



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Denticare |
|--|--|
| Summary of proposal: | <p>The proposal would, in a staged approach, introduce a dental benefits schedule, accessible to all Australians covering up to \$1,000 over two years for routine and therapeutically necessary dental care. It would absorb the Child Dental Benefits scheme which provides basic dental care for children aged 2-17 in families receiving Family Tax Benefit Part A.</p> <p>The first year would provide subsidies for dental care to 18 year olds, all recipients of the aged pension and other individuals receiving full benefit income support payments. In the second year, 19 year olds and all concession card holders would also be eligible, with 20 year olds and children not eligible for the Child Dental Benefits scheme covered in the third year. In the fourth year, subsidies for routine dental care would become universally available to all Australians.</p> <p>The proposal will have effect from 1 January 2015, with coverage for all Australians from 1 January 2018.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens Party |
| Date costing request received: | 14 August 2013 |
| Date costing completed: | 19 August 2013 |
| Date of public release of policy | 13 August 2013 |
| Additional information requested (including date): | Clarification was sought from Senator Christine Milne's office on 16 August 2013 as to what indexation would be applied to the capped benefits, arrangements for providing benefits for therapeutically necessary dental care, and the profiling of the incremental offsetting savings. |
| Additional information received | On 16 August Senator Christine Milne's office provided advice that the capped benefits would be indexed by CPI, and confirmed the arrangements for providing benefits for therapeutically necessary dental care and the profiling of the incremental offsetting savings, as outlined in the key assumptions below. |

POLICY COSTING – ELECTION CARETAKER PERIOD

| | |
|---|--|
| Agencies from which information was obtained: | <ul style="list-style-type: none"> • Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) • Department of Health and Ageing • Department of Human Services • Department of Education, Employment and Workplace Relations |
|---|--|

Costing overview

This proposal is expected to decrease the underlying cash balance by \$4.7 billion and decrease the fiscal balance by \$4.9 billion over the 2013-14 Budget forward estimates period. This impact is entirely due to an increase in expenses over this period.

This proposal will have a financial impact that grows significantly beyond the forward estimates period as the proposal is phased in. In the first full financial year of the universal dental scheme in 2018-19, the proposal is expected to decrease the fiscal balance by \$8.5 billion, with the proposal having a growing impact beyond that year that is in line with the annual increases in cost driven by population growth, demographic changes and growth in fees for dental services. These estimates exclude the costs of children covered under the Child Dental Benefits scheme as these estimates are already factored into the budget bottom line.

Departmental expenses are expected to be approximately \$250 million over the forward estimates period and have been included in the costing. It is anticipated that some costs will be incurred prior to the start date of 1 January 2015 as system upgrades will be required and individual eligibility will need to be determined.

The underlying cash balance impact of this proposal differs from the fiscal balance impact due to claims processing lags which see a proportion of Medicare claims processed in different years to which the service is provided and the expense recorded.

A detailed breakdown of the administered, departmental and offset components of the costing is included at [Attachment A](#).

This costing is considered to be of medium reliability. This is due to a large number of assumptions and the limited availability of current data on dental attendance and service patterns. In particular the estimates in this costing will be affected by changes in major variables including the expected take up rate and growth in the number of dental services provided at each visit.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|----------|----------|
| Underlying cash balance (\$m) | -14.8 | -769.0 | -1,754.3 | -2,195.4 |
| Fiscal balance (\$m) | -14.8 | -794.6 | -1,847.4 | -2,249.2 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

POLICY COSTING – ELECTION CARETAKER PERIOD

Key assumptions

The costing request specified that the \$1,000 cap over two years (indexed by CPI) could only be used for routine dental care services. The PBO costing has assumed that the routine services outlined in Attachment B are covered. This list is based on 20 common dental services (excluding crowns) provided by the Australian Dental Association as published by the Private Health Insurance Ombudsman (see data sources).

In line with additional information provided 16 August, once the scheme is fully implemented from 1 January 2018 a treating dentist would have the option of seeking authorization to access an additional benefit of up to \$2,000 over a 24 month period to treat patients with complex needs that make a crown or bridge therapeutically necessary.

Also in line with additional information provided on 16 August, the profile of offsetting savings from the National Partnership with the states and territories to expand public dental services for low income earners would match the coverage profile under Denticare. Accordingly once low income earners were fully covered under the Denticare scheme the National Partnership would be ceased and used as an offsetting saving for Denticare (see Table A3 of Attachment A).

The PBO has also made the following assumptions:

- The ABS Population Forecast Series B is the most appropriate estimate of the future population for the purpose of this costing
- All individuals who choose to visit a dentist will be able to see a dentist, and there is no restriction on how many dentists a patient can visit for treatment services
- New dental items covered under Denticare are excluded from the Medicare safety nets
- Children will first attend a dentist when they are two years old consistent with the current eligibility of the Child Dental Benefits scheme (announced in the 2012-13 MYEFO), and
- The costs of the Child Dental Benefits scheme are currently factored into the budget bottom line and reflect the coverage of the same dental services assumed to be covered under Denticare. Therefore, the costing assumes there will be no additional costs for children covered under the existing scheme

Following discussion with Department of Human Services the PBO has assumed:

- the recipient eligibility will be assessed at a point in time prior to the beginning of each phase in period. Once eligible, individuals will not have their eligibility reassessed prior to the scheme becoming universal, and
- one letter will be sent to each individual in their first year of eligibility advising them that they are eligible for the scheme.

The PBO has used the following behavioural assumptions:

- The base proportion of individuals who attend the dentist is 64 per cent, as is reported by the Australian Institute of Health and Welfare (AIHW).
- In line with the 2008 PricewaterhouseCoopers report National Health and Hospital Reform Commission: Costing a Social Insurance Scheme for Dental Care (PWC Report), growth in the proportion of people visiting the dentist following the implementation of Denticare is estimated to be a flat increase of 11.5 per cent. That is, once Denticare is fully implemented, 71.5 per cent of the population are expected to access the scheme.

POLICY COSTING – ELECTION CARETAKER PERIOD

- The PBO assumes the number and type of dental services provided at each visit will be unchanged.
- On average each person who accesses the scheme will attend the dentist 2.34 times a year, which is the current estimated average for persons who visit the dentist, as reported in the Oral health and dental care in Australia report by the AIHW.
- The average cost of attending a dentist 2.34 times a year in 2015 is estimated to be \$485.42. See Methodology for further information.
- Dental service fees will continue to increase each year in line with the growth observed between 2010 and 2011.

Methodology

The administered estimates in the costing were derived by taking the number of persons eligible in each year and multiplying this by the proportion expected to access the scheme. This number was then multiplied by the average cost over a 12 month period of dental services. These components were derived using the following methodology.

Recipient numbers

- The number of full benefit income support recipients has been based on information provided by the Department of Families, Housing, Community Services and Indigenous Affairs and the Department of Education, Employment and Workplace Relations.
- The number of concession card holders was derived by taking the number of individuals receiving an income support payment plus data available on Commonwealth Senior Health Card holders and bereavement allowance recipients.
- The number of children (2-17 year olds) was adjusted for the estimated number already eligible for dental care under the existing scheme.

Average cost

The average cost was calculated by multiplying the following factors together:

- Average number of diagnostic, restorative, preventative and extraction services per visit by age group as detailed in Practice activity patterns of dentists in Australia, AIHW 2006.
- National average dental charges in 2011 for services in each category as published by the Private Health Insurance Ombudsman, indexed by the growth rate of 2011 prices.
- Average number of visits in a twelve month period as reported in Oral health and dental care in Australia, AIHW, 2011.

Benefits for therapeutically necessary services

To determine the cost of an additional benefit of up to \$2,000 over a 24 month period for dentists providing therapeutically necessary crown or bridge services, recipient numbers were determined by data from AIHW 2004-05 percentage of chronic conditions reported by age group and the average cost was based on the average benefits paid under the former Chronic Dental Disease scheme. This cost only has an impact beyond the forward estimates given it does not take effect until full implementation of the scheme from 1 January 2018.

POLICY COSTING – ELECTION CARETAKER PERIOD

Departmental costs

The departmental estimates in this costing were derived using information provided by the Department of Human Services. The majority of the costs were modelled on the proportion of departmental to administered costs for the Child Dental Benefits scheme. The costing has included higher funding for ICT purposes due to significant work that would need to be undertaken to ensure systems could cope with the higher numbers of transactions.

Data sources

The following data sources, in addition to information provided by agencies listed previously, were used in developing this costing:

- Australian Bureau of Statistics
 - Table B9. Population projections, By age and sex, Australia - Series B
- Australian Institute of Health and Welfare
 - Practice activity patterns of dentists in Australia, 2006
 - Oral health and dental care in Australia, 2011
 - Age and the costs of dental care, 2010
 - Proportion (%) of chronic conditions reported, by age group, 2004-05
- PricewaterhouseCoopers
 - National Health and Hospital Reform Commission: Costing a Social Insurance Scheme for Dental Care, 2008
- Private Health Insurance Ombudsman
 - Average Dental Charges 2011 - <http://www.privatehealth.gov.au/healthinsurance/whatiscovered/averagedental.htm>
 - Average Dental Charges 2010 - <http://www.privatehealth.gov.au/healthinsurance/whatiscovered/averagedental2010.htm>

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: DETAILED BREAKDOWN OF COSTS

The following tables provide a breakdown of administered and departmental costs for each of the phase in years and the first full financial year of the universal scheme.

Table A1: Administered Expenses – financial implications (outturn prices)^(b)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|----------|----------|----------|----------|
| Underlying cash balance (\$m) | - | -865.9 | -1,970.9 | -2,499.4 | -5,253.9 | -8,205.9 |
| Fiscal balance (\$m) | - | -891.5 | -2,064.0 | -2,553.1 | -5,517.4 | -8,427.0 |

(b) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Table A2: Departmental Expenses – financial implications (outturn prices)^(c)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | -14.8 | -68.7 | -79.2 | -86.8 | -97.5 | -102.4 |
| Fiscal balance (\$m) | -14.8 | -68.7 | -79.2 | -86.8 | -97.5 | -102.4 |

(c) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

As part of the Dental Package announced by the Government in the 2012-13 MYEFO, a National Partnership for adult public dental services was announced. As per the costing request, this proposal would replace this decision achieving savings of approximately \$1.3 billion to 2017-18 as detailed in Table A3.

Table A3: Savings from National Partnership for adult public dental services – financial implications (outturn prices)^(d)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | 165.6 | 295.8 | 390.8 | 390.8 | - |
| Fiscal balance (\$m) | - | 165.6 | 295.8 | 390.8 | 390.8 | - |

(d) A positive number for the fiscal balance indicates a decrease in expenses in accrual terms. A positive number for the underlying cash balance indicates a decrease in expenses in cash terms.

Table A4: Total cost – financial implications (outturn prices)^{(e)(f)}

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|-------------------------------|---------|---------|----------|----------|----------|----------|
| Underlying cash balance (\$m) | -14.8 | -769.0 | -1,754.3 | -2,195.4 | -4,960.6 | -8,308.4 |
| Fiscal balance (\$m) | -14.8 | -794.6 | -1,847.4 | -2,249.2 | -5,224.1 | -8,529.4 |

(e) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

(f) Equals the sum of the estimates in Table A1, Table A2 and Table A3.

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT B: DENTAL SERVICES COVERED

Table B1 shows the dental services included as ‘basic and routine’ for the purposes of this costing.

Table B1: Dental services considered to be basic and routine^(g)

| Description | Category |
|--|--------------|
| Comprehensive oral examination | Diagnostic |
| Periodic oral examination | |
| Oral examination – limited | |
| Consultation | |
| Intraoral periapical or bitewing radiograph - per exposure | |
| Diagnostic model – per model | |
| Removal of plaque and/or stain. | Preventative |
| Removal of calculus - first visit | |
| Topical application of remineralising and/or cariostatic agents, one treatment | |
| Fissure sealing - per tooth | |
| Removal of a tooth or part(s) thereof | Extraction |
| Adhesive restoration – one surface – anterior tooth – direct | Restorative |
| Adhesive restoration – two surfaces – anterior tooth – direct | |
| Adhesive restoration – three surfaces – anterior tooth – direct | |
| Adhesive restoration – one surface – posterior tooth – direct | |
| Adhesive restoration – two surfaces – posterior tooth – direct | |
| Adhesive restoration – three surfaces – posterior tooth – direct | |
| Adhesive restoration – four surfaces – posterior tooth – direct | |
| Pin retention – per pin | |
| Cusp capping – per cusp | |

(g) Based on 20 common dental services (excluding crowns) provided by the Australian Dental Association as published by the Private Health Insurance Ombudsman <http://www.privatehealth.gov.au/healthinsurance/whatiscovered/averagedental.htm>



COSTING – ELECTION CARETAKER PERIOD

| | |
|---|---|
| Name of proposal to be costed: | Abolish coal-fired power stations compensation (previously <i>Ending compensation to coal-fired power stations</i>) |
| Summary of proposal: | The proposal would abolish the provision of free carbon permits to emissions intensive coal-fired electricity generators under the Energy Security Fund (ESF). The proposal would have effect from 1 October 2013. |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 20 August 2013 |
| Date costing completed: | 1 September 2013 |
| Date of public release of policy: | 26 September 2012 |
| Additional information requested: | On 21 August the PBO asked the Office of Senator Milne whether free ESF permits for 2013-14 that were scheduled to be issued on 1 September 2013 (in the caretaker period) should be covered by this costing. |
| Additional information received: | On 31 August the Office of Senator Milne confirmed that the costing should be undertaken on the basis of a start date of 1 October 2013 and that the ESF permits issued on 1 September 2013 should not be covered by this proposal. |
| Agencies from which information was obtained: | The Treasury |

Costing overview

This proposal is expected to increase the underlying cash balance by \$625 million and increase the fiscal balance by \$515 million over the 2013-14 Budget forward estimates period.

The underlying cash impact reflects an increase in receipts from sales of carbon permits over this period. The fiscal balance impact reflects a decrease in expenditure on free permits in 2014-15.

The underlying cash balance impact of this proposal differs to the fiscal balance impact because of the timing associated with cash receipts from the sale of permits. Revenue from permit sales is recognised on a fiscal balance basis in the vintage year of the permit that is sold. On an underlying cash balance basis, permit revenue is recognised when cash is received. Permit auctions for 2014-15 permits are scheduled to occur in 2013-14, 2014-15 and 2015-16.

This proposal would have no impacts beyond the forward estimates period as no free permits are issued under the ESF after 2014-15.

POLICY COSTING – ELECTION CARETAKER PERIOD

Departmental savings from cancelling free permits for emissions intensive coal-fired electricity generators are expected to be minimal as other free permits will continue to be administered under the Jobs and Competitiveness Program. For this reason, departmental savings have not been included in this costing.

This costing is considered to be of medium reliability as it is dependent on future market carbon prices.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | 415 | 210 | - |
| Fiscal balance (\$m) | - | 515 | - | - |

(a) A positive number for the fiscal balance indicates a decrease in expenses in accrual terms. A positive number for the underlying cash balance indicates an increase in revenue in cash terms.

Key assumptions

Assumptions outlined in the costing request:

- The proposal would have effect from 1 October 2013.

Assumptions made by the PBO:

- The total emission cap under the floating price arrangements in 2014-15 is assumed to be unaffected by this proposal. As a result, an equivalent number of permits that would have been provided free under the ESF would be sold at auctions in 2014-15 and in 2015-16 in order to meet the emissions cap for 2014-15.
- The carbon prices used to undertake this costing are the same as in the Pre-election Economic and Fiscal Outlook (PEFO) (\$6.20 in 2014-15 and \$12.50 in 2015-16). PEFO notes that “the carbon price path to 2020 is subject to considerable uncertainty.” PEFO also states that these estimates reflect:
 - In the forecast year of 2014-15, a three-month average of futures market prices; and
 - In the projection year of 2015-16 a linear transition from the market price in 2014-15 to the longer-term modelled price of \$38 in 2019-20 from the *Strong Growth, Low Pollution* report.
 - As noted in PEFO “the carbon price path to 2020 is subject to considerable uncertainty”.

Methodology

This costing has been estimated by calculating the impact of not providing the free permits under the ESF for 2014-15, and instead selling an equivalent number of permits at permit auctions in 2014-15 and 2015-16.

All figures in this costing have been rounded to the nearest \$5 million.

Data sources

Information on the amount of expenditure on free permits the Energy Security Fund was obtained from the Treasury.



Parliament of Australia
Parliamentary Budget Office

COSTING – ELECTION CARETAKER PERIOD

| | |
|---|---|
| Name of proposal to be costed: | Banning semi-automatic firearms (previously <i>Semi-automatic handguns ban and buyback scheme</i>) |
| Summary of proposal: | <p>The proposal would ban the importation, ownership, possession and use of semi-automatic handguns with exemptions for government owned guns. The proposal would also create a 12 month amnesty and compensation scheme, commencing 1 July 2014, for newly prohibited handguns. Already prohibited firearms would also be able to be surrendered during this period, but would not be eligible for compensation.</p> <p>These policies would be supported by a national public education campaign and the compensation of firearms dealers for the loss of business of the newly prohibited firearms.</p> <p>The proposal would have effect from 1 January 2014 to allow for preliminary work to be done prior to the ban and amnesty period beginning on 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 20 August 2013 |
| Date costing completed: | 26 August 2013 |
| Date of public release of policy | 14 August 2013 |
| Agencies from which information was obtained: | CrimTrac |

Costing overview

This proposal is expected to decrease both the underlying cash and fiscal balances by \$412.0 million over the 2013-14 Budget forward estimates period. This is entirely due to an increase in expenses. While the ban on semi-automatic handguns would be ongoing, funding for this program would terminate by 30 June 2016.

Departmental costs of \$3.0 million over the forward estimates have been included in this costing and would fund nine Full Time Equivalent (FTE) positions in 2013-14 and 2014-15, reducing to six FTE positions in 2015-16.

The financial impact of this proposal includes a number of components and a detailed breakdown of the costing has been included at [Attachment A](#).

This costing is considered to be of medium reliability as assumptions have been made regarding the compensation to firearm owners and dealers and the number of weapons surrendered.

POLICY COSTING – ELECTION CARETAKER PERIOD

The estimates in this costing differ from those presented in the applicant’s costing request because the PBO revised their methodology since the original costing.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | -2.3 | -395.6 | -14.1 | - |
| Fiscal balance (\$m) | -2.3 | -395.6 | -14.1 | - |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Key assumptions

The PBO has made the following assumptions:

- Based on the ratio of registered semi-automatic handguns to illegal semi-automatic handguns, 95 per cent of all handguns would be surrendered.
- The average cost of a handgun is approximately \$1,400 in 2014-15 dollars. This is based on a sample of prices for semi-automatic handguns from online retailers.
- Compensation to business and funding for the public education campaign would be in line with that provided for similar activities during the 1996-97 buyback, adjusted for inflation. This would include loss of future business and costs of cancelling current purchase contracts.
- Nine FTE positions would be required in both 2013-14 and 2014-15 for policy and legislative development and Commonwealth implementation during the year of the buyback. After the completion of the buyback this would reduce to six FTE positions in 2015-16 to manage the continuing work associated with the buyback and the finalisation of the program. This is broadly in line with the funding provided to the Attorney-General’s Department in the year prior to the 2003-04 Handgun Buyback Scheme adjusted for inflation.
- Based on the quantum of firearms estimated to be surrendered, and that the amnesty would also apply to firearms already outlawed, the cost of funding the administration of the buyback by the states and territories would be 50 per cent of similar costs from the 1996-97 buyback, adjusted for inflation.

Methodology

The number of semi-automatic handguns was estimated by adding data provided by CrimTrac on the number of registered firearms (approximately 200,000) with research in the public domain on the number of illegal handguns (approximately 10,000). This excludes firearms registered to law enforcement agencies.

The data on the number of registered firearms was provided by CrimTrac with the following caveats:

- This information was drawn from the National Firearm and Licensing Registration System (NFLRS) on 21 August 2013. The NFLRS is a point in time reference system that relies on up-to-date data from each of the state and territorial jurisdictions in Australia. It is not a comprehensive firearm record management system and does not hold historical data.
- The criteria used to inform this data varies between jurisdictions.

POLICY COSTING – ELECTION CARETAKER PERIOD

The total cost of this proposal (see breakdown of costs at [Attachment A](#)) was calculated by adding the following cost components:

- the cost of compensation to gun owners was derived by multiplying the average price of a handgun by the total number of guns assumed to be surrendered
- compensation to businesses was derived through extrapolating interim data from the 1996-97 buyback and analysing it in conjunction with other data from the 1996-97 buyback and then indexing those amounts
- costs for the public education campaign and state and territory implementation, were derived by indexing the amounts allocated for similar functions during the 1996-97 Gun Buyback Scheme, and
- Departmental costs were derived by multiplying the number of staff by average salary levels, accounting for differences in staff levels, inflation, the efficiency dividend and a part year effect in the first year.

Data sources

Australian National Audit Office, *The Gun Buy-Back Scheme*, December 1997, http://www.anao.gov.au/uploads/documents/1997-98_Audit_Report_25.pdf

Budget Paper No. 2, 2003-04 Budget, <http://www.budget.gov.au/2003-04/bp2/download/expense.pdf>

Samantha Bricknell, 2008. Criminal use of handguns in Australia. Trends and Issues in Crime and Criminal Justice, no. 361. Canberra: Australian Institute of Criminology, <http://www.aic.gov.au/publications/current%20series/tandi/361-380/tandi361.html>

Illicit Firearms Factsheet, Australian Crime Commission, 2013, <http://www.crimecommission.gov.au/publications/crime-profile-series/illicit-firearms>

Simon Chapman, 1998, *Over Our Dead Bodies: Port Arthur and Australia's Fight for Gun Control*.

Questions on Notice, National Gun Buyback Scheme, Question No. 2343, Saturday 6 December 1997, [http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=\(Dataset%3Awebblastweek_hansardr.noticer.webthisweek.dailyvotes.journals.orderofbusiness.hansards.notices.websds\)%20ParliamentNumber%3A%2238%22%20Responder_Phrase%3A%22mr%20williams%22;rec=0](http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=(Dataset%3Awebblastweek_hansardr.noticer.webthisweek.dailyvotes.journals.orderofbusiness.hansards.notices.websds)%20ParliamentNumber%3A%2238%22%20Responder_Phrase%3A%22mr%20williams%22;rec=0)

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: BREAKDOWN OF COSTS

Table A1: Financial implications (outturn prices)^(a)

| Impact on underlying cash and fiscal balance | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|--|-------------|---------------|--------------|----------|
| Policy Development and Commonwealth Implementation | -0.7 | -1.4 | -0.8 | - |
| Public Education Campaign | -1.6 | -3.2 | -1.6 | - |
| State and Territory Implementation | - | -34.0 | -11.6 | - |
| Compensation to Gun Owners | - | -284.6 | - | - |
| Compensation to Businesses | - | -72.4 | - | - |
| Total | -2.3 | -395.6 | -14.1 | - |

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



COSTING – ELECTION CARETAKER PERIOD

| | |
|---|---|
| Name of proposal to be costed: | Nuclear veterans (previously <i>Gold Card for nuclear veterans</i>) |
| Summary of proposal: | The proposal would expand eligibility to the veterans' Gold Card to include all defence personal participants in the British Nuclear Testing (BNT) in Australia. The proposal will have effect from 1 July 2014. |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 20 August 2013 |
| Date costing completed: | 23 August 2013 |
| Date of public release of policy | 10 August 2013 |
| Agencies from which information was obtained: | <ul style="list-style-type: none"> • Department of Veterans Affairs (DVA) • Department of Finance and Deregulation (Finance) |

Costing overview

This proposal is expected to decrease the underlying cash balance by \$82.6 million and the fiscal balance by \$85.2 million over the 2013-14 Budget forward estimates period. This impact is entirely due to an increase in expenses. This proposal would have an ongoing effect beyond the forward estimates period.

Departmental costs of \$0.4 million over the forward estimates have been included in this costing for administration of this policy.

The underlying cash balance impact of this proposal differs from the fiscal balance impact because of a claims processing lag.

This costing is considered to be of high reliability because it is based on data provided by Finance and DVA.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -26.8 | -28.2 | -27.5 |
| Fiscal balance (\$m) | - | -29.6 | -28.1 | -27.4 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

POLICY COSTING – ELECTION CARETAKER PERIOD

Key assumptions

As per advice provided by the DVA:

- the population eligible for the expanded eligibility to the Gold Card will be approximately 1,500 on 1 July 2014 declining to approximately 1,300 by 1 July 2016
- the cost per Gold Card would be \$22,800 in 2014-15 rising to \$25,000 by 2016-17, and
- the claims processing lag, which accounts for the difference between underlying cash and fiscal balance, is 9.52%.

Based on information previously provided by Finance, the PBO has assumed that the offsets for the Pharmaceutical and Medicare Benefits Schemes would be approximately \$3,500 per person in 2014-15 growing to approximately \$4,000 per person in 2016-17.

Methodology

The administered cost in each year was derived by multiplying the net cost per Gold Card (difference between Gold Card costs and Pharmaceutical and Medicare Benefits Schemes offsets) by the eligible population with the application of the claims processing lag to differentiate between underlying cash and fiscal balance. Departmental costs were then added to the administered total to arrive at the total impact.



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Access to Justice |
|--|---|
| Summary of proposal: | <p>The proposal would enhance access to justice by:</p> <ul style="list-style-type: none"> • increasing legal aid funding by 50 per cent • doubling funding to community legal centres • doubling funding for Indigenous family violence prevention legal services • increasing funding to Indigenous legal assistance services, including Aboriginal and Torres Strait Islander Legal Services by 50 per cent • addressing the impact of rising court fees by returning court fees to 2010-11 levels • amending the application form for exemptions from court fees to remove ambiguity, and • introducing a fee exemption category for clients who are being represented on a pro bono basis. <p>The intention of the proposal is to enhance access to legal assistance.</p> <p>The proposal would have effect from 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 29 August 2013 |
| Date costing completed: | 4 September 2013 |
| Date of public release of policy: | 15 August 2013 |
| Additional information requested (including date): | On 2 September 2013, clarification was sought on the duration of each element of the proposal. |
| Additional information received (including date): | On 3 September 2013, Senator Milne's Office advised that all elements of the proposal would be ongoing. |
| Agencies from which information was obtained: | Attorney-General's Department (AGD) |

POLICY COSTING – ELECTION CARETAKER PERIOD

Costing overview

This proposal is expected to decrease both the underlying cash balance and fiscal balance by \$866.5 million over the 2013-14 Budget forward estimates period. This impact is due to an increase in expenses associated with increasing funding for legal aid and legal assistance services and a reduction in revenue as a result of reducing federal court fees.

This proposal will have an ongoing impact beyond the forward estimates in the order of the amount reflected in 2016-17 with indexation.

The amendment to the fee exemption application form is not expected to have a financial impact as the PBO considers this activity to be a core departmental function. Additionally, the introduction of a fee exemption category for clients who are being represented on a pro bono basis is expected to have a negligible financial impact and is not included in this costing as most recipients of pro bono assistance currently qualify for fee exemptions under the financial hardship test (see [Data sources](#)).

No departmental funding has been included for elements of this costing related to increasing funding for legal aid and legal assistance services. The PBO considers that there will be minimal additional workload from providing increased funding to the same number of recipients. In addition, measures in the 2013-14 Budget which increased funding for legal assistance services provided no additional departmental funding to AGD.

A breakdown of the impact on each element of the proposal is included at [Attachment A](#).

This costing is considered to be of medium to high reliability because a large proportion of the proposal is based on capped funding increases to existing programs.

The estimates in this costing differ marginally from those presented in the costing request because current funding for the relevant programs have been updated for the 2013 Pre-election Economic and Fiscal Outlook (PEFO).

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -284.7 | -288.6 | -293.1 |
| Fiscal balance (\$m) | - | -284.7 | -288.6 | -293.1 |

(a) A negative number for the fiscal balance indicates an increase in expenses and a decrease in revenue in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses and a decrease in revenue in cash terms.

Key assumptions

The PBO has assumed that, based on an examination of court workload statistics, federal court revenue has increased since 2010-11 predominately as a result of measures to increase fees in the 2010-11 Budget, 2012-13 Budget and 2012-13 MYEFO. Therefore, reversing these measures is a reasonable estimate of the reduction in fee revenue as a result of the proposal.

POLICY COSTING – ELECTION CARETAKER PERIOD

Methodology

The costing is calculated by adding the following two components:

Increasing funding

As per the costing request, 2014-15 estimates as at the 2013 PEFO for the relevant programs are doubled or increased by 50 per cent. This amount is then indexed to determine the cost estimates in 2015-16 and 2016-17. A breakdown of the financial implications is included at Table A1 of [Attachment A](#).

Reducing federal court fees

The cost of reinstating federal court fees to 2010-11 levels is derived by adding the financial impacts of reversing the related court fee-increase components of the 2010-11 Budget, 2012-13 Budget and 2012-13 MYEFO measures (see [Data sources](#)). This cost is partially offset by a small reduction in departmental funding provided to various agencies to administer the past increases to federal court fees.

Financial implications in the 2013-14 Budget forward estimates period for these measures were calculated by applying a compound annual growth rate, derived from the measures' profiles. A breakdown of the financial implications is included at Table A2 of [Attachment A](#).

Data sources

2013 PEFO estimates for the relevant programs were obtained from AGD

2010-11 Budget Paper No.2 measure: *Improving Access to Justice* (page 103)

2012-13 Budget Paper No.2 measure: *Court fee increases* (page 10)

2012-13 MYEFO measure: *Courts - additional funding and changes in fees* (page 198)

Senate Inquiry: Impact of federal court fee increases since 2010 on access to justice in Australia, June 2013:

http://www.aph.gov.au/Parliamentary_Business/Committees/Senate_Committees?url=legcon_ctte/court_fees/report/index.htm

National Pro Bono Resource Centre: National Law Firm Pro Bono Survey Final Report, January 2013:

https://wic041u.server-secure.com/vs155205_secure/CMS/files_cms/National%20Law%20Firm%20Pro%20Bono%20Survey%202012%20-%20Final%20Report.pdf

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: DETAILED BREAKDOWN OF COSTING

Increasing funding

Table A1: Financial implications (outturn prices)^(a)

| Underlying cash and fiscal balance impacts (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|---|---------|---------------|---------------|---------------|
| Increasing legal aid funding by 50 per cent | - | -111.4 | -113.2 | -115.3 |
| Doubling funding to community legal centres | - | -46.3 | -47.0 | -47.9 |
| Doubling funding for Indigenous family violence prevention legal services | - | -21.3 | -21.7 | -22.1 |
| Increasing funding to Indigenous legal assistance services | - | -59.9 | -60.8 | -61.9 |
| Total impact | - | -238.9 | -242.7 | -247.1 |

(a) A negative number indicates an increase in expenses in both accrual and cash terms. Amounts may not sum due to rounding.

Reducing federal court fees to 2010-11 levels

Table A2: Financial implications (outturn prices)^(a)

| Underlying cash and fiscal balance impacts (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|---|---------|--------------|--------------|--------------|
| 2010-11 Budget measure: <i>Improving Access to Justice</i> | | | | |
| Revenue | - | -16.8 | -16.9 | -17.0 |
| 2012-13 Budget measure: <i>Court fee increases</i> | | | | |
| Revenue | - | -22.0 | -22.0 | -22.0 |
| Expense | - | 0.9 | 0.9 | 0.9 |
| 2012-13 MYEFO measure: <i>Courts - additional funding and changes in fees</i> | | | | |
| Revenue | - | -7.9 | -7.9 | -7.9 |
| Total impact | - | -45.8 | -45.9 | -46.0 |

(a) A negative number indicates decrease in revenue in both accrual and cash terms. A positive number indicates a decrease in expenses in both accrual and cash terms.



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Gambling in sport (previously <i>Protect the integrity of sport</i>) |
|-----------------------------------|---|
| Summary of proposal: | <p>The proposal would limit the exposure of children to sports gambling by:</p> <ul style="list-style-type: none"> • banning televised gambling advertisements before 9pm, including during sports broadcasts • banning the advertisement of live odds at any time • prohibiting the integration and promotion of betting companies into sports programs, and • prohibiting betting companies from sponsoring sporting teams. <p>The proposal would have effect from 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 29 August 2013 |
| Date costing completed: | 1 September 2013 |
| Date of public release of policy: | 17 August 2013 |

Costing overview

This proposal is not expected to affect either the underlying cash balance or fiscal balance over the 2013-14 Budget forward estimates.

The PBO has not included any additional departmental funding for potential amendments to legislation, such as the *Broadcasting Services Act 1992* (the Act), as the cost for such activities would already be included in the departmental estimates for the Department of Broadband, Communication, and the Digital Economy who has responsibility for administering the Act.

The PBO has also not included any additional departmental funding for the Australian Communications and Media Authority to monitor the changes, as the agency is already funded to ensure that Australia's media and communications legislation operates effectively and efficiently.

This costing is considered to be of high reliability as the relevant tasks associated with this proposal are considered to be core departmental functions of the affected agencies.

POLICY COSTING – ELECTION CARETAKER PERIOD

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | - | - | - |
| Fiscal balance (\$m) | - | - | - | - |



Parliament of Australia
Parliamentary Budget Office

COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Hearing health |
|-----------------------------------|--|
| Summary of proposal: | <p>The proposal would fund a suite of policies to improve hearing health. These initiatives are:</p> <ul style="list-style-type: none"> • extending the eligibility for the Australian Government Hearing Services Program (AGHSP) to all Australians subject to a means test and to those who do not meet the means test on a fee-for-service basis • a national database to track children with a hearing impairment • early evidence-based language and communication intervention for all children with hearing impairment prior to them starting school • sound field systems for new classrooms, and in all existing classrooms where there is a significant population of Aboriginal and Torres Strait Islander children • an exemplar multidisciplinary project to address the incidence of otitis media in Aboriginal and Torres Strait Islander (ATSI) communities • the Council of Australian Governments (COAG) to prioritise hearing screenings and follow-up for all Aboriginal and Torres Strait Islander children from remote communities on commencement of school, and • a \$30 million fund (over three years) for induction programs for teachers posted to schools in ATSI communities. <p>The package would have effect from 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 29 August 2013 |
| Date costing completed: | 3 September 2013 |
| Date of public release of policy: | 26 August 2013 |

POLICY COSTING – ELECTION CARETAKER PERIOD

| | |
|---|---|
| Additional information requested: | <p>On the 29 August 2013, the PBO asked Senator Milne’s Office to specify for each component of the proposal:</p> <ul style="list-style-type: none"> • whether funding is demand driven or capped • where not already stated, the profile of funding for those capped components, and • whether any departmental costs are expected to be accommodated within the capped funding components. |
| Additional information received: | <p>On the 30 August 2013, Senator Milne’s Office provided the following information in response to the PBO’s questions.</p> <p>Each component of the proposal is capped with the exception of the extension of the AGHSP, which it is expected would operate as a demand driven program. The capped amounts for the remaining components are as follows:</p> <ul style="list-style-type: none"> • national database - \$2 million (one-off) • early evidence-based language and communication intervention - \$15 million per annum • sound field systems - \$4 million per annum • multidisciplinary project to address otitis-media - \$2.5 per annum over two years from 2014-15, and • COAG action – would be a call on states through COAG with no cost to the Commonwealth. <p>The request intended that departmental expenses would be included for the extension of the AGHSP and sound field Systems components of the package. For all other components of the proposal, departmental expenses are to be taken from within the capped funding amount for each year.</p> <p>In addition, the Office specified that:</p> <ul style="list-style-type: none"> • optional access to the AGHSP for clients not meeting the means test, would come at no cost to the Commonwealth because it would be implemented on a fee-for-service basis, and • the means test would be the same as ‘low income earner’ eligibility for a Health Care Card. |
| Agencies from which information was obtained: | Not applicable |

POLICY COSTING – ELECTION CARETAKER PERIOD

Costing overview

The package of proposals is expected to decrease both the underlying cash and fiscal balances by \$368.2 million over the 2013-14 Budget forward estimates period. This includes departmental costs of \$6.0 million over the same period. This impact is entirely due to an increase in expenses.

The proposal would also have an ongoing impact that extends beyond the forward estimates period.

Apart from the capped components, the costing is considered to be of low reliability due to limited information around the projected need and take-up of hearing services by low-income earners.

The estimates in this costing differ from the expected financial impacts attributed to the package in the costing request, which reflect the impact of the extension of eligibility for the AGHSP only (see Table A1 at [Attachment A](#)).

Table 1: Financial implications (outturn prices) (a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -124.7 | -123.3 | -120.2 |
| Fiscal balance (\$m) | - | -124.7 | -123.3 | -120.2 |

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

A breakdown of the impact on each component of the proposal is included at [Attachment A](#).

Key assumptions

With respect to the extension of the AGHSP, which would be demand driven, the PBO has made the following assumptions:

- population estimates for the years 2014-15 to 2016-17 are in line with Australian Bureau of Statistics projections (ABS 1301.0 (2012) Series B)
- around 10 per cent of the population have a hearing impairment in any given year, based on analysis of the Australian Health Survey for the years 2001 to 2012
- around 8 per cent of the population in any given year would meet the means test for a Health Care Card, based on data from the Department of Human Services (2012) and the Public Health Information Development Unit (2009, 2011)
- a 100 per cent take-up rate is assumed for those eligible for support under the new program
- the average cost per client is estimated at \$681 for the period 2014-15 to 2016-17, calculated as current administered funding (net of research grants) divided by the current number of clients receiving a hearing service under the AGHSP, and
- departmental costs are based on a ratio of departmental to administered expenses of 2.2 per cent on average for the period 2014-15 to 2016-17. This was modelled on Department of Health and Ageing forecast estimates for the AGHSP.

POLICY COSTING – ELECTION CARETAKER PERIOD

In addition, as per the information provided by the requestor on 30 August 2013:

- optional access to the program for clients not meeting the means test would come at no cost to the Commonwealth as it would be implemented on a fee-for-service basis, and
- the means test would be the same as 'low income earner' eligibility for a Health Care Card.

Methodology

Capped funding components

With respect to the costing of the capped components of the package, the methodology was a straightforward one of summing up the capped administered funding components.

Demand-driven funding components

To cost the extension of the AGHSP, the PBO undertook the following steps:

- to calculate the number of people with a hearing impairment in any given year, the projected population was multiplied by the estimated percentage of the population with a hearing impairment
- the projected number of clients that are eligible under the current program was then subtracted from the projected number of people with a hearing impairment to calculate the number of people with a hearing impairment currently ineligible for services under the current program
- the number of newly eligible clients under the proposal was calculated by applying the "low income" test. That is, by multiplying the number of people with a hearing impairment excluded under the current program by the estimated percentage of the population that would meet the means test as applied under the Health Care Card, and
- finally, to calculate total administered costs, the number of additional clients supported under the extended program was multiplied by the average cost per client. Departmental costs were calculated by multiplying administered costs by the ratio of estimated departmental to administered expenses.

Data sources

Population projections in line with: ABS 1301.0 - Year Book Australia, 2012 Population Projections (Series B).

Percentage of population with a hearing impairment derived from: ABS Health Survey: First Results, 2011–12, Australia.

Percentage of the population with a Health Care Card extracted from:

- Department of Human Services (2012), FaHCSIA Electoral Data, accessed: <http://www.humanservices.gov.au/spw/corporate/publications-and-resources/facts-and-figures/electorate-data/resources/2012/2012-03-fahcsia.pdf>, and
- Public Health Information Development Unit, A Social Health Atlas of Australia, accessed: <http://www.publichealth.gov.au/>.

Program estimates taken from the Department of Health and Ageing 2013-14 Portfolio Budget Statements.

Indexation factors from Treasury parameters as at the Pre-Election Economic and Fiscal Outlook.

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: BREAKDOWN OF COSTS BY COMPONENT

Table A1: Financial implications (outturn prices)^{(a) (b)}

| Underlying cash and fiscal balance impacts | Policy duration | 2013-14 (\$m) | 2014-15 (\$m) | 2015-16 (\$m) | 2016-17 (\$m) | Total (\$m) |
|--|--------------------|---------------|---------------|---------------|---------------|---------------|
| Extension of the AGHSP | Ongoing | - | -91.2 | -91.8 | -91.2 | -274.2 |
| National database | 2014-15 | - | -2.0 | - | - | -2.0 |
| Early evidence-based language & communication intervention | Ongoing | - | -15.0 | -15.0 | -15.0 | -15.0 |
| Sound field systems | Ongoing | - | -4.0 | -4.0 | -4.0 | -12.0 |
| Multidisciplinary project to address otitis-media | 2014-15 2015-16 | - | -2.5 | -2.5 | - | -5.0 |
| COAG action | Ongoing | - | - | - | - | - |
| Teacher induction programs | 2014-15 2016-17 | - | -10.0 | -10.0 | -10.0 | -30.0 |
| | Total | - | -124.7 | -123.3 | -120.2 | -368.2 |

(a) A negative number indicates an increase in expenses in both accrual and cash terms.

(b) Totals may not sum due to rounding.



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Withdrawal from Afghanistan |
|---|--|
| Summary of proposal: | The proposal would withdraw all Australian troops from Afghanistan as soon as possible and reduce the 2013-14 Budget Measure: <i>Middle East Area of Operations – continuation of Australia's military contribution</i> by the amount that is not directly related to the withdrawal of Australian troops from Afghanistan. The proposal would have immediate effect following the 2013 Federal Election. |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 29 August 2013 |
| Date costing completed: | 3 September 2013 |
| Date of public release of policy: | 14 July 2013 |
| Agencies from which information was obtained: | Department of Defence |

Costing overview

This proposal is expected to increase both the underlying cash balance and fiscal balance by \$559.3 million over the 2013-14 Budget forward estimates period. This impact is entirely due to a decrease in expenses.

The figures in this costing differ from the figures in the costing request as this costing reflects troops being returned to Australia by the end of March 2014 as opposed to the figures in the applicant's request which reflect troops being returned to Australia by the end of December 2013.

This costing is considered to be of medium reliability due to the uncertainty regarding the timing of withdrawal from Afghanistan.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | 170.7 | 178.1 | 130.2 | 80.3 |
| Fiscal balance (\$m) | 170.0 | 178.1 | 130.2 | 80.3 |

(a) A positive number for the fiscal balance indicates a decrease in expenses in accrual terms. A positive number for the underlying cash balance indicates a decrease in expenses in cash terms.

POLICY COSTING – ELECTION CARETAKER PERIOD

Key assumptions

The PBO has assumed that:

- the ADF can withdraw all personnel from Afghanistan and the wider Middle East Area of Operations (MEAO) over the next six months (ie from October 2013 to March 2014). This timeframe is based on the time it took to withdraw troops from Timor-Leste after combat operations ceased (four months) taking into account the relative size of the Australian contingent in Afghanistan compared to the number deployed to Timor-Leste, and
- no additional costs would be encountered by withdrawing troops from Afghanistan at a quicker than anticipated rate.

Methodology

The cost estimate is based on information provided by the Department of Defence which split the cost of the current Budget measure, *Middle East Area of Operations – continuation of Australia's military contribution*, into 'Ongoing Effort' and 'Transition and Redeployment' components.

The PBO has reduced the 'Ongoing Effort' component of the Budget measure by 25 per cent in 2013-14 given the six month timeframe to withdraw troops, and 100 per cent for each remaining year of the forward estimates. The 'Transition and Redeployment' component of the current estimate has not been changed. This would reduce the Australian military contribution to only those personnel required to remediate and withdraw Australian Defence Force equipment from Afghanistan.

Data sources

The Department of Defence.



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Oppose flexible carbon price shift (previously <i>Carbon pricing</i>) |
|---|---|
| Summary of proposal: | <p>The proposal would reverse the Government's decision to move to a floating carbon price regime from 1 July 2014 and reverse the cuts to the following programs:</p> <ul style="list-style-type: none"> • the biodiversity fund • carbon farming futures • clean technology programs, and • public service efficiencies. <p>The proposal would take effect in the 2013-14 financial year.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 29 August 2013 |
| Date costing completed: | 2 September 2013 |
| Date of public release of policy: | 14 July 2013 |
| Agencies from which information was obtained: | <ul style="list-style-type: none"> • Department of Finance and Deregulation • The Treasury |

Costing overview

This proposal is expected to increase the underlying cash balance by \$4.20 billion and increase the fiscal balance by \$2.52 billion over the 2013-14 Budget forward estimates period.

This impact reflects an increase in revenue from the carbon pricing mechanism of \$5.15 billion on an underlying cash balance basis and \$3.47 billion on a fiscal balance basis and an increase in expenditure of \$960 million on both an underlying cash and fiscal balance basis from reversing the program cuts.

The PBO estimates that departmental expenses for the Clean Energy Regulator (CER) would be around \$10 million lower in 2013-14 and slightly lower in 2014-15 as a result of this proposal. This reverses the increased funding to the CER that was related to the increased volume of carbon permits that would have been auctioned for the floating price regime in 2014-15.

This proposal would have an ongoing impact that extends beyond the forward estimates period as some of the announced program cuts have impacts beyond that time.

POLICY COSTING – ELECTION CARETAKER PERIOD

The underlying cash balance impact of this proposal differs from the fiscal balance impact because of timing differences associated with the receipt of carbon revenue and the issue of free permits. A detailed breakdown of the components of the costing is included at [Attachment A](#).

This costing is considered to be of medium reliability as it based on assumptions around future market carbon prices.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | -310 | 3,030 | 1,650 | -170 |
| Fiscal balance (\$m) | -70 | 3,080 | -320 | -170 |

(a) A positive number for the fiscal balance indicates an increase in revenue in accrual terms. A positive number for the underlying cash balance indicates an increase in revenue in cash terms. A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance an increase in expenses or net capital investment in cash terms. Figures have been rounded to the nearest 10 million.

Key assumptions

Assumptions outlined in the costing request:

- The proposal would take effect in the 2013-14 financial year.

The PBO has made the following assumptions:

- For the purposes of this costing, the other savings associated with the Government's announcement to move to a floating carbon price – reforms to fringe benefit tax for cars, the adjustment to the Coal Sector Jobs package, ending the energy security fund early and deferring funding to the Carbon Capture and Storage Flagship Program – have been retained.
- The carbon price in 2014-15 for this proposal is \$25.40 - the 2013-14 Budget fixed price for 2014-15 before the Government's decision to move to a floating price one year earlier.
- The carbon prices in 2015-16 and 2016-17 used to undertake this costing are the same as in the Pre-election Economic and Fiscal Outlook (PEFO) (\$12.50 in 2015-16 and \$18.90 in 2016-17). As noted in PEFO, in the projections years of 2015-16 and 2016-17 the carbon price is projected using a linear transition from the market price in 2014-15 to the longer-term modelled price of \$38 in 2019-20 from the *Strong Growth, Low Pollution* report.
 - As noted in PEFO "the carbon price path to 2020 is subject to considerable uncertainty".

Methodology

The impact of not proceeding with the move to a floating carbon price was estimated by comparing total revenue and expenditure from the carbon pricing mechanism under the current PEFO carbon price forecasts with those anticipated under a fixed price of \$25.40 in 2014-15. The costs of reversing cuts to the four specified programs were calculated by reversing the savings outlined by the Government.

POLICY COSTING – ELECTION CARETAKER PERIOD

Data sources

- Program costs for the four programs being retained were obtained from the Department of Finance and Deregulation.
- 2013 Pre-election Fiscal and Economic Outlook.

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: DETAILED FINANCIAL IMPLICATIONS

The following tables show the change in revenue and expenditure as a result of this proposal, relative to the 2013 PEFO estimates.

Table 1: Financial implications^(a)

| Not proceeding with the move to a floating carbon price 1 year earlier | | | | |
|---|---------|---------|---------|---------|
| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Underlying cash balance (\$m) | -240 | 3,420 | 1,970 | - |
| Fiscal balance (\$m) | - | 3,470 | - | - |
| Biodiversity fund | | | | |
| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Underlying cash balance (\$m) | -30 | -60 | -60 | -60 |
| Fiscal balance (\$m) | -30 | -60 | -60 | -60 |
| Carbon farming futures | | | | |
| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Underlying cash balance (\$m) | -30 | -30 | -40 | -40 |
| Fiscal balance (\$m) | -30 | -30 | -40 | -40 |
| Clean technology programs | | | | |
| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Underlying cash balance (\$m) | 20 | -240 | -140 | - |
| Fiscal balance (\$m) | 20 | -240 | -140 | - |
| Public service efficiencies | | | | |
| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Underlying cash balance (\$m) | -40 | -60 | -80 | -70 |
| Fiscal balance (\$m) | -40 | -60 | -80 | -70 |
| Departmental costs – Clean Energy Regulator | | | | |
| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
| Underlying cash balance (\$m) | 10 | .. | - | - |
| Fiscal balance (\$m) | 10 | .. | - | - |

(b) A positive number for the fiscal balance indicates an increase in revenue in accrual terms. A positive number for the underlying cash balance indicates an increase in revenue in cash terms. A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance an increase in expenses or net capital investment in cash terms. '..' means not zero, but rounded to zero.



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal: | Rental revolution (previously <i>Boosting rental supply</i>) |
|---|--|
| Summary of proposal: | <p>The proposal would:</p> <ul style="list-style-type: none"> • review and fund another 50,000 homes under the National Rental Affordability Scheme (NRAS) and provide an additional incentive to ensure they are exemplary green buildings and come with solar PV • provide funding for 20,000 student rentals through a new University NRAS scheme • provide funding for 15,000 new rental homes through a 'Convert to Rent' Initiative, and • review the effectiveness of Commonwealth Rent Assistance by providing the Productivity Commission with \$180,000. <p>The proposal would have effect from 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 30 August 2013 |
| Date costing completed: | 5 September 2013 |
| Date of public release of policy: | 28 August 2013 |
| Agencies from which information was obtained: | <ul style="list-style-type: none"> • Department of Families, Housing, Community Services and Indigenous Affairs • Australian Taxation Office |

Costing overview

This proposal is expected to decrease both the underlying cash and fiscal balances by \$208.7 million over the 2013-14 Budget forward estimates period. This impact is entirely due to an increase in expenses. Departmental expenses of \$0.2 million for 2014-15 have been included to conduct a review into Commonwealth Rent Assistance, as per the costing request.

This proposal would have an ongoing impact beyond the forward estimates period.

This costing is considered to be of medium reliability because some initiatives involve capped expenditure but others rely on PBO assumptions.

POLICY COSTING – ELECTION CARETAKER PERIOD

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -46.7 | -65.5 | -96.5 |
| Fiscal balance (\$m) | - | -46.7 | -65.5 | -96.5 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenditure in cash terms.

Key assumptions

Assumptions detailed in the costing request:

- These proposals are based on a ten-year timeframe.
- A co-funding arrangement with the states and territories is assumed for the additional 50,000 dwellings under the National Rental Affordability Scheme (NRAS).
- The University NRAS (UNI NRAS) is fully funded by the Commonwealth.
- Under the 'Convert to Rent' initiative, an additional \$5,000 would be provided for buildings to be modified for people with a disability, which is assumed to be 15 per cent or 2,250 dwellings.

The PBO has made the following assumptions regarding this costing:

- For those initiatives that extend the existing NRAS or introduce a scheme similar to the NRAS, this costing assumes the same rate of implementation and cost structure as the original NRAS scheme. The incentive is indexed according to the five-year average historical movement in the rents component of the Housing Group Consumer Price Index (CPI).
- The costing request specified that funding for some aspects of the proposal would be capped. The PBO has not made an assessment of whether the funding is sufficient to meet the policy goals.

Methodology

- For the additional 50,000 dwellings under the NRAS and the UNI NRAS, the annual cost of this proposal was calculated by multiplying the expected number of incentives per year by the full cost of the indexed incentive.
 - The PBO has used the base cost of \$10,350 per initiative in 2013-14 and this is indexed according to the five-year average historical movement in the rents component of the Housing Group CPI.
- The costing represents the sum of the amount of expenditure required for each of the proposals included in this package. The details are provided in [Attachment A](#).

POLICY COSTING – ELECTION CARETAKER PERIOD

Data sources

- ABS Cat. No. 6401.0 *Consumer Price Index, Australia*, various years
- National Rental Affordability Scheme Monthly Performance Report, 30 April 2013, available at: http://www.fahcsia.gov.au/sites/default/files/files/housing-support/nras/April13_NRAS_monthly_performance_report.pdf
- NRAS Incentive (indexation), available at: http://www.fahcsia.gov.au/sites/default/files/documents/05_2013/nras_incentive_indexation_fact_sheet_may2013.pdf

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: INITIATIVES IN THIS COSTING

As detailed in the request, this costing has the following components:

1. 50,000 additional NRAS incentives

This proposal would provide 50,000 additional National Rental Affordability Scheme (NRAS) incentives over 10 years.

2. GreeNRAS

This proposal would provide an additional upfront incentive of \$2,000 per NRAS dwelling to meet defined sustainable building benchmarks at a cost of \$10 million per year.

3. UNI NRAS

This proposal would provide 20,000 University National Rental Affordability Scheme (UNI NRAS) incentives over ten years.

4. Convert to Rent

The proposal would provide 15,000 new affordable rental dwellings from existing empty or underutilised buildings by providing up to \$21,000 per dwelling. An additional \$5,000 would be provided for buildings to be modified for people with a disability, which is assumed to be 15 per cent or 2,250 dwellings.

5. Review Commonwealth Rent Assistance

This proposal would provide \$0.18 million to supplement existing resources in the Productivity Commission in 2014-15 to conduct a review into the effectiveness of Commonwealth Rent Assistance.

Table A1: Financial implications of each initiative (outturn prices)^(a)

| Initiative | Expense type | 2013-14 | 2014-15 | 2015-16 | 2016-17 | Total |
|-------------------------------------|--------------|---------|--------------|--------------|--------------|---------------|
| 50,000 new NRAS incentives | Administered | - | -3.0 | -15.0 | -35.0 | -53.0 |
| GreeNRAS incentives | Administered | - | -10.0 | -10.0 | -10.0 | -30.0 |
| 20,000 new UNI NRAS incentives | Administered | - | -1.0 | -8.0 | -19.0 | -28.0 |
| Convert to rent | Administered | - | -32.5 | -32.5 | -32.5 | -97.5 |
| Review Commonwealth Rent Assistance | Departmental | - | -0.2 | - | - | -0.2 |
| Total | | - | -46.7 | -65.5 | -96.5 | -208.7 |



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Foreign ownership of agricultural land |
|---|---|
| Summary of proposal: | <p>The proposal would amend rules around the foreign ownership of agricultural land and water by:</p> <ul style="list-style-type: none"> • creating a register of foreign ownership of agricultural land and water assets • lowering the threshold applied by the Foreign Investment Review Board (FIRB) for consideration of foreign acquisitions from \$248 million to \$5 million (including cumulative purchases by the same entity that reach \$5 million) • legislating a stronger national interest test to be applied by the FIRB for purchases of agricultural land and water resources, and • prohibiting the purchase of agricultural land and water by wholly-owned subsidiaries of foreign governments. <p>The proposal would have effect from 1 July 2014 and would be ongoing.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 30 August 2013 |
| Date costing completed: | 4 September 2013 |
| Date of public release of policy: | 17 August 2013 |
| Agencies from which information was obtained: | Department of The Treasury |

Costing overview

This proposal is expected to decrease both the underlying cash and fiscal balances by \$0.5 million over the 2013-14 Budget forward estimates period. The proposal would also have an ongoing financial impact of around \$0.2 million per annum that extends beyond the forward estimates period. This impact is due entirely to an increase in expenses.

Based on advice provided by the Treasury, the estimates in this costing consist entirely of departmental expenses (one EL1 case officer per annum) to meet the increased caseload arising from the lowering of the threshold for consideration of foreign acquisitions to \$5 million. Any additional departmental costs arising from the remaining elements of the proposal are considered to be within the scope of the FIRB's day to day operations and would be expected to be absorbed within the Treasury's existing departmental funding.

POLICY COSTING – ELECTION CARETAKER PERIOD

Costs of \$3.2 million over four years are already included in the budget to establish a *Foreign Ownership Register for Agricultural Land* (refer 2013 Economic Statement pg. 63 and footnote (e) pg. 64). As such, no costs have been included for this component in the costing of this proposal.

The costing is considered to be of medium reliability as it is based on departmental cost estimates and projected caseload arising from the proposal that may differ in actuality.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -0.2 | -0.2 | -0.2 |
| Fiscal balance (\$m) | - | -0.2 | -0.2 | -0.2 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Data sources

The following data sources were used by the PBO in the costing of this proposal:

- Departmental cost estimates and projected caseload were provided by The Treasury
- Indexation based on Treasury parameters as at the Pre-Election Economic and Fiscal Outlook
- Economic Statement - Policy decisions taken since the 2013-14 Budget, accessed: http://www.budget.gov.au/2013-14/content/economic_statement/html/06_app_b.htm



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal to be costed: | Quality mental health care (previously <i>Mental Health</i>) |
|---|---|
| Summary of proposal: | <p>The proposal would improve the mental health services in Australia by:</p> <ul style="list-style-type: none"> investing \$150 million over three years to establish a National Institute for Mental Illness Research increasing funding for the Mental Health Nurse Incentive Program by \$70 million per year on top of current budget commitments reinstating the option of six extra sessions of psychological treatment in exceptional circumstances (EC) under the Better Access initiative providing grants of up to \$50,000 to mental health non-government organisations (NGOs) through re-establishing the NGO Capacity Grants Program, capped at \$7.5 million over three years, and establishing a National Suicide Prevention Campaign and improving the collection of data relating to suicide with an investment of \$38.3 million over three years. <p>The proposal would have effect from 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 30 August 2013 |
| Date costing completed: | 4 September 2013 |
| Date of public release of policy: | 27 August 2013 |
| Additional information requested: | On 2 September 2013 the PBO sought clarification as to the termination dates of each element. |
| Additional information received: | On 3 September 2013 Senator Milne's Office advised that all elements are over three years from 1 July 2014 to 30 June 2017. |
| Agencies from which information was obtained: | <ul style="list-style-type: none"> Department of Health and Ageing (DoHA) Department of Human Services (DHS) |

POLICY COSTING – ELECTION CARETAKER PERIOD

Costing overview

This proposal is expected to decrease the underlying cash balance by \$546.0 million and the fiscal balance by \$547.4 million over the 2013-14 Budget forward estimates period. This impact is entirely due to an increase in expenses.

The underlying cash impact of this proposal differs from the fiscal balance impact because the EC psychological treatment element includes a time lag between the treatment sessions occurring (at which time the payment from the Government is owing) and the actual payment of the fee to the provider once the claim through Medicare has been processed.

The EC psychological treatment element of the costing request includes \$1.0 million to cover DHS departmental costs over the forward estimates. Given this is an extension of an existing program, DoHA's departmental costs associated with implementing the proposal would be minimal relative to overall costs and have not been included. Departmental costs for the other elements are estimated to be minimal and have not been included.

This costing is considered to be of medium reliability as the EC psychological treatment element is based on estimated demand and applying average costs.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -178.0 | -182.1 | -186.0 |
| Fiscal balance (\$m) | - | -178.4 | -182.5 | -186.4 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Key assumptions

As per the costing request, the capped elements of the proposal are split evenly each year over the forward estimates from 2014-15.

The PBO has made the following assumptions in costing the EC psychological treatment element:

- the population of patients receiving additional treatments across the forward estimates is calculated by applying the growth rate implicit in the 2011-12 and 2012-13 Budget measures relating to the Better Access Initiative (see [Data sources](#)) to the 2012-13 patient population.
- the estimated reduction in the population of patients, as a result of the refined EC criteria reducing the number of eligible patients, is based on Australian Psychological Society estimates (see [Data sources](#))
- the average cost per session will grow uniformly over the forward estimates period in line with growth occurring over the five year period from 2007-08 to the 2011-12
- there is sufficient capacity within the sector to accommodate the increased demand for additional treatment sessions resulting from this proposal, and
- all patients who qualify for the additional EC treatment will utilise all six additional sessions.

POLICY COSTING – ELECTION CARETAKER PERIOD

Methodology

EC psychological treatment element

The total cost of this element is derived by adding the following administered and departmental costs:

- Administered costs:
 - The average session cost per year was estimated by applying a compound annual growth rate, derived from historical data, to the 2011-12 average session costs.
 - The patient population per year was calculated by applying the growth rate implicit in the 2011-12 and 2012-13 Budget measures relating to the Better Access Initiative to the actual 2012-13 patient population. The patient population estimate is then reduced by 19 per cent as a result of the refined EC criteria.
 - The total administered cost is derived by multiplying the estimated patient population (those that qualify under the refined EC criteria) by the estimated cost of the additional six sessions.
- Departmental costs
 - The total departmental cost is derived by multiplying the estimated number of transactions by the processing cost per transaction.

Other policy elements

The estimates are based on the capped funding amounts specified in the costing request.

See [Attachment A](#) for a full breakdown of each cost element.

Data sources

- DoHA
 - Historical data on the number of patients receiving EC treatment sessions, average cost per EC treatment session, over the period from 2007 to 2012 and costing models for the:
 - : 2011-12 Budget measure: *National Mental Health Reform – Better Access Initiative – rationalisation of allied health treatment sessions*
 - : 2012-13 Budget measure: *National Mental Health Reform – Better Access Initiative – continuation*
- DHS
 - Current estimated processing cost per transaction for the 2013-14 Budget forward estimates period.
- *Proposal for permanent reinstatement of the Better Access 'exceptional circumstances' sessions*, Australian Psychological Society paper, updated April 2013
 - Estimate of reduction in patient numbers as a result of the refined criteria for EC.

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: DETAILED BREAKDOWN OF COSTING

Table A1: Financial implications (outturn prices)^(a)

| Underlying cash balance impacts (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|--|---------|---------------|---------------|---------------|
| Establish a National Institute for Mental Illness Research | - | -50.0 | -50.0 | -50.0 |
| Increasing funding for the Mental Health Nurse Incentive Program | - | -70.0 | -70.0 | -70.0 |
| EC psychological treatment element | - | -42.7 | -46.8 | -50.7 |
| Re-establishing the NGO Capacity Grants Program | - | -2.5 | -2.5 | -2.5 |
| Establishing a National Suicide Prevention Campaign | - | -12.8 | -12.8 | -12.8 |
| Total impact | - | -178.0 | -182.1 | -186.0 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Table A2: Financial implications (outturn prices)^(a)

| Fiscal balance impacts (\$m) | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|--|---------|---------------|---------------|---------------|
| Establish a National Institute for Mental Illness Research | - | -50.0 | -50.0 | -50.0 |
| Increasing funding for the Mental Health Nurse Incentive Program | - | -70.0 | -70.0 | -70.0 |
| EC psychological treatment element | - | -43.2 | -47.3 | -51.1 |
| Re-establishing the NGO Capacity Grants Program | - | -2.5 | -2.5 | -2.5 |
| Establishing a National Suicide Prevention Campaign | - | -12.8 | -12.8 | -12.8 |
| Total impact | - | -178.4 | -182.5 | -186.4 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms. Amounts may now sum due to rounding.



COSTING – ELECTION CARETAKER PERIOD

| | |
|---|--|
| Name of proposal to be costed: | Clean coal assistance abolished (previously <i>Abolishing direct assistance to clean coal initiatives</i>) |
| Summary of proposal: | The proposal would abolish funding for the Global Carbon Capture and Storage Institute, the Carbon Capture and Storage Flagships, and the National Low Emissions Coal Initiative. The proposal would have effect from 1 January 2014. |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 2 September 2013 |
| Date costing completed: | 4 September 2013 |
| Date of public release of policy: | 14 July 2013 |
| Agencies from which information was obtained: | Department of Resources, Energy and Tourism (RET) |

Costing overview

The proposal is expected to increase both the underlying cash and fiscal balance by \$271.9 million over the 2013-14 Budget forward estimates period. This impact is entirely due to a decrease in expenses.

The departmental cost associated with terminating contracts is expected to be immaterial and therefore is not included in this costing.

This costing is considered to be of medium reliability. The estimated savings are based on funding that remains uncommitted to specific projects as at the 2013 Pre-Election Economic and Fiscal Outlook (PEFO).

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | 47.8 | 150.4 | 73.7 |
| Fiscal balance (\$m) | - | 47.8 | 150.4 | 73.7 |

(a) A positive number for the fiscal balance indicates a decrease in expenses in accrual terms. A positive number for the underlying cash balance indicates a decrease in expenses in cash terms.

POLICY COSTING – ELECTION CARETAKER PERIOD

Methodology

The estimates in this costing are based on 2013 PEFO estimates for the Carbon Capture and Storage Flagships program less funding identified by RET as publicly announced for specific projects. Funding for the National Low Emissions Coal Initiative has been fully committed and the Global Carbon Capture and Storage Institute program terminated on 20 March 2013.

Data sources

Program estimates as at the 2013 PEFO and levels of committed and uncommitted funding were obtained from RET.



COSTING – ELECTION CARETAKER PERIOD

| | |
|-----------------------------------|---|
| Name of proposal to be costed: | Capital grants for childcare centres and Childcare, payment reform and HECS waiver (previously <i>Childcare</i>) |
| Summary of proposal: | <p>The proposal has three parts:</p> <p><u>Part 1</u> would introduce a \$200 million capital grants fund over four years from 1 July 2014. The fund would assist with the establishment of new childcare centres and the expansion of existing centres.</p> <p><u>Part 2</u> would combine the Child Care Benefit (CCB) and Child Care Rebate (CCR) into a single payment, and boost the base hourly benefit to \$6.10 per hour from 1 July 2015. The payment would continue to cover 50 per cent of the remaining expenses after subtracting any income tested hourly subsidy, up to a maximum of \$7,500 per annum, as is currently the case with CCR. The new payment would also introduce an additional 10 per cent loading to the base hourly benefit for children aged 0 to 2 (inclusive) and a further 10 per cent for children in rural and regional areas. The new payment would be made directly to child care centres and passed on to families via fee reduction, removing the option for parents to have payments made directly to their bank accounts.</p> <p><u>Part 3</u> would introduce a Higher Education Loan Program (HELP) waiver scheme to encourage qualified educators to join and stay in the early childhood workforce. Under the program, no HELP repayments would be required by early childhood education teachers, and the Government would write-down HELP debt equivalent to the payment that would usually be required for the financial year. Teachers working in areas specified as high need would have the amount of debt written down doubled. This would replace the existing HECS-HELP Benefit for early childhood education teachers from 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 4 September 2013 |
| Date costing completed: | 5 September 2013 |
| Date of public release of policy: | 14 August 2013 (Part 1) and 27 August 2013 (Part 2 and 3) |

COSTING – ELECTION CARETAKER PERIOD

| | |
|---|--|
| Agencies from which information was obtained: | <ul style="list-style-type: none">• Department of Education, Employment and Workplace Relations (DEEWR)• Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education (DIICCSRTE) |
|---|--|

Costing overview

The proposal is expected to decrease the underlying cash balance by around \$2.44 billion and both the headline cash and fiscal balances by around \$2.46 billion over the 2013-14 Budget forward estimates period. These impacts are entirely due to an increase in expenses.

Part 1 of the proposal would decrease both the underlying cash and fiscal balances by \$150 million over the 2013-14 Budget forward estimates period. The proposal would also decrease both the underlying cash and fiscal balances by an additional \$50 million in 2017-18.

Part 2 of the proposal would decrease both the underlying cash and fiscal balances by \$2.29 billion over the 2013-14 Budget forward estimates period. This estimate includes departmental expenses of \$5 million in each of 2014-15 and 2015-16 to cover Information Technology changes and funding for an information campaign for both child care centres and families using care. This new benefit would have an ongoing impact beyond the 2013-14 Budget forward estimates period.

Part 3 of the proposal would decrease the headline cash and fiscal balances by \$24.8 million and the underlying cash balance by \$4.5 million over the 2013-14 Budget forward estimates period. This impact would be ongoing beyond the 2013-14 Budget forward estimates period.

A disaggregation of the individual parts of the costing can be found in [Attachment A](#).

[Attachment B](#) contains additional detail on the policy parameters for the new child care payment, and how they differ from those that would apply for CCB and CCR under the current system.

The differences between the headline cash, underlying cash and fiscal balances in Part 3 are due to the accounting treatment of the income contingent loans made through HELP. The estimates in this costing differ slightly from those in the applicant's costing request as the applicant included headline cash balance impacts in the underlying cash balance figures.

This costing of Part 1 is considered to be of high reliability as it is based on a capped funding amount specified in the costing request. The costing of Parts 2 and 3 are considered to be of low-medium reliability. The estimates of these two parts will be sensitive to population growth, child care prices, demand for child care, incomes growth and the levels of HELP debts and the take-up of the waiver scheme for teachers working in the early childhood education and care sector.

COSTING – ELECTION CARETAKER PERIOD

Table 1: Financial implications – all options (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|----------|----------|
| Headline cash balance (\$m) | - | -62.1 | -1,173.3 | -1,229.4 |
| Underlying cash balance (\$m) | - | -56.3 | -1,166.5 | -1,221.7 |
| Fiscal balance (\$m) | - | -62.1 | -1,173.3 | -1,229.4 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash or headline cash balances indicates an increase in expenses in cash terms.

Key assumptions

Part 1: Capital Grants Fund

Consistent with the costing request:

- Expenditure is assumed to be evenly spread over the four year life of the fund, and
- Departmental expenses are assumed to be covered by the \$200 million allocated to the fund.

Part 2: New Child Care Payment

The PBO has assumed:

- no change in child care use due to the policy change
- that the regional loading would apply for families living in areas classified by the Australian Bureau of Statistics (ABS) as 'outer regional' or 'remote', and
- that the vast majority of CCR customers currently elect to receive their payment fortnightly, and thus there would be a negligible difference between the costing on underlying cash balance and fiscal balance bases.

Part 3: HELP waiver scheme

The PBO has assumed:

- that 80 per cent of eligible early childhood teachers will take-up the waiver.
 - The current take-up rate for the HECS-HELP Benefit for early childhood education teachers is approximately 30 per cent. The increase in take-up has been assumed as the new program is broader ranging and more generous.
- teachers working in high need areas eligible for additional support are the same group currently eligible for the HECS-HELP Benefit for early childhood education teachers, which is targeted towards teachers working in child care centres in either remote or low socio-economic areas.
- the average annual value of HELP debt that is waived per eligible teacher grows in line with average weekly earnings.
- departmental expenses for the scheme will be covered by those currently allocated to the administration of the HECS-HELP Benefit for early childhood education teachers.

COSTING – ELECTION CARETAKER PERIOD

Methodology

- Estimates have been derived for each of the three parts individually, rounded and then summed to give the total.
 - There are not expected to be any significant interactions between the parts.

Part 2: New Child Care Payment

- The *Legislative Outyears Customisable Model of Child Care* (LOCMoCC) model has been used to estimate the impact of the proposal on families using formal child care.
 - LOCMoCC is based on a confidentialised extraction of administrative data from the child care payments system from a payment week in November 2011.
 - Incomes are inflated for future years using forecasts for the Wage Price Index. Child care prices are inflated based on the DEEWR estimates of child care fee growth.
 - Annual conversion factors are used to transform the results of the simulation from a weekly to an annual basis.
- The base data for LOCMoCC includes the postcode of payment recipients. Correspondences between postcode and areas classified by the ABS as ‘outer regional’ or ‘remote’ have been used to assess entitlement to the remoteness loading.
- A simulation was run to assess entitlement for both the current policy and the proposed policy. The difference between the two outcomes gives the costing.
- The estimate of the departmental expenses has been based on costs of previous changes to the CCMS and the level of funding for advertising recent changes to payments, such as the Clean Energy Future Household Assistance Package and the Schoolkids Bonus.
- Estimates of administered expenses have been rounded to the nearest \$10 million. Departmental expense estimates have been rounded to the nearest \$1 million.

Part 3: HELP waiver scheme

- The costing estimate has been derived by taking the product of an estimated number of teachers likely to claim the waiver, and the average debt waived.
- The number of early childhood education teachers with HELP debts in 2010-11 was taken from the detailed tables from the Australian Taxation Office’s (ATO) 2010-11 Taxation Statistics publication. Estimates of the number of early childhood education graduates from 2010-11 until 2016-17, along with an estimate of the time taken to finalise debt, were used to estimate the stock of teachers with a debt in each year in the 2013-14 Budget forward estimates period. A take-up rate was applied to estimate the number of teachers claiming the debt waiver.
- The number of teachers eligible for the additional support for working in high needs areas has been based on the forward estimates for the HECS-HELP Benefit for early childhood education teachers.

COSTING – ELECTION CARETAKER PERIOD

Data sources

- The LOCMoCC model and forward estimates for CCB and CCR have been provided by DEEWR.
- ABS catalogue number 1270.0.55.006, *Australian Statistical Geography Standard (ASGS): Correspondences, July 2011*.
- ATO, *2010-11 Taxation Statistics*, detailed tables.
- Forward estimates for the HECS-HELP Benefit for early childhood education teachers have been provided by DIICCSRTE.
- 2013 Pre-Election Economic and Fiscal Outlook

COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A. DISAGGREGATION OF COSTING COMPONENTS

In Parts 1 and 2 of this costing, the underlying and headline cash balance impacts are equivalent.

Table A1: Financial implications – Capital Grants Scheme (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -50 | -50 | -50 |
| Fiscal balance (\$m) | - | -50 | -50 | -50 |

Table A2: Financial implications – A new child care payment (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -5 | -1,115 | -1,170 |
| Fiscal balance (\$m) | - | -5 | -1,115 | -1,170 |

Table A3: Financial implications – HELP waiver scheme (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Headline cash balance (\$m) | - | -7.1 | -8.3 | -9.4 |
| Underlying cash balance (\$m) | - | -1.3 | -1.5 | -1.7 |
| Fiscal balance (\$m) | - | -7.1 | -8.3 | -9.4 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash or headline cash balances indicates an increase in expenses in cash terms.

COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT B. POLICY SPECIFICATION OF THE NEW BENEFIT

The policy would combine the two major existing child care assistance payments, Child Care Benefit (CCB) and Child Care Rebate (CCR), into a single payment (the “new Benefit”) and provide targeted additional assistance to certain groups of people.

The new Benefit would maintain a similar form of assistance to that currently provided by CCB and CCR, but would be paid directly to care providers through the CCMS and passed on to families through a fee reduction. Families would no longer be able to receive their assistance via payment into their bank accounts.

The new Benefit would maintain an income tested hourly subsidy, as is currently provided by CCB. However, the standard hourly subsidy in 2015-16 would be increased to \$6.10 per hour, from an estimated Consumer Price Index (CPI) indexed value of \$4.15 per hour under current policy.

In addition to the current CCB payment loadings, the new Benefit would provide an additional 10 per cent loading for children under the age of three to reflect the higher costs of care for these children. A further 10 per cent loading would also be available for children in care located outside capital cities and major regional areas.

Under the new Benefit, the standard hourly subsidy would continue to be indexed to the CPI.

The new Benefit would also continue to cover 50 per cent of remaining expenses after subtracting any income tested hourly subsidy, as is currently the case with CCR. The amount of assistance which is available under this component of the new Benefit would be capped at the same level that is currently available under CCR, \$7,500 per annum.

Table B1 provides a brief comparison of the existing and proposed fee assistance schemes.

COSTING – ELECTION CARETAKER PERIOD

Table B1: Comparison of existing and proposed policy settings in 2015-16

| | Current policy | New benefit |
|--|---|--|
| Number of child care assistance payments | Three (CCB, CCR, Jobs, Education and Training Child Care Fee Assistance (JETCCFA)) | Two (new Benefit, JETCCFA) |
| Maximum Hourly Subsidy – income tested | \$4.15 | \$6.10 |
| Income limit to receive maximum subsidy | \$43,654 | \$43,654 |
| Indexation of Standard Hourly Subsidy | CPI | CPI |
| Fees covered in addition to the income tested hourly subsidy | 50 per cent of fees not covered by CCB up to a cap of \$7,500 per annum | 50 per cent of fees not covered by the income tested hourly subsidy up to a cap of \$7,500 per annum |
| Payment method | Paid direct to services providers or paid into families' bank accounts. | Paid direct to service providers. |
| Loadings | <ul style="list-style-type: none"> • Multiple children • Part time • Age based (0-4 years, 5+ years) | <ul style="list-style-type: none"> • Multiple children • Part time • Age based (0-2 years, 3-4 years, 5+ years) • Regional loading |



COSTING – ELECTION CARETAKER PERIOD

| Name of proposal: | Young and emerging artists and State of the arts (previously <i>Supporting artists</i>) |
|---|---|
| Summary of proposal: | <p>The proposal would:</p> <ul style="list-style-type: none"> • Part 1) Recognise artistic work for the purposes of meeting eligibility requirements for Centrelink payments • Part 2) Provide \$3 million per year to fund payments to artists for performing, exhibiting or speaking about their works • Part 3) Invest an additional \$1 million per year into the existing ArtStart program that provides business training and financial support to those just starting out in their artistic trade • Part 4) Restore the Parliament's procurement policy to purchase art works from young and emerging Australian artists • Part 5) Increase funding for Playing Australia by \$2 million per year from 1 July 2014 until it reaches a threshold of \$10 million when it would be indexed annually • Part 6) Provide \$5 million per year for three years from 1 July 2014 for an Arts Research and Development Fund, and • Part 7) Remove globally touring arts businesses from the 'in Australia' rule so that they will become tax exempt entities. <p>The intention of this proposal is to assist young and emerging artists to build their careers.</p> <p>The proposal would have effect from 1 July 2014.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 4 September 2013 |
| Date costing completed: | 5 September 2013 |
| Date of public release of policy: | 26 August 2013 |
| Agencies from which information was obtained: | Department of Regional Australia, Local Government, Arts and Sport |

POLICY COSTING – ELECTION CARETAKER PERIOD

Costing overview

This proposal is expected to decrease both the underlying cash and fiscal balances by \$70.4 million over the 2013-14 Budget forward estimates period. This impact is entirely due to an increase in expenditure.

The financial impact of this proposal includes several components:

- Part 1 is expected to increase expenditure by \$35.8 million over the 2013-14 Budget forward estimates period
- Part 2 would increase expenditure by \$9 million over the 2013-14 Budget forward estimates period
- Part 3 would increase expenditure by \$3 million over the 2013-14 Budget forward estimates period
- Part 4 represents a redirection of funding with the Parliament’s current procurement program and is therefore expected to have no cost
- Part 5 would increase expenditure by \$7.6 million over the 2013-14 Budget forward estimates period
- Part 6 would increase expenditure by \$15 million over the 2013-14 Budget forward estimates period, and
- Part 7 is expected to increase expenditure by a small but unquantifiable amount over the 2013-14 Budget forward estimates period.

Departmental costs are expected to be minimal and have not been included in this costing.

Part 1 of this costing is considered to be of low reliability as it is based on projections of the number of additional recipients that would be eligible for Centrelink payments as a result of the proposal. Parts 2 to 6 are considered to be of high reliability as they are based on the capped amounts specified in the costing request.

This proposal would have an ongoing impact that extends beyond the forward estimates period.

Table 1: Financial implications of parts 1 to 3 of this proposal (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | - | -23.5 | -23.4 | -23.5 |
| Fiscal balance (\$m) | - | -23.5 | -23.4 | -23.5 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates a decrease in payments in cash terms.

Key assumptions

Assumptions detailed in the costing request:

- This proposal would start from 1 July 2014.

POLICY COSTING – ELECTION CARETAKER PERIOD

The PBO has made the following assumptions regarding this costing:

- The definition of artist used in the costing is taken from the latest *Australian and New Zealand Standard Classification of Occupations* (ANZSCO) and includes all occupations defined as Arts Professionals and some occupations defined as *Media Professionals* (authors, directors, art directors and directors of photography).
- It is assumed that the current rates of the affected payments (Newstart Allowance, Youth Allowance (Jobseeker) and the Parenting Payment) are maintained and that no other current eligibility requirements are changed as part of this proposal.
- It is assumed that there are no changes to the procurement budget for purchasing artworks. The proposal is a redirection of existing funding.

Methodology

Data on the number of artists in Australia by age and income was obtained from the Australian Bureau of Statistics (ABS). The amount and type of payment that artists would be eligible for under the proposal was estimated based on information about their age, income, marital/de-facto status, whether or not they have children and whether or not they are a job-seeker or full-time student. These estimates were based on data provided by the Department of Families, Housing, Community Services and Indigenous Affairs (FAHCSIA) and the Department of Education, Employment and Workplace Relations (DEEWR).

The cost of the proposal in 2014-15 was estimated by multiplying the estimated number of new eligible recipients by an estimated average social security payment.

To assess the impact of the policy across the forward estimates period, the number of artists who were estimated to receive each social security payment in 2014-15 was grown in line with projected numbers of social security recipients provided by FAHCSIA. The payment rates of Youth Allowance (Jobseeker) and Newstart Allowance were indexed annually by the Consumer Price Index (CPI), and the Parenting Payment was indexed annually by male average weekly earnings.

Part 5 was estimated by increasing the total annual funding by an additional \$2 million each year from 1 July 2014 until annual funding reached \$10 million from which time total funding was indexed at CPI.

Data sources

- ABS, *Employment in Culture, Australia, 2011* (Cat 6273.0).
- Data on marital/de-facto status, dependent children and living arrangements was obtained from FAHCSIA and DEEWR.
- Data on the proportions of individuals receiving study-related social security payments was obtained from FAHCSIA.
- CPI and average weekly earnings projections were obtained from The Treasury.
- Information on the existing funding profile for the Playing Australia program was obtained from the Department of Regional Australia, Local Government, Arts and Sport.



Parliament of Australia
Parliamentary Budget Office

COSTING – ELECTION CARETAKER PERIOD

| | |
|---|---|
| Name of proposal to be costed: | Protect National Parks, No new coal or coal seam gas (CSG) and Environment, including no new coal and Caring for our Country (CFOC) cuts (previously <i>Protecting the environment</i>) |
| Summary of proposal: | <p>The proposal would establish a range of new regulatory and procedural changes, and provide additional resources, that will assist in enhancing the national environmental legal framework. The proposal would also see no new unconventional gas or coal mines approved as well as reverse budget cuts to the Caring for our Country program. See Attachment A for full details of the components of this proposal.</p> <p>The proposal would take effect from 1 July 2014 with the exception of restoring Caring for our Country cuts and no new coal or coal seam gas which would take effect immediately.</p> |
| Person/party requesting costing: | Senator Christine Milne, Australian Greens |
| Date costing request received: | 5 September 2013 |
| Date costing completed: | 5 September 2013 |
| Date of public release of policy: | 3 September 2013 |
| Agencies from which information was obtained: | Not applicable |

Costing overview

The proposal is expected to decrease both the underlying cash and fiscal balances by \$1.77 billion over the 2013-14 Budget forward estimates period. This impact reflects an increase in expenses of \$469.8 million and a reduction in revenue of \$1.3 billion.

The reduction in revenue reflects lower company tax paid by the companies affected by the prohibition on new unconventional gas or coal mine approvals. This represents a lower bound estimate of the cost of this proposal, particularly as the estimate does not include the impact of reduced taxes on employment income. The negative revenue impact of this proposal would grow significantly beyond the forward estimates period.

Departmental expenses are to be met from within the capped funding amount as per the costing request.

The financial impact of this proposal includes a number of components; a detailed breakdown of the components of the costing are included at [Attachment A](#) which, as per the costing request, reflects amounts and assumptions specified in previous costing requests.

POLICY COSTING – ELECTION CARETAKER PERIOD

All elements of this costing, other than the element regarding no approvals of new unconventional coal or gas mines, are considered to be of high reliability as they are based on capped funding amounts and the reversal of specific funding cuts. The costing of the proposal for no new coal or unconventional gas projects is considered to be of very low reliability. It is based on limited data, forecasts of expected future coal and gas prices and production volumes and only includes one element of the likely negative revenue impact.

The estimates for the cost of the proposal differ from those in the costing request due to the impact of parameter variations on the cost of the proposal for no new unconventional gas or coal mines.

Table 1: Financial implications (outturn prices)^(a)

| Impact on | 2013-14 | 2014-15 | 2015-16 | 2016-17 |
|-------------------------------|---------|---------|---------|---------|
| Underlying cash balance (\$m) | -50.8 | -262.2 | -549.9 | -906.9 |
| Fiscal balance (\$m) | -50.8 | -262.2 | -549.9 | -906.9 |

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Key assumptions

All elements other than no new unconventional gas or coal mines

The PBO assumes that the reversal of the cuts to the Caring for our Country program would result in the full reinstatement of savings included in the 2013-14 Budget and the 2013 Economic Statement (including the savings identified in 2012-13). As per the costing request all other elements are consistent with the capped amounts provided in the previous costing requests.

No new unconventional gas or coal mine approvals

Price estimates for coal seam gas (CSG) over the forward estimates period were sourced from the World Bank, Development Prospects Group's *Commodity Price Forecast Update – Released: May 14, 2013*. US dollar values were converted to Australian dollars using Treasury's Pre-election Economic and Fiscal Outlook (PEFO) parameters. Coal prices were sourced from the PBO's Minerals Resource Rent Tax (MRRT) model based on PEFO parameters.

The costing assumes that the impact of the prohibition on new coal and CSG extraction does not have a significant impact on Petroleum Resource Rent Tax or MRRT revenues over the forward estimates period.

The costing does not include any estimate of compensation that may be payable to individuals or companies affected by the prohibitions.

Methodology

Reversal of cuts to Caring for our Country program

The costs of reversing cuts to the Caring for our Country program were derived by reversing the savings identified in the 2013-14 Budget and the 2013 Economic Statement, including re-profiling any 2012-13 impacts into 2013-14.

POLICY COSTING – ELECTION CARETAKER PERIOD

No new unconventional gas or coal mine approvals

Production of coal and CSG from projects yet to receive final approval was estimated using the Bureau of Resources and Energy Economics' *Resources and Energy Major Projects April 2013* publication. Projects yet to receive final approval were identified and assigned a probability of progressing to completion. The expected output from the projects was multiplied by the probability of completion to estimate the production volumes.

The costing was completed using an aggregate model of coal and CSG production. The estimated decrease in production volumes as a result of each prohibition and price estimates were used to calculate the decrease in company profits and in company tax revenue. This element of the costing is rounded to the nearest \$10 million.

Data sources

Reverse cuts to the Caring for our Country program

- 2013-14 Budget Paper No. 2 Measure, Caring for our Country – redirection of funding (page 256)
- 2013 Economic Statement Table B2: Expense measures since the 2013 14 Budget (page 62)

No new unconventional gas or coal mine approvals

- World Bank, Development Prospects Group – Commodity Price Forecast Update – Released: May 14, 2013
- Bureau of Resources and Energy Economics – Resources and Energy Quarterly, March Quarter 2013
- Bureau of Resources and Energy Economics – Resources and Energy Major Projects, April 2013
- Australian Taxation Office – Taxation Statistics 2009-10

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: BREAKDOWN OF COSTS BY COMPONENT

| | 2013-14 (\$m) | 2014-15 (\$m) | 2015-16 (\$m) | 2016-17 (\$m) |
|---|------------------|------------------|------------------|------------------|
| 1. Establish a Sustainability Commissioner | - | -50.0 | -40.0 | -40.0 |
| 2. Establish an accreditation scheme (with audit and compliance mechanisms) for all environmental impact professionals | - | -13.0 | -8.0 | -8.0 |
| 3. Greatly improve compliance and audit under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> , including 20 extra staff | - | -20.0 | -20.0 | -20.0 |
| 4. Establish a community information unit | - | -0.5 | -0.5 | -0.5 |
| 5. Ensure Federal Departments have responsibility for all aspects of the environment when the impact is significant | - | -20.0 | -20.0 | -20.0 |
| 6. Change court costs rules to prohibit costs orders in public interest cases | - | -0.5 | -0.5 | -0.5 |
| 7. Require Ministerial Decisions taken under our national environment laws to be consistent with the precautionary principle | - | - | - | - |
| 8. Remove the power to delegate federal approval powers under our national laws to state governments from the act | - | - | - | - |
| 9. Funding to protect World Heritage area | - | -1.5 | -20.5 | -20.5 |
| 10. No new unconventional gas or coal mines | -10 | -130 | -400 | -760 |
| 11. Reverse budget cuts to the Caring for our Country program | -40.8 | -26.7 | -40.4 | -37.4 |
| TOTAL | -50.8 | -262.2 | -549.9 | -906.9 |