



## Policy costing

<b>Abolish the Infrastructure Financing Unit and reallocate funding to Infrastructure Australia</b>	
Party:	Australian Labor Party
Summary of proposal: The proposal would abolish the Infrastructure and Project Financing Agency from 1 July 2019 and reallocate the funding to Infrastructure Australia.	

## Costing overview

This proposal would be expected to have no impact on the fiscal and underlying cash balances over 2019-20 Budget forward estimates period.

A breakdown of the financial implications of this proposal over the 2019-20 Budget forward estimates period is included at [Attachment A](#). The proposal would not be expected to have an impact beyond the 2019-20 Budget forward estimates period.

**Table 1: Financial implications (\$m)<sup>(a)(b)</sup>**

	2019–20	2020–21	2021–22	2022–23	<b>Total to 2022–23</b>
Fiscal balance	-	-	-	-	-
Underlying cash balance	-	-	-	-	-

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

(b) Figures may not sum to totals due to rounding.

- Indicates nil.

## Methodology

The estimated financial implications are based on the current funding profile for the Infrastructure and Project Financing Agency over the 2019-20 Budget forward estimates period, taking into account the net effect of indexation parameters and the efficiency dividend.

## Data sources

Commonwealth of Australia, 2019. *Budget 2019-2020*, Canberra: Commonwealth of Australia.

The Department of Finance provided the wage cost index and efficiency dividend data as at the 2019 Pre-election Economic and Fiscal Outlook.

## Attachment A – Abolish the Infrastructure Financing Unit and reallocate funding to Infrastructure Australia – financial implications

**Table A1: Abolish the Infrastructure Financing Unit and reallocate funding to Infrastructure Australia – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	2019–20	2020–21	2021–22	2022–23	Total to 2022–23
<b>Expenses</b>					
<i>Departmental</i>					
<i>Abolish the Infrastructure and Project Financing Agency</i>	4.4	5.8	5.9	4.3	<b>20.4</b>
<i>Reallocate funding to Infrastructure Australia</i>	-4.4	-5.8	-5.9	-4.3	<b>-20.4</b>
<b>Total – expenses</b>	-	-	-	-	-

(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) Figures may not sum to totals due to rounding.

- Indicates nil.