

PRE-ELECTION ECONOMIC AND FISCAL OUTLOOK

OVERVIEW

Consistent with the Charter, the 2019 PEFO provides updated fiscal and economic estimates and projections, based on the best professional judgment of the Treasury and the Department of Finance, reflecting all known information at the time of the issue of the election writs.

The economic and fiscal outlook for the Commonwealth has not materially changed since the publication of the 2019-20 Budget on 2 April 2019.

An underlying cash surplus of \$7.1 billion (0.4 per cent of GDP) is expected in 2019-20, with further surpluses expected across the forward estimates. Table 1 provides estimates and projections of the underlying cash and net operating balance for the period from 2018-19 to 2022-23.

Table 1: Budget aggregates

	Estimates			Projections		Total(a)
	2018-19	2019-20	2020-21	2021-22	2022-23	
Underlying cash balance (\$b)(b)	-4.3	7.1	11.0	17.8	9.2	45.0
Per cent of GDP	-0.2	0.4	0.5	0.8	0.4	
Net operating balance (\$b)	8.4	12.9	18.2	28.8	20.6	80.5
Per cent of GDP	0.4	0.6	0.9	1.3	0.9	

(a) Total is equal to the sum of amounts from 2019-20 to 2022-23.

(b) Excludes expected net Future Fund earnings before 2020-21.