

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
<i>Memorandum:</i>			
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
<i>less: Refunds</i>	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
<i>less: Refunds and drawbacks</i>	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
<i>Memorandum:</i>			
<i>Total excise</i>	27,960	27,885	-75
<i>Total customs duty</i>	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	2025-26 Outcome	Change on 2026-27 Budget
	\$m	\$m	\$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	2025-26 Outcome	Change on 2026-27 Budget
	\$m	\$m	\$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.