



Rivers not Dams	
Party:	Australian Greens
Summary of proposal: The proposal would abolish the Hells Gates Dam, Urannah Dam and Emu Swamp Dam and Pipeline projects, and reinstate the National Water Grid Advisory Body from 1 July 2022. All uncommitted funding would be returned to the Consolidated Revenue Fund.	

Costing overview

The proposal would be expected to increase the fiscal and underlying cash balances by around \$777 million over the 2022-23 Budget forward estimates period. This is primarily due to a decrease in administered expenses from not proceeding with the Hells Gates Dam, Urannah Dam and Emu Swamp Dam and Pipeline projects, offset by a small increase in departmental expenses from the reinstatement of the National Water Grid Advisory Body.

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

There is uncertainty around the funding profile of the Hells Gates Dam, Urannah Dam and Emu Swamp Dam and Pipeline projects. While the total funding allocated is consistent with the 2022-23 Budget, the funding profiles for each year are only determined on the signing of agreements. As such, the funding in each year to 2032-33 is an estimate only.

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

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	-0.7	73.3	164.8	539.3	776.7
Underlying cash balance	-0.7	73.3	164.8	539.3	776.7

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

(b) PDI impacts are not included in the totals.

Key assumptions

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

- All existing contractual commitments would be honoured and would not be recoverable. This includes the \$42 million already contracted for the Emu Swamp Dam project to 2022-23 inclusive.
- Departmental funding is not allocated to the individual Hells Gate Dam, Urannah Dam and Emu Swamp Dam and Pipeline projects. The projects are managed by the National Water Grid Authority.

- The PBO estimated the funding profile of the Hells Gates Dam, Urannah Dam and Emu Swamp Dam and Pipeline projects over the medium term to 2023-33 in consultation with the Department of Infrastructure, Transport, Regional Development and Communications.
- The full Budget commitment for the Urannah Dam and Hells Gates Dam will be distributed over the medium-term to 2032-33.

Methodology

All uncommitted funding allocated to the Hells Gates Dam, Urannah Dam and Emu Swamp Dam and Pipeline projects was reversed from 1 July 2022.

Funding previously allocated for the National Water Grid Advisory Body to 2023-24 was reinstated from 1 July 2022.

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

Data sources

Australian Government (2022), *Budget 2022-23*, Australian Government.

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

Attachment A – Rivers not Dams – financial implications

Table A1: Rivers not Dams – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Expenses													
Administered													
<i>Abolish Hells Gates Dam</i>	-	50.0	100.0	450.0	700.0	725.0	725.0	750.0	750.0	650.0	500.0	600.0	5,400.0
<i>Abolish Urannah Dam</i>	-	4.0	9.0	40.0	63.0	65.0	65.0	67.0	67.0	58.0	45.0	53.0	483.0
<i>Abolish Emu Swamp Dam and Pipeline</i>	-	20.0	56.5	50.0	-	-	-	-	-	-	-	126.5	126.5
Total – administered	-	74.0	165.5	540.0	763.0	790.0	790.0	817.0	817.0	708.0	545.0	779.5	6,009.5
Departmental													
<i>Reinstate the National Water Grid Advisory Body</i>	-0.7	-0.7	-0.7	-0.7	-0.8	-0.8	-0.8	-0.8	-0.8	-0.9	-0.9	-2.8	-8.6
Total – departmental	-0.7	-0.7	-0.7	-0.7	-0.8	-0.8	-0.8	-0.8	-0.8	-0.9	-0.9	-2.8	-8.6
Total – expenses	-0.7	73.3	164.8	539.3	762.2	789.2	789.2	816.2	816.2	707.1	544.1	776.7	6,000.9
Total (excluding PDI)	-0.7	73.3	164.8	539.3	762.2	789.2	789.2	816.2	816.2	707.1	544.1	776.7	6,000.9

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

(b) The PBO estimated the funding profile of the Hells Gates Dam, Urannah Dam and Emu Swamp Dam and Pipeline projects over the medium term to 2023-33 in consultation with the Department of Infrastructure, Transport, Regional Development and Communications. These figures should not be interpreted as the actual funding profiles for these projects.

- Indicates nil.

Table A2: Rivers not Dams –Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Fiscal balance	..	1.0	4.0	12.0	27.0	48.0	71.0	97.0	126.0	156.0	183.0	17.0	725.0
Underlying cash balance	..	1.0	3.0	11.0	25.0	46.0	68.0	94.0	122.0	152.0	180.0	15.0	702.0

- (a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the table above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary².
- (b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- .. Not zero but rounded to zero.

² [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)