	-	-	0.4
Encouraging more clinical trials in Australia	0.5	0.5	0.5	0.5	0.3	0.3	0.3	0.3	3.4
Essential vaccines	7.2	7.5	4.8	3.4	2.6	1.4	1.1	0.9	28.9
Illicit Tobacco Compliance and Enforcement Package	7.6	5.1	5.0	2.3	1.7	0.8	0.3	0.6	23.4
Increasing specialist services for children who have displayed harmful sexual behaviours in the Northern Territory	-	-	-	-	-	-	-	1.4	1.4
Lymphoedema garments and allied health therapy program	0.6	0.5	0.4	0.2	0.1	..	..	..	2.0
National Coronial Information System	-	0.4	-	-	-	-	-	-	0.4
Public dental services for adults	34.4	26.9	21.7	9.7	9.4	3.4	1.0	1.4	107.7
Short-term workforce reforms – Kruk Review Implementation	3.2	0.5	-	-	-	-	-	-	3.7
Total Other health	63.0	45.7	43.0	18.9	23.7	8.9	3.1	10.4	216.7
Total National Partnership payments	659.7	578.5	531.7	246.6	317.5	97.8	67.8	182.2	2,681.7
Total	**10,156.5**	**8,362.2**	**8,075.1**	**3,714.3**	**2,497.0**	**804.7**	**647.4**	**664.7**	**34,921.9**

a) Entitlements for 2025–26 will be finalised following reconciliation of activity data by the Administrator of the National Health Funding Pool and a subsequent Determination by a Treasury portfolio minister.

b) Incorporates the 2024–25 annual reconciliation adjustments for hospital services.

c) Reported as the Australian Primary Care Prevocational Program and the Expansion of the John Flynn Prevocational Doctor Program in the 2025–26 Budget.

Table 3.14: Payments for specific purposes to support state education services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Better and Fairer Schools funding(a)(b)(c)	9,659.0	8,270.2	7,168.2	3,563.9	2,391.8	747.9	501.0	556.2	32,858.2
National Partnership payments									
Building Early Education Fund	29.5	41.1	25.0	-	5.7	9.2	5.0	-	115.4
Consent and respectful relationships education	6.7	4.8	3.8	2.4	1.5	0.5	0.3	0.4	20.4
Disadvantaged independent school students	9.9	5.1	9.3	3.7	1.4	0.3	0.2	0.9	30.8
Expansion of the Joint Compliance and Monitoring Program	0.9	0.9	0.6	0.4	0.6	0.6	0.4	0.6	5.0
Funding to establish a Hindu School in Australia	3.4	-	-	-	-	-	-	-	3.4
Mid-Year Reception in South Australian Non-Government Schools	-	-	-	-	13.3	-	-	-	13.3
National Student Wellbeing Program	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
Northern Territory Remote Aboriginal Investment – Early Learning and Access to Education(a)	-	-	-	-	-	-	-	24.2	24.2
Operational Support for Manjali School	-	-	-	1.0	-	-	-	-	1.0
Preschool Reform Agreement	157.4	129.9	104.6	70.9	31.9	12.6	12.4	7.2	526.9
Schools Pathways Program	-	-	-	1.1	0.9	-	-	-	2.0
Workload Reduction Fund	1.0	1.0	-	-	1.0	1.3	1.3	1.3	7.0
Total National Partnership payments	220.0	195.5	161.6	87.3	63.8	26.8	20.6	35.2	810.8
Total	**9,879.0**	**8,465.7**	**7,329.9**	**3,651.2**	**2,455.6**	**774.7**	**521.5**	**591.5**	**33,669.0**

Table 3.14: Payments for specific purposes to support state education services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Memorandum item – payments for non-government schools included in payments above									
Better and Fairer Schools funding(a)(b)(c)	6,111.6	5,232.4	4,402.6	2,076.6	1,585.3	456.7	303.3	253.4	20,421.9
Consent and respectful relationships education	2.0	1.5	1.1	0.7	0.4	0.2	0.1	0.1	6.2
Disadvantaged independent school students	9.9	5.1	9.3	3.7	1.4	0.3	0.2	0.9	30.8
Funding to establish a Hindu School in Australia	3.4	-	-	-	-	-	-	-	3.4
Mid-Year Reception in South Australian Non-Government Schools	-	-	-	-	13.3	-	-	-	13.3
Operational Support for Manjali School	-	-	-	1.0	-	-	-	-	1.0
Total	**6,127.0**	**5,239.0**	**4,413.0**	**2,082.0**	**1,600.5**	**457.1**	**303.5**	**254.4**	**20,476.5**

a) Includes funding for non-government representative bodies.
b) The 2025–26 Better and Fairer Schools funding outcome will be finalised following a Determination by the Minister for Education.
c) Actual cash payments to non-government schools may be inclusive of GST. However, Final Budget Outcome figures are reported exclusive of GST.

Table 3.15: Payments for specific purposes to support state skills and workforce development services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Skills Agreement(a)	768.0	605.9	486.9	259.8	172.1	55.2	48.1	31.2	2,427.2
National Partnership payments									
Clean Energy Capital Investment Fund	7.6	-	5.5	3.6	2.8	1.8	1.7	-	22.9
Fee-Free TAFE Skills Agreement	51.7	42.9	25.5	17.9	11.4	2.7	2.9	1.2	156.2
TAFE Technology Fund and Mobile TAFE	0.8	0.9	1.6	1.0	-	0.5	-	-	4.6
Thrive and Dandenong Employment Hubs	-	1.4	-	-	-	-	-	-	1.4
Turbocharging TAFE Centres of Excellence	0.5	-	2.5	-	1.3	-	2.1	-	6.4
Turbocharging the VET Workforce	3.8	3.2	2.7	1.7	1.3	0.8	0.8	0.7	15.0
Total National Partnership payments(b)	64.3	48.3	37.8	24.2	16.7	5.8	7.5	1.9	206.5
Total	**832.3**	**654.2**	**524.7**	**284.0**	**188.8**	**61.0**	**55.6**	**33.1**	**2,633.7**

a) Entitlements for 2025–26 will be finalised after states report on their actual Eligible State Expenditure and a subsequent Determination by a Treasury portfolio minister.

b) Excludes National Skills Agreement payments which are shown separately.

Table 3.16: Payments for specific purposes to support state community services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments									
Accessible Australia	1.3	0.7	-	1.0	0.9	0.8	0.3	0.2	5.2
Alcohol treatment services in the Northern Territory	-	-	-	-	-	-	-	4.5	4.5
Extra high visibility police and law enforcement operations	-	-	-	-	-	-	-	1.5	1.5
Family, Domestic and Sexual Violence Responses Agreement									
500 community sector and frontline workers	16.2	11.0	12.2	5.4	4.0	2.7	0.8	2.2	54.5
Family, domestic and sexual violence responses	21.2	17.2	14.5	8.2	5.0	1.5	1.2	1.3	70.0
Innovative approaches to addressing perpetrator behaviour	1.5	1.5	0.7	1.5	1.0	1.5	0.7	1.3	9.6
Northern Territory Remote Aboriginal Investment									
Aboriginal Interpreter Services(a)	-	-	-	-	-	-	-	8.5	8.5
Community safety implementation plan	-	-	-	-	-	-	-	67.0	67.0
Outcomes Fund	2.5	-	-	-	1.5	-	-	-	4.0
Port Augusta Safety and Wellbeing Partnership	-	-	-	-	3.0	-	-	-	3.0
Social Impact Investments Vulnerable Priority Groups	-	-	-	-	0.5	-	-	-	0.5
Total	**42.6**	**30.4**	**27.3**	**16.1**	**15.9**	**6.5**	**2.9**	**86.5**	**228.3**

a) Reported as Remote Australia Strategies implementation plan in the 2025–26 Budget.

Table 3.17: Payments for specific purposes to support state affordable housing services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Agreement on Social Housing and Homelessness(a)	550.9	460.4	362.8	194.7	122.1	38.2	30.7	56.8	1,816.6
National Partnership payments									
100,000 Homes for First Home Buyers – Grant component	-	-	-	-	20.0	-	-	-	20.0
HomeBuilder(b)	1.2	2.0	0.2	0.2	0.2	-0.1	0.4	-	4.1
Housing Australia Future Fund – Remote Indigenous Housing	-	-	-	-	-	-	-	25.0	25.0
Housing Support Program Stream 1 and Community Enabling Infrastructure	24.5	0.5	3.8	73.4	0.3	10.2	-	-	112.8
Improving housing and essential services on Northern Territory homelands	-	-	-	-	-	-	-	44.0	44.0
Northern Territory Remote Housing	-	-	-	-	-	-	-	50.7	50.7
Social Impact Investments People at risk of homelessness	1.5	-	-	-	-	-	-	-	1.5
Total National Partnership payments	27.2	2.6	4.0	73.6	20.6	10.2	0.4	119.7	258.2
Total	**578.1**	**463.0**	**366.7**	**268.4**	**142.7**	**48.4**	**31.1**	**176.5**	**2,074.8**

a) Entitlements for 2025–26 will be finalised after states report on their actual expenditure via statements of assurance and a subsequent Determination by a Treasury portfolio minister.

b) Figures include amounts repaid by states to the Commonwealth in respect of HomeBuilder applications subsequently determined to be ineligible.

Table 3.18: Payments for specific purposes to support state infrastructure services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments									
Infrastructure Investment Program									
Active Transport Fund	1.0	2.0	3.8	0.5	0.9	1.6	..	-	9.7
Black Spot Program	29.5	31.8	21.4	16.1	10.4	3.6	0.6	1.2	114.5
Developing Northern Australia									
Northern Australia Roads	-	-	1.1	1.5	-	-	-	4.9	7.4
Major Projects Business Case Fund	-	-	14.1	17.0	1.7	-	-	-	32.8
Rail investment component	961.5	2,979.2	440.9	809.4	15.0	25.5	164.5	-	5,396.0
Road investment component(a)	2,078.6	2,004.2	1,842.7	865.4	1,520.9	150.1	40.0	182.8	8,684.7
Roads to Recovery	191.9	132.3	118.3	106.0	62.2	20.6	29.5	9.5	670.3
Safer Local Roads and Infrastructure Program	54.2	27.7	39.2	26.3	12.6	6.6	-	0.8	167.3
Western Sydney Infrastructure Plan	151.7	-	-	-	-	-	-	-	151.7
Total Infrastructure Investment Program	3,468.3	5,177.1	2,481.5	1,842.1	1,623.6	207.9	234.6	199.2	15,234.4

Table 3.18: Payments for specific purposes to support state infrastructure services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Other payments									
Adelaide City Deal	-	-	-	-	8.8	-	-	-	8.8
Albury Wodonga Regional Projects	14.5	9.5	-	-	-	-	-	-	24.0
Barkly Regional Deal	-	-	-	-	-	-	-	4.7	4.7
Central Australia Plan – Community Infrastructure Package	-	-	-	-	-	-	-	..	..
Geelong City Deal	-	31.6	-	-	-	-	-	-	31.6
Hillcrest Tragedy Memorial	-	-	-	-	-	0.9	-	-	0.9
Hobart and Launceston – urban renewal co-investments	-	-	-	-	-	51.8	-	-	51.8
Hunter region – supporting clean energy	13.0	-	-	-	-	-	-	-	13.0
Lake Macquarie Mines Grouting Fund	9.9	-	-	-	-	-	-	-	9.9
Launceston City Deal	-	-	-	-	-	2.0	-	-	2.0
Local Roads and Community Infrastructure	108.6	90.5	74.1	46.9	26.6	11.0	1.8	17.4	376.9
National Capital Functions Program	-	-	-	-	-	-	1.7	-	1.7
National Capital Investment Framework	-	-	-	-	-	-	2.1	-	2.1
National Water Grid Fund	28.3	49.4	82.2	21.4	3.4	53.6	-	43.5	281.7
Perth City Deal	-	-	-	76.7	-	-	-	-	76.7
Pilbara Ports Common User Upgrades	-	-	-	133.0	-	-	-	-	133.0
Regional Precincts and Partnerships Program	30.9	4.8	9.4	3.4	7.1	6.4	-	4.9	66.9
Regional Recovery Partnerships(b)	-5.0	-	-	-	-	-	-	-	-5.0
South East Queensland City Deal	-	-	66.1	-	-	-	-	-	66.1

Table 3.18: Payments for specific purposes to support state infrastructure services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Other payments (continued)									
Swan Active Ellenbrook	-	-	-	17.5	-	-	-	-	17.5
Urban Precincts and Partnerships Program	-	7.1	4.0	16.8	1.0	5.0	1.6	-	35.5
Western Sydney City Deal	2.7	-	-	-	-	-	-	-	2.7
Total other payments	202.8	192.9	235.8	315.7	47.0	130.8	7.1	70.5	1,202.5
Total	**3,671.1**	**5,370.0**	**2,717.2**	**2,157.8**	**1,670.6**	**338.7**	**241.7**	**269.6**	**16,436.8**
Memorandum item — payments direct to local governments included in payments above									
Infrastructure Investment Program									
Roads to Recovery	191.9	132.3	118.3	106.0	59.6	20.6	-	4.7	633.3
Other payments									
Local Roads and Community Infrastructure	108.6	90.5	74.1	46.9	26.6	11.0	1.8	17.4	376.9
Total	**300.4**	**222.8**	**192.3**	**152.9**	**86.2**	**31.6**	**1.8**	**22.2**	**1,010.3**

a) A portion of Australian Government funding for road infrastructure is sourced from the additional net revenue received from the reintroduction of biannual indexation of excise and excise equivalent customs duty for all fuels (except aviation fuels), as announced in the 2014–15 Budget.

b) This represents repayments made to the Commonwealth of unspent funds for the Regional Recovery Program.

Table 3.19: Payments for specific purposes to support state environment, energy and water services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Energy Bill Relief	463.2	448.3	365.4	184.5	126.1	39.5	31.1	13.9	1,671.9
National Partnership payments									
Environment and energy									
Algal Bloom Support Package	-	-	-	-	66.2	-	-	-	66.2
Bolstering Australia's Biosecurity System – Protecting Australia from escalating exotic animal disease risks	-	-	0.5	0.5	-	-	-	0.4	1.4
Boosting HPAI biosecurity response capability	0.5	0.4	2.1	0.5	0.3	0.2	0.2	0.3	4.6
Building resilience to manage fruit fly	-	-	0.6	-	-	-	-	-	0.6
Bushfire Community Recovery and Resilience Program	6.2	9.8	-	-	-	-	-	-	15.9
Community Solar Banks Program	9.1	5.0	-	2.6	1.0	-	-	-	17.6
Critical Minerals National Productivity Initiative	-	0.2	-	-	-	0.1	-	0.1	0.4
Disaster Ready Fund	69.3	40.8	52.6	12.1	10.0	9.7	3.9	1.5	200.0
Environmental management of the former Rum Jungle Mine site	-	-	-	-	-	-	-	59.9	59.9
Food Waste for Healthy Soils Fund	0.3	0.2	-	-	-	-	-	-	0.5
Future Drought Fund									
Farm business resilience	5.4	2.4	-	-	-	0.4	0.2	-	8.4
Regional drought resilience planning	-	4.1	1.7	-	-	0.8	-	-	6.6
Household Energy Upgrades Fund (Social Housing)	30.5	34.8	22.5	10.9	7.2	3.4	2.2	-	111.5
Household Energy Upgrades Fund (Social Housing) – Expansion	-	-	-	-	-	1.0	-	-	1.0
Hydro Tasmania's Tarraleah Hydro Power Station Redevelopment	-	-	-	-	-	23.0	-	-	23.0

Table 3.19: Payments for specific purposes to support state environment, energy and water services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Environment and energy (continued)									
Implementation of the live sheep exports by sea phase out	-	-	-	16.3	-	-	-	-	16.3
Investing in Australia's First Nations Culture and World Heritage	-	-	-	-	0.1	-	-	-	0.1
Local Environment Projects – Heritage	-	-	-	-	-	9.7	-	-	9.7
Macquarie Wharf 6 (Port of Hobart)	-	-	-	-	-	47.0	-	-	47.0
Management of established pest and weeds	0.4	0.7	0.3	0.5	0.4	0.6	0.2	0.3	3.3
Marine Parks Management – Northern Territory Marine Parks	-	-	-	-	-	-	-	0.9	0.9
Marinus Link	-	-	-	-	-	15.0	-	-	15.0
National Circularity Centre	2.8	-	-	-	-	-	-	-	2.8
National Plant Health Surveillance Program	0.2	0.2	0.2	0.2	0.1	0.1	0.1	0.1	1.2
North Queensland strata title resilience pilot program	-	-	0.4	-	-	-	-	-	0.4
Partnering to implement the National Soil Action Plan	1.1	1.6	0.9	0.9	1.1	0.7	0.2	0.1	6.6
Pest and disease preparedness and response programs	3.6	17.3	83.9	3.2	-	-	-	0.6	108.6
Protecting Our Communities (Disaster Resilience) Program	3.6	..	1.7	1.0	0.1	0.1	-	-	6.6
Recycling Modernisation Fund									
Plastics technology stream	0.9	1.1	-	-	-	-	-	-	2.0
Recycling Infrastructure	2.5	1.3	1.0	12.7	1.2	0.8	-	0.3	19.7
Reef 2050 Plan									
Paddock to Reef Integrated Monitoring, Modelling and Reporting program	-	-	2.3	-	-	-	-	-	2.3
Sustainable Fisheries	-	-	17.0	-	-	-	-	-	17.0

Table 3.19: Payments for specific purposes to support state environment, energy and water services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Environment and energy (continued)									
Saving Native Species	-	-	-	-	0.6	-	-	-	0.6
Strengthen Australia's frontline biosecurity capability and domestic preparedness	-	1.0	-	-	-	-	-	-	1.0
Urban Rivers and Catchments Program	1.5	7.9	2.7	3.9	4.0	3.0	0.9	1.1	25.1
Victorian Renewable Energy Zone Development Plan	-	93.2	-	-	-	-	-	-	93.2
World Heritage Sites	0.8	-	3.1	0.4	0.1	5.1	-	-	9.6
Yellow crazy ant control	-	-	6.3	-	-	-	-	-	6.3
Total environment and energy	138.6	222.1	199.9	65.7	92.5	120.7	7.9	65.6	912.9
Water services and infrastructure									
Great Artesian Basin Water Security Program	-	-	4.2	-	0.5	-	-	-	4.7
Implementing water reform in the Murray–Darling Basin	7.7	5.6	2.0	-	1.6	-	0.8	-	17.7
Improving Compliance in the Murray–Darling Basin	2.5	0.7	-	-	1.5	-	-	-	4.7
Restoring the upper Murrumbidgee River program	4.7	-	-	-	-	-	2.6	-	7.3
Sustainable rural water use and infrastructure program	181.1	126.4	1.5	-	28.2	-	-	-	337.1
Water for the Environment Special Account									
Implementation of Constraints Measures	8.4	2.3	-	-	22.8	-	-	-	33.5
Resilient Rivers Water Infrastructure Program	67.1	45.0	-	-	15.5	-	-	-	127.6
Sustainable Communities Program	2.9	-	-	-	13.0	-	-	-	15.9
Total water services and infrastructure	274.3	180.0	7.7	-	83.2	-	3.3	-	548.5
Total National Partnership payments	412.9	402.1	207.6	65.7	175.7	120.7	11.2	65.6	1,461.4
Total	**876.2**	**850.4**	**572.9**	**250.2**	**301.8**	**160.2**	**42.3**	**79.4**	**3,133.3**

Table 3.20: Payments for specific purposes to support contingent state services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments									
Disaster Recovery Funding Arrangements(a)	102.5	197.5	1,947.7	6.2	15.2	2.0	1.0	93.6	2,365.6
Total	**102.5**	**197.5**	**1,947.7**	**6.2**	**15.2**	**2.0**	**1.0**	**93.6**	**2,365.6**

a) Figures reflect the grants expense outcome, which represents the present value of future expected payments to the states for eligible disasters that occurred in 2025–26 for which costs can be measured reliably. The above expense figures do not include revaluations of prior year estimates for disasters. Gains and losses from revaluations of prior year estimates are classified as 'other economic flows' in the general government sector operating statement. Total cash payments made in 2025–26 are presented in Table 3.4.

Table 3.21: Payments for specific purposes to support other state services, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Access to Justice Partnership									
Aboriginal and Torres Strait Islander Legal Services	38.1	11.8	39.2	25.4	12.2	5.0	1.3	27.7	160.7
Community Legal Centres	26.7	26.6	17.8	16.5	9.6	3.1	1.5	2.1	103.8
Family Violence Prevention Legal Services	12.4	4.4	15.2	17.4	4.8	1.0	0.5	14.0	69.7
Legal Aid Commissions	106.8	74.7	68.9	35.8	25.5	11.1	8.0	10.7	341.4
State and territory legal assistance administration	1.2	1.2	1.2	1.2	0.9	0.6	0.6	1.0	7.8
Women's Legal Services	6.5	10.3	16.3	2.1	5.2	3.2	2.7	6.4	52.7
Total National Access to Justice Partnership	191.7	129.0	158.5	98.4	58.2	23.9	14.5	61.9	736.2
National Partnership payments									
Assistance for the Whyalla steel industry	-	-	-	-	173.9	-	-	-	173.9
Commonwealth Community Safety Order Scheme (CSO)	2.8	0.5	-	-	-	-	-	-	3.3
Commonwealth High Risk Terrorist Offender Regime	9.3	8.8	-	-	-	-	-	-	18.1
Countering Violent Extremism initiatives									
National Support and Intervention Program	4.9	5.2	4.0	3.1	2.6	1.4	1.3	1.3	23.8
Step Together Project	3.0	-	-	-	-	-	-	-	3.0
Family law information sharing	3.4	3.6	2.9	1.4	1.2	1.0	0.7	0.5	14.8
Financial assistance for police officers	2.1	-	-	-	-	-	-	-	2.1
Financial assistance to local governments									
Financial Assistance Grant program	1,414.2	1,115.0	925.8	570.9	300.0	143.1	102.1	64.2	4,635.3
Supplementary funding to South Australia for local roads	-	-	-	-	20.0	-	-	-	20.0

Table 3.21: Payments for specific purposes to support other state services, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Partnership payments (continued)									
Greek Orthodox Church Restoration Project	8.1	-	-	-	-	-	-	-	8.1
Henderson Stage 1 Funding	-	-	-	30.0	-	-	-	-	30.0
Implementation of Mandatory Country of Origin Labelling for Seafood	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.8
Indigenous Tourism Fund – Strategic Indigenous Tourism Projects	1.1	1.3	-	2.1	2.3	-	-	-	6.8
Legal assistance for floods in QLD and NSW	1.8	-	1.3	-	-	-	-	-	3.0
National Firearms Register	5.9	2.9	7.0	0.8	2.9	5.9	5.8	7.5	38.6
National Labour Hire	-	1.4	-	-	-	-	-	-	1.4
Northern Territory Remote Aboriginal Investment – Monitoring, Evaluation, Accountability and Learning(a)	-	-	-	-	-	-	-	0.3	0.3
Provision of fire services	7.3	4.1	5.1	2.7	1.7	0.2	6.3	3.1	30.5
Remediation master plans for Hunter mine sites	4.0	-	-	-	-	-	-	-	4.0
Securing future Glencore Mount Isa operations	-	-	50.0	-	-	-	-	-	50.0
Securing future Nyrstar operations	-	-	-	-	37.5	20.0	-	-	57.5
Specialised and trauma-informed legal services for victim-survivors of sexual assault	0.6	1.2	0.6	1.2	0.6	0.6	1.2	0.6	6.3
Support to Host Giant Pandas in South Australia	-	-	-	-	0.8	-	-	-	0.8
Total National Partnership payments(b)	1,468.5	1,143.9	996.8	612.1	543.6	172.2	117.5	77.5	5,132.1
Total	**1,660.2**	**1,272.9**	**1,155.3**	**710.5**	**601.8**	**196.1**	**132.0**	**139.4**	**5,868.3**

a) Reported as Northern Territory Remote Aboriginal Investment – Evaluation in the 2025–26 Budget.
b) Excludes National Access to Justice Partnership payments which are shown separately.

Table 3.22: General revenue assistance payments to the states, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
GST entitlement(a)	25,938.8	26,519.3	16,855.1	8,050.7	9,257.6	3,718.9	1,992.7	4,807.3	97,140.5
HFE transition payments	2,290.9	1,884.1	57.8	-	503.6	151.9	128.7	67.6	5,084.7
Other general revenue assistance									
ACT municipal services	-	-	-	-	-	-	46.3	-	46.3
Royalty payments	-	-	-	412.8	-	-	-	-	412.8
Total other general revenue assistance	-	-	-	412.8	-	-	46.3	-	459.1
Total	**28,229.8**	**28,403.4**	**16,912.9**	**8,463.5**	**9,761.2**	**3,870.8**	**2,167.7**	**4,874.9**	**102,684.3**

a) The 2025–26 GST outcome will be finalised following a Determination by a Treasury portfolio minister.

Table 3.23: Total payments to the states by function, 2025–26[a]

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
General public services	-	-	-	-	-	-	-	-	-
Defence	-	-	-	30.0	-	-	-	-	30.0
Public order and safety	257.9	172.8	197.1	116.7	73.9	37.9	31.6	147.5	1,035.5
Education	10,681.0	9,076.6	7,828.9	3,934.8	2,638.1	825.8	571.8	618.2	36,175.3
Health	10,082.9	8,325.2	8,023.7	3,694.7	2,483.2	801.0	644.2	660.3	34,715.0
Social security and welfare	107.4	91.8	86.5	26.9	29.3	15.1	9.8	24.8	391.6
Housing and community amenities	759.9	616.7	615.6	549.7	245.4	134.2	43.8	293.2	3,258.5
Recreation and culture	22.1	-	-	17.5	0.9	62.4	-	-	102.9
Fuel and energy	502.8	581.5	387.9	198.0	134.3	81.9	33.3	14.0	1,933.6
Agriculture, forestry and fishing	280.8	207.8	97.9	22.1	85.1	2.8	1.6	1.8	699.9
Mining, manufacturing and construction	-	-	50.0	-	211.4	20.0	-	-	281.4
Transport and communication	3,468.3	5,177.1	2,481.5	1,842.1	1,623.6	254.9	234.6	199.2	15,281.4
Other economic affairs	4.0	4.1	0.1	2.2	2.4	0.1	0.1	0.1	13.1
Other purposes(b)	29,861.3	29,816.1	19,860.5	9,087.4	10,123.0	4,026.9	2,272.6	5,050.2	110,098.0
Total payments to the states	**56,028.3**	**54,069.8**	**39,629.8**	**19,522.1**	**17,650.6**	**6,263.0**	**3,843.3**	**7,009.2**	**204,016.1**
less payments 'through' the states	6,274.7	5,350.8	4,551.5	2,322.6	1,641.8	544.5	341.8	294.7	21,322.4
less financial assistance for local governments	1,414.2	1,115.0	925.8	570.9	320.0	143.1	102.1	64.2	4,655.3
less payments direct to local governments	300.4	222.8	192.3	152.9	86.2	31.6	1.8	22.2	1,010.3
***equals* total payments to the states for own-purpose expenses**	**48,039.0**	**47,381.2**	**33,960.0**	**16,475.8**	**15,602.6**	**5,543.8**	**3,397.7**	**6,628.1**	**177,028.2**

a) The functions are based on an international standard classification of functions of government that is incorporated into the Government Finance Statistics (GFS) reporting framework.

b) Payments for 'Other purposes' includes general revenue assistance to the states.

Table 3.24: Other financial flows – estimated advances, repayment of advances and interest payments, 2025–26

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Advances									
100,000 Homes for First Home Buyers –									
Loan component	-	-	-	-	57.2	-	-	-	57.2
Natural disaster relief	4.6	-	3.5	-	-	-	-	-	8.1
Total Advances	4.6	-	3.5	-	57.2	-	-	-	65.3
Repayments									
Agriculture									
Drought Concessional Loans Scheme	-2.1	-11.8	-4.6	-	-0.5	-2.5	-	-	-21.6
Drought Recovery Loans Scheme	-3.9	-3.6	-2.9	-	-0.3	-0.1	-	-	-10.8
Farm Finance Concessional Loans Scheme	-	-	-	-0.2	-	-	-	-	-0.2
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-0.1	-0.1
Housing									
Commonwealth-State Housing Agreement loans	-35.3	-	-10.4	-9.6	-1.5	-	-	-1.3	-58.2
Housing for service personnel	-2.8	-	-1.5	-0.2	-0.2	-	-	-	-4.6
Other housing	-	-	-	-	-	-	-8.2	-4.2	-12.4
Loan Council – housing nominations	-13.9	-	-5.1	-8.9	-5.8	-	-	-4.6	-38.4
Natural disaster relief	-0.2	-	-4.5	-	-	-	-	-	-4.7
Total Repayments	-58.2	-15.4	-29.0	-18.8	-8.3	-2.6	-8.2	-10.3	-150.9

Table 3.24: Other financial flows – estimated advances, repayment of advances and interest payments, 2025–26 (continued)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
Interest									
Agriculture									
Drought Concessional Loans Scheme	-0.6	-4.9	-0.9	-	-0.1	-0.2	-	-	-6.6
Drought Recovery Loans Scheme	-0.2	-0.8	-0.2	-	-0.1	..	-	-	-1.4
Farm Finance Concessional Loans Loans	-	..	-	..	-	-	-	..	-0.1
Environment									
Northern Territory – water and sewerage assistance	-	-	-	-	-	-	-	-0.5	-0.5
Housing									
Commonwealth-State Housing Agreement loans	-10.3	-	-3.1	-2.9	-0.7	-	-	-0.7	-17.6
Housing for service personnel	-0.9	-	-0.5	-0.1	..	-	-	-	-1.6
Other housing	-	-	-	-	-	-	-2.9	-1.0	-3.9
Loan Council – housing nominations	-12.8	-	-4.5	-7.7	-5.6	-	-	-4.6	-35.2
Natural disaster relief	..	-	-0.4	-	-	-	-	-	-0.4
Total Interest	-24.9	-5.7	-9.6	-10.7	-6.6	-0.3	-2.9	-6.8	-67.4
Net Financial Flow	**-78.5**	**-21.2**	**-35.1**	**-29.5**	**42.3**	**-2.9**	**-11.1**	**-17.1**	**-153.0**

Appendix A: Expenses by function and sub-function

Table A.1 sets out Australian Government general government sector expenses by function and sub-function for 2025–26.

Table A.1: Australian Government general government sector expenses by function and sub-function

	2024-25 Outcome $m	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
General public services				
Legislative and executive affairs	2,406	2,105	1,994	-111
Financial and fiscal affairs	10,764	10,270	10,107	-163
Foreign affairs and economic aid	7,488	10,168	9,264	-904
General research	4,346	4,557	4,281	-277
General services	1,748	1,915	2,932	1,017
Government superannuation benefits	6,136	5,944	5,942	-1
Total general public services	**32,887**	**34,959**	**34,520**	**-439**
Defence	**47,785**	**52,854**	**54,130**	**1,276**
Public order and safety				
Courts and legal services	1,944	2,156	2,104	-53
Other public order and safety	6,573	7,444	7,298	-146
Total public order and safety	**8,517**	**9,601**	**9,401**	**-199**
Education				
Higher education	11,399	12,040	11,951	-89
Vocational and other education	2,325	2,749	2,632	-117
Schools	31,071	33,009	32,887	-122
Non-government schools	*19,372*	*20,568*	*20,453*	*-116*
Government schools	*11,699*	*12,440*	*12,434*	*-6*
School education – specific funding	905	945	925	-20
Student assistance	4,848	15,880	15,839	-41
General administration	354	352	350	-1
Total education	**50,901**	**64,974**	**64,584**	**-389**
Health				
Medical services and benefits	41,957	44,768	45,091	323
Pharmaceutical benefits and services	21,414	23,318	23,143	-175
Assistance to the states for public hospitals	30,217	33,925	33,951	25
Hospital services	1,092	1,220	1,173	-47
Health services	31,259	16,796	17,841	1,045
General administration	4,946	5,691	5,427	-264
Aboriginal and Torres Strait Islander health	1,363	1,297	1,412	115
Total health	**132,249**	**127,015**	**128,037**	**1,021**
Social security and welfare				
Assistance to the aged	101,767	109,975	107,968	-2,007
Assistance to veterans and dependants	22,016	13,431	15,684	2,253
Assistance to people with disabilities	86,338	93,358	92,867	-491
Assistance to families with children	48,193	51,750	48,861	-2,888

Table A.1: Australian Government general government sector expenses by function and sub-function (continued)

	2024-25 Outcome $m	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Social security and welfare (continued)				
Assistance to the unemployed and the sick	16,728	17,641	17,852	211
Other welfare programs	1,703	1,801	1,779	-22
Assistance for Indigenous Australians nec	3,031	3,938	3,546	-392
General administration	5,704	5,912	5,826	-85
Total social security and welfare	**285,479**	**297,805**	**294,383**	**-3,421**
Housing and community amenities				
Housing	3,297	4,374	3,839	-535
Urban and regional development	2,821	2,056	1,611	-445
Environment protection	2,211	2,401	2,176	-225
Total housing and community amenities	**8,330**	**8,831**	**7,626**	**-1,205**
Recreation and culture				
Broadcasting	1,792	1,857	1,842	-15
Arts and cultural heritage	2,531	2,329	2,305	-25
Sport and recreation	809	939	876	-63
National estate and parks	834	859	928	70
Total recreation and culture	**5,966**	**5,984**	**5,951**	**-33**
Fuel and energy	**14,954**	**19,160**	**20,248**	**1,088**
Agriculture, forestry and fishing				
Wool industry	46	56	54	-2
Grains industry	269	329	288	-41
Dairy industry	60	59	59	1
Cattle, sheep and pig industry	261	314	291	-23
Fishing, horticulture and other agriculture	521	613	508	-106
General assistance not allocated to specific industries	46	53	52	-1
Rural assistance	299	443	307	-136
Natural resources development	849	1,299	1,011	-288
General administration	1,449	1,550	1,454	-96
Total agriculture, forestry and fishing	**3,801**	**4,715**	**4,024**	**-691**
Mining, manufacturing and construction	**4,937**	**5,358**	**3,690**	**-1,668**
Transport and communication				
Communication	1,723	1,223	1,158	-65
Rail transport	4,245	5,031	5,434	404
Air transport	412	534	467	-67
Road transport	8,957	9,138	9,897	758
Sea transport	499	646	618	-28
Other transport and communication	407	357	328	-29
Total transport and communication	**16,244**	**16,928**	**17,902**	**974**

Table A.1: Australian Government general government sector expenses by function and sub-function (continued)

	2024-25 Outcome $m	2025-26 Estimate at 2026-27 Budget $m	2025-26 Outcome $m	Change on 2026-27 Budget $m
Other economic affairs				
Tourism and area promotion	196	198	193	-5
Vocational and industry training	2,113	2,476	2,303	-173
Labour market assistance to job seekers and industry	2,268	2,559	2,448	-111
Industrial relations	1,044	1,088	1,115	28
Immigration	3,758	4,536	4,312	-224
Other economic affairs nec	3,516	3,811	3,763	-48
Total other economic affairs	**12,895**	**14,669**	**14,135**	**-534**
Other purposes				
Public debt interest	23,868	27,629	27,716	87
Nominal superannuation interest	14,250	14,803	14,807	4
General purpose inter-government transactions	99,937	107,887	107,717	-171
Natural disaster relief	7,071	2,936	3,245	309
Contingency reserve	0	-4,045	0	4,045
Total other purposes	**145,126**	**149,210**	**153,485**	**4,275**
Total expenses	**770,071**	**812,063**	**812,117**	**54**

Appendix B: Historical Australian Government data

This appendix reports historical data for the Australian Government fiscal aggregates across the general government, public non-financial corporations and non-financial public sectors.

Data sources

Data is sourced from Australian Government *Final Budget Outcomes*, the Australian Bureau of Statistics (ABS), the Australian Office of Financial Management and *Australian Government Financial Statements*.

- Accrual data from 1996–97 onwards and cash data, net debt data, net financial worth data and net worth data from 1999–2000 onwards is sourced from Australian Government *Final Budget Outcomes*. Back-casting adjustments for accounting classification changes and other revisions have been made from 1998–99 onwards where applicable.
- Cash data prior to 1999–2000 is sourced from ABS data, which have been calculated using methodology consistent with that used for later years in ABS cat. no. 5512.0 *Government Finance Statistics*.
- Net debt data prior to 1999–2000 is from ABS cat. no. 5512.0 *Government Finance Statistics 2003–04* in 1998–99, ABS cat. no. 5501.0 *Government Financial Estimates 1999–2000* and ABS cat. no. 5513.0 *Public Sector Financial Assets and Liabilities 1998* from 1987–88 to 1997–98, and Treasury estimates (see Treasury's *Economic Roundup, Spring 1996*, pages 97–103) prior to 1987–88.

Comparability of data across years

The data set contains a number of structural breaks owing to accounting classification differences and changes to the structure of the budget which cannot be eliminated through back-casting because of data limitations. These breaks can affect the comparability of data across years, especially when the analysis is taken over a large number of years. Specific factors causing structural breaks include:

- Classification differences in the data relating to the period prior to 1976–77 mean that earlier data may not be entirely consistent with data for 1976–77 onwards.
- Most recent accounting classification changes that require revisions to the historical series have been back-cast (where applicable) to 1998–99, ensuring that data is consistent across the accrual period from 1998–99 onwards. However, because of data limitations, these changes have not been back-cast to earlier years.

- Cash data up to and including 1997–98 is calculated under a cash accounting framework, while cash data from 1998–99 onwards is derived from an accrual accounting framework.
- [4] Although the major methodological differences associated with the move to the accrual framework have been eliminated through back-casting, comparisons across the break may still be affected by changes to some data sources and collection methodologies.
- Adjustments in the coverage of agencies are included in the accounts of the different sectors. These include the reclassification of Central Banking Authorities from the general government to the public financial corporations sector in 1998–99, and subsequent back-casting to account for this change.
- Prior to 1999–2000, Australian Government general government sector debt instruments are valued at historic cost, whereas from 1999–2000 onwards they are valued at market prices (consistent with accrual Government Finance Statistics (GFS) standards). This affects net debt and net interest payments.
- From 2005–06 onwards, underlying GFS data is provided by agencies in accordance with Australian Accounting Standards (AAS), which includes International Financial Reporting Standards (IFRS) as adopted in Australia. Prior to 2005–06, underlying GFS data is based on data provided by agencies applying AAS prior to the adoption of IFRS.
- From 2019–20 onwards, as a result of the implementation of the accounting standard AASB 16 *Leases,* the distinction between operating and finance leases for lessees has been removed. This change impacted a number of budget aggregates, in particular net debt and net financial worth. Due to data limitations, these changes have not been back-cast to earlier years.

4 Prior to the 2008–09 Budget, cash data calculated under the cash accounting framework was used up to and including 1998–99. In the 2008–09 Budget, cash data prior to 1998–99 has been replaced by ABS data derived from the accrual framework.

Revisions to previously published data

Under the accrual GFS framework and generally under AAS, flows are recorded in the period in which they occurred. As a result, prior period outcomes may be revised for classification changes relating to information that could reasonably have been expected to be known in the past, is material in at least one of the affected periods, and can be reliably assigned to the relevant period(s). This includes revisions to the historical estimates of nominal GDP to align with the ABS cat. no. 5206.0 *Australian National Accounts* which can have minor impacts on data published as a percentage of GDP.

There have been no material classification changes that have resulted in back-casting in this update.

Table B.1: Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance[(a)]

	Receipts(b)		Payments(c)			Net Future Fund earnings	Underlying cash balance(d)	
	$m	Per cent of GDP	$m	Per cent real growth(e)	Per cent of GDP	$m	$m	Per cent of GDP
1970-71	8,290	20.5	7,389	na	18.3	-	901	2.2
1971-72	9,135	20.5	8,249	4.1	18.5	-	886	2.0
1972-73	9,735	19.5	9,388	7.7	18.8	-	348	0.7
1973-74	12,228	20.2	11,078	4.2	18.3	-	1,150	1.9
1974-75	15,643	21.9	15,463	19.9	21.7	-	181	0.3
1975-76	18,727	22.4	20,225	15.7	24.2	-	-1,499	-1.8
1976-77	21,890	22.7	23,157	0.6	24.0	-	-1,266	-1.3
1977-78	24,019	22.8	26,057	2.7	24.8	-	-2,037	-1.9
1978-79	26,129	22.0	28,272	0.3	23.8	-	-2,142	-1.8
1979-80	30,321	22.5	31,642	1.5	23.5	-	-1,322	-1.0
1980-81	35,993	23.6	36,176	4.6	23.7	-	-184	-0.1
1981-82	41,499	23.6	41,151	2.9	23.4	-	348	0.2
1982-83	45,463	24.0	48,810	6.3	25.7	-	-3,348	-1.8
1983-84	49,981	23.4	56,990	9.4	26.6	-	-7,008	-3.3
1984-85	58,817	24.9	64,853	9.1	27.5	-	-6,037	-2.6
1985-86	66,206	25.3	71,328	1.5	27.3	-	-5,122	-2.0
1986-87	74,724	26.1	77,158	-1.1	26.9	-	-2,434	-0.8
1987-88	83,491	25.7	82,039	-0.9	25.2	-	1,452	0.4
1988-89	90,748	24.6	85,326	-3.1	23.1	-	5,421	1.5
1989-90	98,625	24.3	92,684	0.6	22.9	-	5,942	1.5
1990-91	100,227	24.1	100,665	3.1	24.2	-	-438	-0.1
1991-92	95,840	22.6	108,472	5.7	25.6	-	-12,631	-3.0
1992-93	97,633	21.9	115,751	5.6	26.0	-	-18,118	-4.1
1993-94	103,824	22.2	122,009	3.5	26.1	-	-18,185	-3.9
1994-95	113,458	22.8	127,619	1.4	25.7	-	-14,160	-2.9
1995-96	124,429	23.5	135,538	1.9	25.6	-	-11,109	-2.1
1996-97	133,592	24.0	139,689	1.7	25.1	-	-6,099	-1.1
1997-98	140,736	23.8	140,587	0.6	23.8	-	149	0.0
1998-99	152,063	24.4	148,175	4.1	23.8	-	3,889	0.6
1999-00	166,199	25.0	153,192	1.0	23.1	-	13,007	2.0
2000-01	182,996	25.8	177,123	9.1	25.0	-	5,872	0.8
2001-02	187,588	24.8	188,655	3.5	24.9	-	-1,067	-0.1
2002-03	204,613	25.4	197,243	1.4	24.5	-	7,370	0.9
2003-04	217,775	25.2	209,785	3.9	24.2	-	7,990	0.9
2004-05	235,984	25.5	222,407	3.5	24.0	-	13,577	1.5
2005-06	255,943	25.6	240,136	4.6	24.0	51	15,757	1.6
2006-07	272,637	25.0	253,321	2.5	23.2	2,127	17,190	1.6
2007-08	294,917	24.9	271,843	3.8	23.0	3,319	19,754	1.7
2008-09	292,600	23.1	316,046	12.8	25.0	3,566	-27,013	-2.1
2009-10	284,662	21.8	336,900	4.2	25.7	2,256	-54,494	-4.2

Table B.1: Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance[(a)] (continued)

	Receipts(b)		Payments(c)			Net Future Fund earnings	Underlying cash balance(d)	
	$m	Per cent of GDP	$m	Per cent real growth(e)	Per cent of GDP	$m	$m	Per cent of GDP
2010-11	302,024	21.2	346,102	-0.4	24.3	3,385	-47,463	-3.3
2011-12	329,874	21.9	371,032	4.8	24.6	2,203	-43,360	-2.9
2012-13	351,052	22.7	367,204	-3.2	23.8	2,682	-18,834	-1.2
2013-14	360,322	22.4	406,430	7.7	25.3	2,348	-48,456	-3.0
2014-15	378,301	23.2	412,079	-0.3	25.3	4,089	-37,867	-2.3
2015-16	386,924	23.2	423,328	1.3	25.4	3,202	-39,606	-2.4
2016-17	409,868	23.2	439,375	2.0	24.9	3,644	-33,151	-1.9
2017-18	446,905	24.2	452,742	1.1	24.5	4,305	-10,141	-0.5
2018-19	485,286	24.8	478,098	3.9	24.5	7,878	-690	0.0
2019-20	469,398	23.6	549,634	13.4	27.6	5,036	-85,272	-4.3
2020-21	519,913	24.9	654,084	17.1	31.3	6,619	-134,171	-6.4
2021-22	584,358	25.0	616,320	-9.8	26.4	7,677	-31,962	-1.4
2022-23	649,477	25.2	627,413	-4.9	24.3	4,960	22,064	0.9
2023-24	688,585	25.7	672,806	2.9	25.1	6,667	15,779	0.6
2024-25	716,951	25.8	726,941	5.5	26.2	7,321	-9,990	-0.4
2025-26	764,358	26.1	786,612	4.3	26.9	7,408	-22,254	-0.8

a) Data has been revised to improve accuracy and comparability through time.
b) Receipts are equal to cash receipts from operating activities and sales of non-financial assets.
c) Payments are equal to cash payments for operating activities, purchases of non-financial assets and principal payments of lease liabilities.
d) Between 2005–06 and 2019–20, the underlying cash balance is equal to receipts less payments, less net Future Fund earnings. In all other years, the underlying cash balance is equal to receipts less payments.
e) Real payments growth is calculated using the Consumer Price Index as the deflator.

Table B.2: Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance[(a)]

	Receipts	Payments	Net cash flows from investments in financial assets for policy purposes(b)		Headline cash balance(c)	
	$m	$m	$m	Per cent of GDP	$m	Per cent of GDP
1970-71	8,290	7,389	-851	-2.1	50	0.1
1971-72	9,135	8,249	-987	-2.2	-101	-0.2
1972-73	9,735	9,388	-977	-2.0	-629	-1.3
1973-74	12,228	11,078	-1,275	-2.1	-125	-0.2
1974-75	15,643	15,463	-2,648	-3.7	-2,467	-3.5
1975-76	18,727	20,225	-2,040	-2.4	-3,539	-4.2
1976-77	21,890	23,157	-1,530	-1.6	-2,796	-2.9
1977-78	24,019	26,057	-1,324	-1.3	-3,361	-3.2
1978-79	26,129	28,272	-1,074	-0.9	-3,216	-2.7
1979-80	30,321	31,642	-702	-0.5	-2,024	-1.5
1980-81	35,993	36,176	-962	-0.6	-1,146	-0.8
1981-82	41,499	41,151	-1,008	-0.6	-660	-0.4
1982-83	45,463	48,810	-1,363	-0.7	-4,711	-2.5
1983-84	49,981	56,990	-1,136	-0.5	-8,144	-3.8
1984-85	58,817	64,853	-922	-0.4	-6,959	-3.0
1985-86	66,206	71,328	-810	-0.3	-5,932	-2.3
1986-87	74,724	77,158	-545	-0.2	-2,979	-1.0
1987-88	83,491	82,039	657	0.2	2,109	0.6
1988-89	90,748	85,326	168	0.0	5,589	1.5
1989-90	98,625	92,684	1,217	0.3	7,159	1.8
1990-91	100,227	100,665	1,563	0.4	1,125	0.3
1991-92	95,840	108,472	2,156	0.5	-10,475	-2.5
1992-93	97,633	115,751	2,471	0.6	-15,647	-3.5
1993-94	103,824	122,009	3,447	0.7	-14,738	-3.2
1994-95	113,458	127,619	1,546	0.3	-12,614	-2.5
1995-96	124,429	135,538	5,188	1.0	-5,921	-1.1
1996-97	133,592	139,689	7,241	1.3	1,142	0.2
1997-98	140,736	140,587	15,154	2.6	15,303	2.6
1998-99	152,063	148,175	6,948	1.1	10,837	1.7
1999-00	166,199	153,192	9,500	1.4	22,507	3.4
2000-01	182,996	177,123	5,673	0.8	11,545	1.6
2001-02	187,588	188,655	3,422	0.5	2,355	0.3
2002-03	204,613	197,243	-229	0.0	7,141	0.9
2003-04	217,775	209,785	-452	-0.1	7,538	0.9
2004-05	235,984	222,407	-1,139	-0.1	12,438	1.3
2005-06	255,943	240,136	-1,647	-0.2	14,160	1.4
2006-07	272,637	253,321	7,403	0.7	26,720	2.4
2007-08	294,917	271,843	5,108	0.4	28,181	2.4
2008-09	292,600	316,046	-7,889	-0.6	-31,336	-2.5
2009-10	284,662	336,900	-4,278	-0.3	-56,516	-4.3

Table B.2: Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance[(a)] (continued)

	Receipts	Payments	Net cash flows from investments in financial assets for policy purposes(b)		Headline cash balance(c)	
	$m	$m	$m	Per cent of GDP	$m	Per cent of GDP
2010-11	302,024	346,102	-7,028	-0.5	-51,106	-3.6
2011-12	329,874	371,032	-5,866	-0.4	-47,023	-3.1
2012-13	351,052	367,204	-4,802	-0.3	-20,954	-1.4
2013-14	360,322	406,430	-6,371	-0.4	-52,479	-3.3
2014-15	378,301	412,079	-5,158	-0.3	-38,936	-2.4
2015-16	386,924	423,328	-12,684	-0.8	-49,088	-2.9
2016-17	409,868	439,375	-13,501	-0.8	-43,008	-2.4
2017-18	446,905	452,742	-20,041	-1.1	-25,878	-1.4
2018-19	485,286	478,098	-14,387	-0.7	-7,199	-0.4
2019-20	469,398	549,634	-13,632	-0.7	-93,868	-4.7
2020-21	519,913	654,084	-3,364	-0.2	-137,535	-6.6
2021-22	584,358	616,320	-1,340	-0.1	-33,302	-1.4
2022-23	649,477	627,413	-7,962	-0.3	14,103	0.5
2023-24	688,585	672,806	-1,816	-0.1	13,963	0.5
2024-25	716,951	726,941	-11,775	-0.4	-21,765	-0.8
2025-26	764,358	786,612	-13,832	-0.5	-36,087	-1.2

a) Data has been revised to improve accuracy and comparability through time.
b) Prior to 1999–2000, net cash flows from investments in financial assets for policy purposes were referred to as ‘net advances’. A negative number reflects a cash outflow, while a positive number reflects a cash inflow.
c) Headline cash balance is equal to receipts less payments, plus net cash flows from investments in financial assets for policy purposes. Receipts and payments are identical to Table B.1.

Table B.3: Australian Government general government sector taxation receipts, non-taxation receipts and total receipts[(a)]

	Taxation receipts		Non-taxation receipts		Total receipts(b)	
	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP
1970-71	7,193	17.8	1,097	2.7	8,290	20.5
1971-72	7,895	17.7	1,240	2.8	9,135	20.5
1972-73	8,411	16.9	1,324	2.7	9,735	19.5
1973-74	10,832	17.9	1,396	2.3	12,228	20.2
1974-75	14,141	19.8	1,502	2.1	15,643	21.9
1975-76	16,920	20.3	1,807	2.2	18,727	22.4
1976-77	19,714	20.5	2,176	2.3	21,890	22.7
1977-78	21,428	20.4	2,591	2.5	24,019	22.8
1978-79	23,409	19.7	2,720	2.3	26,129	22.0
1979-80	27,473	20.4	2,848	2.1	30,321	22.5
1980-81	32,641	21.4	3,352	2.2	35,993	23.6
1981-82	37,880	21.5	3,619	2.1	41,499	23.6
1982-83	41,025	21.6	4,438	2.3	45,463	24.0
1983-84	44,849	21.0	5,132	2.4	49,981	23.4
1984-85	52,970	22.5	5,847	2.5	58,817	24.9
1985-86	58,841	22.5	7,365	2.8	66,206	25.3
1986-87	66,467	23.2	8,257	2.9	74,724	26.1
1987-88	75,076	23.1	8,415	2.6	83,491	25.7
1988-89	83,452	22.6	7,296	2.0	90,748	24.6
1989-90	90,773	22.4	7,852	1.9	98,625	24.3
1990-91	92,739	22.3	7,488	1.8	100,227	24.1
1991-92	87,364	20.6	8,476	2.0	95,840	22.6
1992-93	88,760	20.0	8,873	2.0	97,633	21.9
1993-94	93,362	20.0	10,462	2.2	103,824	22.2
1994-95	104,921	21.1	8,537	1.7	113,458	22.8
1995-96	115,700	21.8	8,729	1.6	124,429	23.5
1996-97	124,559	22.3	9,033	1.6	133,592	24.0
1997-98	130,984	22.2	9,752	1.7	140,736	23.8
1998-99	138,420	22.2	13,643	2.2	152,063	24.4
1999-00	151,313	22.8	14,887	2.2	166,199	25.0
2000-01	170,354	24.0	12,641	1.8	182,996	25.8
2001-02	175,371	23.1	12,218	1.6	187,588	24.8
2002-03	192,391	23.9	12,222	1.5	204,613	25.4
2003-04	206,734	23.9	11,041	1.3	217,775	25.2
2004-05	223,986	24.2	11,999	1.3	235,984	25.5
2005-06	241,987	24.2	13,956	1.4	255,943	25.6
2006-07	258,252	23.7	14,385	1.3	272,637	25.0
2007-08	279,317	23.6	15,600	1.3	294,917	24.9
2008-09	273,674	21.6	18,926	1.5	292,600	23.1
2009-10	262,167	20.0	22,495	1.7	284,662	21.8

Table B.3: Australian Government general government sector taxation receipts, non-taxation receipts and total receipts[(a)] (continued)

	Taxation receipts		Non-taxation receipts		Total receipts(b)	
	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP
2010-11	282,106	19.8	19,918	1.4	302,024	21.2
2011-12	311,269	20.7	18,606	1.2	329,874	21.9
2012-13	327,835	21.2	23,218	1.5	351,052	22.7
2013-14	340,283	21.2	20,038	1.2	360,322	22.4
2014-15	353,927	21.7	24,374	1.5	378,301	23.2
2015-16	362,445	21.8	24,480	1.5	386,924	23.2
2016-17	379,336	21.5	30,532	1.7	409,868	23.2
2017-18	418,118	22.6	28,787	1.6	446,905	24.2
2018-19	448,654	22.9	36,631	1.9	485,286	24.8
2019-20	431,854	21.7	37,544	1.9	469,398	23.6
2020-21	473,941	22.7	45,972	2.2	519,913	24.9
2021-22	536,586	23.0	47,772	2.0	584,358	25.0
2022-23	601,300	23.3	48,177	1.9	649,477	25.2
2023-24	633,400	23.6	55,185	2.1	688,585	25.7
2024-25	657,844	23.7	59,107	2.1	716,951	25.8
2025-26	704,152	24.1	60,206	2.1	764,358	26.1

a) Data has been revised to improve accuracy and comparability through time.
b) Receipts are equal to receipts from operating activities and sales of non-financial assets. Total receipts are identical to Table B.1.

Table B.4: Australian Government general government sector net debt and net interest payments[(a)]

	Net debt(b)		Net interest payments(c)	
	$m	Per cent of GDP	$m	Per cent of GDP
1970-71	344	0.9	-189	-0.5
1971-72	-496	-1.1	-245	-0.5
1972-73	-790	-1.6	-252	-0.5
1973-74	-1,851	-3.1	-286	-0.5
1974-75	-1,901	-2.7	-242	-0.3
1975-76	-341	-0.4	-330	-0.4
1976-77	898	0.9	-62	-0.1
1977-78	2,896	2.8	4	0.0
1978-79	4,983	4.2	254	0.2
1979-80	6,244	4.6	440	0.3
1980-81	6,356	4.2	620	0.4
1981-82	5,919	3.4	680	0.4
1982-83	9,151	4.8	896	0.5
1983-84	16,015	7.5	1,621	0.8
1984-85	21,896	9.3	2,813	1.2
1985-86	26,889	10.3	3,952	1.5
1986-87	29,136	10.2	4,762	1.7
1987-88	27,344	8.4	4,503	1.4
1988-89	21,981	6.0	4,475	1.2
1989-90	16,123	4.0	4,549	1.1
1990-91	16,915	4.1	3,636	0.9
1991-92	31,041	7.3	3,810	0.9
1992-93	55,218	12.4	3,986	0.9
1993-94	70,223	15.0	5,628	1.2
1994-95	83,492	16.8	7,292	1.5
1995-96	95,831	18.1	8,861	1.7
1996-97	96,281	17.3	9,489	1.7
1997-98	82,935	14.1	8,279	1.4
1998-99	72,065	11.6	8,649	1.4
1999-00	57,661	8.7	7,514	1.1
2000-01	46,802	6.6	6,195	0.9
2001-02	42,263	5.6	5,352	0.7
2002-03	33,403	4.2	3,758	0.5
2003-04	26,995	3.1	3,040	0.4
2004-05	15,604	1.7	2,502	0.3
2005-06	331	0.0	2,303	0.2
2006-07	-24,288	-2.2	228	0.0
2007-08	-39,958	-3.4	-1,015	-0.1
2008-09	-11,285	-0.9	-1,196	-0.1
2009-10	47,874	3.7	2,386	0.2

Table B.4: Australian Government general government sector net debt and net interest payments[(a)] (continued)

	Net debt(b)		Net interest payments(c)	
	$m	Per cent of GDP	$m	Per cent of GDP
2010-11	90,660	6.4	4,608	0.3
2011-12	153,443	10.2	6,609	0.4
2012-13	159,594	10.3	8,285	0.5
2013-14	209,559	13.0	10,843	0.7
2014-15	245,817	15.1	10,868	0.7
2015-16	303,467	18.2	12,041	0.7
2016-17	322,320	18.3	12,365	0.7
2017-18	341,961	18.5	13,135	0.7
2018-19	373,566	19.1	15,149	0.8
2019-20	491,217	24.7	13,280	0.7
2020-21	592,221	28.3	14,290	0.7
2021-22	515,650	22.1	14,977	0.6
2022-23	491,013	19.1	11,852	0.5
2023-24	491,469	18.3	12,264	0.5
2024-25	532,346	19.2	13,725	0.5
2025-26	549,969	18.8	17,615	0.6

a) Data has been revised to improve accuracy and comparability through time.
b) Net debt is the sum of interest-bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid, and investments, loans, and placements).
c) Net interest payments are equal to the difference between interest paid and interest receipts.

Table B.5: Australian Government general government sector face value of Australian Government Securities (AGS) on issue and interest paid[(a)]

	Face value of AGS on issue					
	Total AGS on issue(b)		Subject to Treasurer's Direction(c)		Interest paid(d)	
	End of year $m	Per cent of GDP	End of year $m	Per cent of GDP	$m	Per cent of GDP
1970-71	10,887	26.9	-	-	580	1.4
1971-72	11,490	25.8	-	-	614	1.4
1972-73	12,217	24.5	-	-	675	1.4
1973-74	12,809	21.2	-	-	712	1.2
1974-75	14,785	20.7	-	-	893	1.3
1975-76	17,940	21.5	-	-	1,001	1.2
1976-77	20,845	21.6	-	-	1,485	1.5
1977-78	23,957	22.8	-	-	1,740	1.7
1978-79	28,120	23.6	-	-	2,080	1.7
1979-80	29,321	21.8	-	-	2,356	1.7
1980-81	30,189	19.8	-	-	2,723	1.8
1981-82	31,060	17.6	-	-	3,058	1.7
1982-83	37,071	19.5	-	-	3,580	1.9
1983-84	45,437	21.2	-	-	4,558	2.1
1984-85	54,420	23.1	-	-	5,952	2.5
1985-86	63,089	24.2	-	-	7,394	2.8
1986-87	67,172	23.4	-	-	8,339	2.9
1987-88	62,794	19.3	-	-	8,139	2.5
1988-89	56,854	15.4	-	-	8,222	2.2
1989-90	48,399	11.9	-	-	8,064	2.0
1990-91	48,723	11.7	-	-	6,994	1.7
1991-92	58,826	13.9	-	-	6,819	1.6
1992-93	76,509	17.2	-	-	6,487	1.5
1993-94	90,889	19.5	-	-	7,709	1.6
1994-95	105,466	21.2	-	-	9,144	1.8
1995-96	110,166	20.8	-	-	10,325	1.9
1996-97	111,067	19.9	-	-	10,653	1.9
1997-98	93,664	15.9	-	-	9,453	1.6
1998-99	85,331	13.7	-	-	9,299	1.5
1999-00	75,536	11.4	-	-	8,509	1.3
2000-01	66,403	9.4	-	-	7,335	1.0
2001-02	63,004	8.3	-	-	6,270	0.8
2002-03	57,435	7.1	-	-	4,740	0.6
2003-04	54,750	6.3	-	-	4,096	0.5
2004-05	55,151	5.9	-	-	3,902	0.4
2005-06	54,070	5.4	-	-	4,628	0.5
2006-07	53,264	4.9	-	-	3,959	0.4
2007-08	55,442	4.7	-	-	3,754	0.3
2008-09	101,147	8.0	95,103	7.5	3,970	0.3
2009-10	147,133	11.2	141,806	10.8	6,411	0.5

Table B.5: Australian Government general government sector face value of Australian Government Securities (AGS) on issue and interest paid[(a)] (continued)

	Face value of AGS on issue					
	Total AGS on issue(b)		Subject to Treasurer's Direction(c)		Interest paid(d)	
	End of year $m	Per cent of GDP	End of year $m	Per cent of GDP	$m	Per cent of GDP
2010-11	191,292	13.4	186,704	13.1	9,551	0.7
2011-12	233,976	15.5	229,389	15.2	10,875	0.7
2012-13	257,378	16.7	252,791	16.4	11,846	0.8
2013-14	319,487	19.9	316,952	19.7	13,972	0.9
2014-15	368,738	22.6	366,202	22.5	13,924	0.9
2015-16	420,420	25.3	417,936	25.1	14,977	0.9
2016-17	500,979	28.4	498,510	28.2	15,290	0.9
2017-18	531,937	28.8	529,467	28.6	16,568	0.9
2018-19	541,992	27.7	541,986	27.7	18,951	1.0
2019-20	684,298	34.4	684,292	34.4	16,524	0.8
2020-21	816,991	39.1	816,985	39.1	17,102	0.8
2021-22	895,253	38.3	895,247	38.3	17,423	0.7
2022-23	889,790	34.5	889,785	34.5	18,862	0.7
2023-24	906,939	33.8	906,934	33.8	22,774	0.8
2024-25	928,639	33.4	928,634	33.4	24,270	0.9
2025-26	971,447	33.2	971,442	33.2	26,971	0.9

a) Data has been revised to improve accuracy and comparability through time.

b) Total AGS on issue includes AGS held on behalf of the states and the Northern Territory.

c) The face value of AGS subject to the Treasurer's Direction excludes the stock and securities outlined in subsection 51JA(2A) of the *Commonwealth Inscribed Stock Act 1911*. These are the same stock and securities that were excluded from the previous legislative debt limit. AGS on issue subject to the Treasurer's Direction are not available prior to 2008–09 because the limit was first introduced in July 2008.

d) Interest paid consists of all cash interest payments of the general government sector, including those relating to AGS on issue.

Table B.6: Australian Government general government sector revenue, expenses, net operating balance, net capital investment and fiscal balance[(a)]

	Revenue		Expenses		Net operating balance(b)		Net capital investment		Fiscal balance(c)	
	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP
1996-97	141,688	25.4	145,940	26.2	-4,252	-0.8	90	0.0	-4,342	-0.8
1997-98	146,820	24.9	148,788	25.2	-1,968	-0.3	147	0.0	-2,115	-0.4
1998-99	152,106	24.4	146,925	23.6	5,181	0.8	1,433	0.2	3,748	0.6
1999-00	167,304	25.2	155,728	23.5	11,576	1.7	-69	0.0	11,645	1.8
2000-01	186,106	26.3	180,277	25.4	5,829	0.8	8	0.0	5,820	0.8
2001-02	190,432	25.1	193,214	25.5	-2,782	-0.4	382	0.1	-3,164	-0.4
2002-03	206,778	25.7	201,402	25.0	5,376	0.7	287	0.0	5,088	0.6
2003-04	222,042	25.7	215,634	24.9	6,409	0.7	660	0.1	5,749	0.7
2004-05	242,354	26.1	229,427	24.8	12,926	1.4	1,034	0.1	11,892	1.3
2005-06	260,569	26.0	241,977	24.2	18,592	1.9	2,498	0.2	16,094	1.6
2006-07	277,895	25.5	259,197	23.8	18,698	1.7	2,333	0.2	16,365	1.5
2007-08	303,402	25.7	280,335	23.7	23,068	2.0	2,593	0.2	20,475	1.7
2008-09	298,508	23.6	324,889	25.7	-26,382	-2.1	4,064	0.3	-30,445	-2.4
2009-10	292,387	22.3	340,354	26.0	-47,967	-3.7	6,433	0.5	-54,400	-4.2
2010-11	309,204	21.7	356,710	25.1	-47,506	-3.3	5,297	0.4	-52,802	-3.7
2011-12	337,324	22.4	377,948	25.1	-40,624	-2.7	4,850	0.3	-45,474	-3.0
2012-13	359,496	23.3	383,351	24.8	-23,855	-1.5	987	0.1	-24,842	-1.6
2013-14	374,151	23.3	415,691	25.9	-41,540	-2.6	3,850	0.2	-45,390	-2.8
2014-15	379,455	23.3	418,956	25.7	-39,501	-2.4	2,706	0.2	-42,206	-2.6
2015-16	395,055	23.7	430,739	25.9	-35,684	-2.1	3,829	0.2	-39,513	-2.4

Table B.6: Australian Government general government sector revenue, expenses, net operating balance, net capital investment and fiscal balance[(a)] (continued)

	Revenue		Expenses		Net operating balance(b)		Net capital investment		Fiscal balance(c)	
	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP
2016-17	415,723	23.6	449,712	25.5	-33,989	-1.9	2,876	0.2	-36,865	-2.1
2017-18	456,280	24.7	461,490	25.0	-5,209	-0.3	1,284	0.1	-6,493	-0.4
2018-19	493,346	25.2	485,869	24.9	7,476	0.4	6,126	0.3	1,350	0.1
2019-20	486,278	24.4	578,117	29.1	-91,839	-4.6	4,005	0.2	-95,844	-4.8
2020-21	523,012	25.0	651,916	31.2	-128,904	-6.2	7,204	0.3	-136,108	-6.5
2021-22	596,401	25.5	623,050	26.7	-26,649	-1.1	8,412	0.4	-35,061	-1.5
2022-23	668,389	25.9	637,025	24.7	31,363	1.2	9,437	0.4	21,926	0.9
2023-24	704,503	26.3	685,857	25.6	18,647	0.7	6,650	0.2	11,996	0.4
2024-25	733,010	26.4	770,071	27.7	-37,061	-1.3	7,745	0.3	-44,806	-1.6
2025-26	777,308	26.6	812,117	27.7	-34,809	-1.2	9,292	0.3	-44,101	-1.5

a) Data has been revised to improve accuracy and comparability through time.
b) Net operating balance is equal to revenue less expenses.
c) Fiscal balance is equal to revenue less expenses less net capital investment.

Table B.7: Australian Government general government sector net worth and net financial worth[a]

	Net worth(b)		Net financial worth(c)	
	$m	Per cent of GDP	$m	Per cent of GDP
1999-00	-10,424	-1.6	-70,414	-10.6
2000-01	-10,287	-1.5	-75,544	-10.7
2001-02	-15,330	-2.0	-81,707	-10.8
2002-03	-18,856	-2.3	-86,456	-10.7
2003-04	-4,740	-0.5	-75,976	-8.8
2004-05	11,066	1.2	-62,372	-6.7
2005-06	14,293	1.4	-63,442	-6.3
2006-07	42,677	3.9	-39,370	-3.6
2007-08	67,122	5.7	-18,428	-1.6
2008-09	15,452	1.2	-75,465	-6.0
2009-10	-50,383	-3.9	-148,930	-11.4
2010-11	-100,504	-7.1	-203,904	-14.3
2011-12	-252,046	-16.7	-360,672	-24.0
2012-13	-207,769	-13.5	-317,843	-20.6
2013-14	-261,596	-16.3	-375,882	-23.4
2014-15	-308,390	-18.9	-427,169	-26.2
2015-16	-423,674	-25.5	-548,028	-32.9
2016-17	-390,897	-22.2	-529,225	-30.0
2017-18	-418,135	-22.6	-562,183	-30.4
2018-19	-543,459	-27.8	-694,448	-35.5
2019-20	-664,892	-33.4	-840,557	-42.3
2020-21	-725,230	-34.7	-905,924	-43.3
2021-22	-581,758	-24.9	-775,727	-33.2
2022-23	-538,371	-20.9	-743,294	-28.8
2023-24	-531,635	-19.8	-746,315	-27.8
2024-25	-614,519	-22.1	-841,939	-30.3
2025-26	-639,502	-21.8	-875,602	-29.9

a) Data has been revised to improve accuracy and comparability through time.
b) Net worth is equal to total assets less total liabilities.
c) Net financial worth is equal to financial assets less total liabilities.

Table B.8: Australian Government general government sector accrual taxation revenue, non-taxation revenue and total revenue[(a)]

	Taxation revenue		Non-taxation revenue		Total revenue	
	$m	Per cent of GDP	$m	Per cent of GDP	$m	Per cent of GDP
1999-00	153,409	23.1	13,895	2.1	167,304	25.2
2000-01	175,876	24.8	10,229	1.4	186,106	26.3
2001-02	178,410	23.5	12,022	1.6	190,432	25.1
2002-03	195,319	24.3	11,458	1.4	206,778	25.7
2003-04	210,541	24.3	11,501	1.3	222,042	25.7
2004-05	230,490	24.9	11,863	1.3	242,354	26.1
2005-06	245,846	24.6	14,723	1.5	260,569	26.0
2006-07	262,876	24.1	15,019	1.4	277,895	25.5
2007-08	286,869	24.3	16,534	1.4	303,402	25.7
2008-09	279,303	22.1	19,206	1.5	298,508	23.6
2009-10	268,841	20.5	23,546	1.8	292,387	22.3
2010-11	289,566	20.3	19,639	1.4	309,204	21.7
2011-12	317,413	21.1	19,911	1.3	337,324	22.4
2012-13	338,106	21.9	21,390	1.4	359,496	23.3
2013-14	353,239	22.0	20,912	1.3	374,151	23.3
2014-15	356,365	21.9	23,090	1.4	379,455	23.3
2015-16	369,468	22.2	25,587	1.5	395,055	23.7
2016-17	388,706	22.0	27,017	1.5	415,723	23.6
2017-18	427,249	23.1	29,031	1.6	456,280	24.7
2018-19	456,147	23.3	37,198	1.9	493,346	25.2
2019-20	447,605	22.5	38,673	1.9	486,278	24.4
2020-21	480,312	23.0	42,700	2.0	523,012	25.0
2021-22	550,412	23.6	45,989	2.0	596,401	25.5
2022-23	618,288	24.0	50,101	1.9	668,389	25.9
2023-24	650,365	24.3	54,139	2.0	704,503	26.3
2024-25	677,185	24.4	55,825	2.0	733,010	26.4
2025-26	720,787	24.6	56,521	1.9	777,308	26.6

a) Data has been revised to improve accuracy and comparability through time.

Table B.9: Australian Government cash receipts, payments and surplus by institutional sector ($m)[(a)]

	General government			Public non-financial corporations			Non-financial public sector		
	Receipts(b)	Payments(c)	Underlying cash balance(d)	Receipts(b)	Payments(e)	Cash surplus(f)	Receipts(b)	Payments(e)	Cash surplus(f)
1988-89	90,748	85,326	5,421	4,177	6,035	257	93,923	90,312	5,678
1989-90	98,625	92,684	5,942	3,926	11,322	-5,261	101,495	102,883	681
1990-91	100,227	100,665	-438	4,804	9,351	-2,139	103,837	108,808	-2,577
1991-92	95,840	108,472	-12,631	3,899	7,713	101	97,937	114,369	-12,530
1992-93	97,633	115,751	-18,118	4,385	7,819	-196	100,512	122,042	-18,314
1993-94	103,824	122,009	-18,185	5,178	6,476	1,482	106,747	126,214	-16,703
1994-95	113,458	127,619	-14,160	5,262	7,318	1,956	116,751	132,965	-12,204
1995-96	124,429	135,538	-11,109	4,927	8,190	-527	126,593	140,963	-11,636
1996-97	133,592	139,689	-6,099	4,782	7,373	473	135,259	143,948	-5,626
1997-98	140,736	140,587	149	6,238	7,923	1,119	144,517	145,985	1,268
1998-99	152,063	148,175	3,889	na	na	-353	na	na	3,536
1999-00	166,199	153,192	13,007	na	na	-2,594	na	na	10,413
2000-01	182,996	177,123	5,872	na	na	391	na	na	6,323
2001-02	187,588	188,655	-1,067	na	na	1,210	na	na	65
2002-03	204,613	197,243	7,370	27,386	26,105	1,280	na	na	8,651
2003-04	217,775	209,785	7,990	27,718	26,142	1,575	238,236	228,664	9,569
2004-05	235,984	222,407	13,577	29,621	28,071	1,550	257,946	242,805	15,141
2005-06	255,943	240,136	15,757	30,875	31,874	-999	278,254	263,421	14,833
2006-07	272,637	253,321	17,190	16,882	18,641	-1,759	285,336	267,719	17,625
2007-08	294,917	271,843	19,754	7,758	8,231	-472	300,503	277,754	22,800
2008-09	292,600	316,046	-27,013	7,987	8,960	-973	297,421	321,275	-23,786
2009-10	284,662	336,900	-54,494	8,419	9,341	-922	290,681	343,816	-52,879

Table B.9: Australian Government cash receipts, payments and surplus by institutional sector ($m)[(a)] (continued)

	General government			Public non-financial corporations			Non-financial public sector		
	Receipts(b)	Payments(c)	Underlying cash balance(d)	Receipts(b)	Payments(e)	Cash surplus(f)	Receipts(b)	Payments(e)	Cash surplus(f)
2010-11	302,024	346,102	-47,463	8,558	9,733	-1,175	308,258	353,452	-44,911
2011-12	329,874	371,032	-43,360	8,845	10,847	-2,002	336,122	379,266	-42,763
2012-13	351,052	367,204	-18,834	9,766	13,061	-3,294	358,088	377,221	-19,133
2013-14	360,322	406,430	-48,456	11,042	14,246	-3,204	368,521	417,248	-48,726
2014-15	378,301	412,079	-37,867	11,256	15,136	-3,880	386,643	424,229	-37,586
2015-16	386,924	423,328	-39,606	11,606	17,753	-6,147	395,842	438,228	-42,386
2016-17	409,868	439,375	-33,151	12,406	19,543	-7,138	419,433	456,020	-36,587
2017-18	446,905	452,742	-10,141	14,195	22,348	-8,153	457,604	471,451	-13,846
2018-19	485,286	478,098	-690	17,909	26,608	-8,699	498,767	500,276	-1,510
2019-20	469,398	549,634	-85,272	18,824	28,244	-9,419	483,362	573,018	-89,656
2020-21	519,913	654,084	-134,171	21,264	26,635	-5,371	535,940	675,484	-139,544
2021-22	584,358	616,320	-31,962	21,791	26,896	-5,105	601,398	638,466	-37,068
2022-23	649,477	627,413	22,064	23,602	29,546	-5,944	668,929	652,810	16,119
2023-24	688,585	672,806	15,779	23,646	30,980	-7,334	707,990	699,529	8,461
2024-25	716,951	726,941	-9,990	25,442	32,897	-7,455	737,409	754,844	-17,436
2025-26	764,358	786,612	-22,254	26,591	34,591	-7,999	785,834	816,088	-30,254

a) Data has been revised to improve accuracy and comparability through time.
b) Receipts are equal to receipts from operating activities and sales of non-financial assets.
c) Payments in the general government sector are equal to payments for operating activities, purchases of non-financial assets and principal payments of lease liabilities.
d) Between 2005–06 and 2019–20, the underlying cash balance is equal to receipts less payments, less net Future Fund earnings. Before 2005–06, the underlying cash balance is equal to receipts less payments.
e) Payments in the public non-financial corporations and non-financial public sectors are equal to payments for operating activities, purchases of non-financial assets, distributions paid and net cash flows from financing activities for leases.
f) Cash surplus from 2012-13 onwards refers to the Adjusted GFS cash surplus and is equal to receipts less payments.

Table B.10: Australian Government accrual revenue, expenses and fiscal balance by institutional sector ($m)[(a)]

	General government			Public non-financial corporations			Non-financial public sector		
	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)
1996-97	141,688	145,940	-4,342	27,431	26,015	-331	na	na	-4,673
1997-98	146,820	148,788	-2,115	29,618	26,999	2,360	na	na	251
1998-99	152,106	146,925	3,748	27,687	26,088	-816	175,891	169,111	2,932
1999-00	167,304	155,728	11,645	25,485	23,542	1,062	188,841	175,322	11,550
2000-01	186,106	180,277	5,820	25,869	24,762	-826	207,367	200,433	4,994
2001-02	190,432	193,214	-3,164	26,638	25,341	793	212,462	213,947	-2,371
2002-03	206,778	201,402	5,088	24,339	22,916	1,975	225,989	219,232	7,023
2003-04	222,042	215,634	5,749	25,449	23,444	2,143	241,746	233,333	7,892
2004-05	242,354	229,427	11,892	26,965	25,191	1,473	263,434	248,733	13,365
2005-06	260,569	241,977	16,094	28,143	29,531	-2,442	281,927	264,722	13,652
2006-07	277,895	259,197	16,365	15,443	16,360	-1,763	289,551	271,771	14,601
2007-08	303,402	280,335	20,475	6,854	6,686	-584	308,888	285,652	19,891
2008-09	298,508	324,889	-30,445	6,998	7,576	-1,495	303,309	330,268	-31,941
2009-10	292,387	340,354	-54,400	7,288	7,297	-1,079	298,033	346,008	-55,480
2010-11	309,204	356,710	-52,802	7,563	7,787	-1,446	315,001	362,732	-54,248
2011-12	337,324	377,948	-45,474	8,046	8,238	-2,158	343,722	384,538	-47,632
2012-13	359,496	383,351	-24,842	8,863	9,415	-4,189	366,642	391,048	-29,031
2013-14	374,151	415,691	-45,390	9,537	11,127	-6,070	381,971	425,102	-51,460
2014-15	379,455	418,956	-42,206	9,987	11,850	-4,856	387,719	429,083	-47,062
2015-16	395,055	430,739	-39,513	10,044	12,809	-7,486	403,868	442,318	-46,999

Table B.10: Australian Government accrual revenue, expenses and fiscal balance by institutional sector ($m)[a] (continued)

	General government			Public non-financial corporations			Non-financial public sector		
	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)
2016-17	415,723	449,712	-36,865	10,894	15,035	-9,918	425,114	463,243	-46,784
2017-18	456,280	461,490	-6,493	12,318	16,934	-10,055	466,661	476,403	-16,463
2018-19	493,346	485,869	1,350	15,836	20,899	-11,121	507,017	504,486	-9,655
2019-20	486,278	578,117	-95,844	17,029	23,174	-10,096	500,961	598,651	-105,637
2020-21	523,012	651,916	-136,108	19,166	22,941	-5,264	538,350	670,849	-141,187
2021-22	596,401	623,050	-35,061	20,767	23,375	-5,285	613,707	642,628	-40,015
2022-23	668,389	637,025	21,926	21,395	23,838	-7,673	687,125	657,873	14,586
2023-24	704,503	685,857	11,996	22,284	24,127	-7,779	723,930	707,109	4,226
2024-25	733,010	770,071	-44,806	23,971	26,126	-7,790	753,568	792,937	-52,749
2025-26	777,308	812,117	-44,101	24,812	26,360	-8,017	799,223	835,907	-52,446

a) Data has been revised to improve accuracy and comparability through time.
b) Fiscal balance is equal to revenue less expenses less net capital investment. Net capital investment is not shown in this table.

Table B.11: Australian Government general government sector receipts, payments, underlying cash balance, net debt and net interest payments presented on a real per capita basis[(a)(b)]

	Taxation receipts	Non-taxation receipts	Total receipts	Payments	Underlying cash balance	Net debt	Net interest payments
1970-71	7,991	1,219	9,210	8,209	1,001	382	-210
1971-72	8,035	1,262	9,297	8,396	902	-505	-249
1972-73	7,978	1,256	9,234	8,905	330	-749	-239
1973-74	8,930	1,151	10,081	9,132	948	-1,526	-236
1974-75	9,888	1,050	10,938	10,812	127	-1,329	-169
1975-76	10,364	1,107	11,471	12,389	-918	-209	-202
1976-77	10,491	1,158	11,649	12,323	-674	478	-33
1977-78	10,289	1,244	11,533	12,512	-978	1,391	2
1978-79	10,279	1,194	11,473	12,414	-941	2,188	112
1979-80	10,808	1,120	11,929	12,449	-520	2,457	173
1980-81	11,570	1,188	12,759	12,823	-65	2,253	220
1981-82	11,940	1,141	13,081	12,971	110	1,866	214
1982-83	11,436	1,237	12,673	13,606	-933	2,551	250
1983-84	11,573	1,324	12,898	14,706	-1,808	4,133	418
1984-85	12,931	1,427	14,359	15,832	-1,474	5,345	687
1985-86	13,060	1,635	14,695	15,832	-1,137	5,968	877
1986-87	13,283	1,650	14,933	15,420	-486	5,823	952
1987-88	13,751	1,541	15,292	15,026	266	5,008	825
1988-89	14,006	1,225	15,231	14,321	910	3,689	751
1989-90	13,900	1,202	15,103	14,193	910	2,469	697
1990-91	13,316	1,075	14,391	14,454	-63	2,429	522
1991-92	12,173	1,181	13,354	15,114	-1,760	4,325	531
1992-93	12,134	1,213	13,347	15,823	-2,477	7,548	545
1993-94	12,411	1,391	13,802	16,220	-2,417	9,335	748
1994-95	13,370	1,088	14,458	16,262	-1,804	10,639	929
1995-96	13,976	1,054	15,031	16,373	-1,342	11,576	1,070
1996-97	14,687	1,065	15,752	16,471	-719	11,352	1,119
1997-98	15,291	1,138	16,429	16,412	17	9,682	966
1998-99	15,786	1,556	17,342	16,899	444	8,219	986
1999-00	16,664	1,639	18,303	16,871	1,432	6,350	827
2000-01	17,471	1,296	18,767	18,165	602	4,800	635
2001-02	17,285	1,204	18,489	18,594	-105	4,166	527
2002-03	18,184	1,155	19,339	18,643	697	3,157	355
2003-04	18,887	1,009	19,896	19,166	730	2,466	278
2004-05	19,734	1,057	20,792	19,595	1,196	1,375	220
2005-06	20,383	1,176	21,558	20,227	1,327	28	194
2006-07	20,758	1,156	21,914	20,361	1,382	-1,952	18
2007-08	21,283	1,189	22,471	20,713	1,505	-3,045	-77
2008-09	19,812	1,370	21,182	22,879	-1,956	-817	-87
2009-10	18,260	1,567	19,827	23,466	-3,796	3,334	166

Table B.11: Australian Government general government sector receipts, payments, underlying cash balance, net debt and net interest payments presented on a real per capita basis[(a)(b)] (continued)

	Taxation receipts	Non-taxation receipts	Total receipts	Payments	Underlying cash balance	Net debt	Net interest payments
2010-11	18,794	1,327	20,121	23,058	-3,162	6,040	307
2011-12	19,915	1,190	21,106	23,739	-2,774	9,817	423
2012-13	20,164	1,428	21,592	22,585	-1,158	9,816	510
2013-14	20,072	1,182	21,254	23,974	-2,858	12,361	640
2014-15	20,235	1,394	21,628	23,560	-2,165	14,054	621
2015-16	20,125	1,359	21,484	23,505	-2,199	16,850	669
2016-17	20,370	1,640	22,009	23,594	-1,780	17,308	664
2017-18	21,697	1,494	23,191	23,494	-526	17,745	682
2018-19	22,573	1,843	24,416	24,054	-35	18,795	762
2019-20	21,174	1,841	23,015	26,949	-4,181	24,085	651
2020-21	22,841	2,216	25,057	31,523	-6,466	28,542	689
2021-22	24,434	2,175	26,609	28,065	-1,455	23,481	682
2022-23	24,968	2,000	26,969	26,052	916	20,389	492
2023-24	24,747	2,156	26,904	26,287	616	19,202	479
2024-25	24,712	2,220	26,933	27,308	-375	19,998	516
2025-26	25,138	2,149	27,287	28,082	-794	19,634	629

a) Data has been revised to improve accuracy and comparability through time.
b) The real levels are derived using the Consumer Price Index (CPI). The current reference period for the CPI is 2025–26, which means the real levels per capita are reported in 2025–26 dollars.

Budget
2025–26

FINAL BUDGET OUTCOME
2025–26