



Parliament of Australia
Parliamentary Budget Office

Phil Bowen PSM FCPA
Parliamentary Budget Officer

Mr Andrew Laming MP
Federal Member for Bowman
Liberal Party of Australia
Parliament House
CANBERRA ACT 2600

Dear Mr Laming

Please find attached a response to your request for updated budget analysis on major spending measures yet to be legislated (correspondence of 24 February 2015).

If you have any queries about this response, please do not hesitate to contact Tim Pyne on (02) 6277 9560.

Yours sincerely

Phil Bowen

27 February 2015



RESPONSE TO REQUEST FOR BUDGET ANALYSIS – OUTSIDE THE CARETAKER PERIOD

Name of information request:	Update of major yet to be legislated payment measures
Summary of request:	The request sought information on major yet to be legislated spending measures.
Person/party requesting information:	Mr Andrew Laming MP, Member for Bowman
Date information request received:	24 February 2015
Date response provided:	27 February 2015
Did the applicant ask for the information request to be confidential?	No
Expiry date for the information:	When any of the measures listed are legislated, or after the release of the 2015-16 Budget.

Overview

In the Parliamentary Budget Office (PBO) report *Projections of Government spending over the medium term* (02/2014), Attachment B at page 38 provides a table of the major spending measures that were yet to be legislated as at August 2014.

The table at [Attachment A](#) to this advice provides an updated version of that table to take into account the legislation of any of those measures since the publication of the report, and new measures contained in the 2014-15 Mid-Year Economic and Fiscal Outlook (MYEFO) that affect those measures listed.

Notes on table

- The table at [Attachment A](#) shows the impact of key measures yet to be legislated on spending programs covered in the PBO report *Projections of government spending over the medium term*. This information underlies Table B.2 in the PBO report.
- The table includes major measures yet to be legislated but *is not* a comprehensive list of all measures yet to be legislated. The large majority of yet to be legislated measures included were contained in the 2014-15 Budget, with changes to the Medicare and higher education measures announced in the 2014-15 MYEFO.
- The expense measure related to the Fuel Tax Credits Scheme included in the PBO report has been removed, as this measure has been implemented by an excise tariff proposal.

RESPONSE TO REQUEST FOR BUDGET ANALYSIS – OUTSIDE THE CARETAKER PERIOD

ATTACHMENT A: STATUS OF MAJOR YET TO BE LEGISLATED MEASURES INCLUDED IN PROJECTIONS OF GOVERNMENT SPENDING OVER THE MEDIUM TERM

Program	Measure	Status of measure	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total	Published source
Age Pension	Index Pension and Equivalent Payments by the CPI	Unlegislated	0	0	0	-178	-612	-1,365	-1,908	-2,793	-4,051	-5,114	-6,782	-22,803	BP2 p. 203
Age Pension	Reset the assets test deeming rate thresholds	Unlegislated				-42	-57	-59	-62	-64	-68	-70	-74	-496	BP2 p. 208
Carer Income Support	Maintain eligibility thresholds for Australian Government payments for three years	Unlegislated	0	0	0	-5	-9	-14	-14	-14	-14	-14	-14	-98	BP2 p. 204
Carer Income Support	Education Entry Supplement - cessation	Unlegislated	-1	-2	-2	-2	-2	-2	-2	-2	-3	-3	-3	-22	BP2 p. 197
Carer Income Support	Reset the assets test deeming rate	Unlegislated				-1	-2	-2	-2	-2	-2	-2	-2	-15	BP2 p. 208
Carer Income Support	Index Pension and Equivalent Payments by the CPI	Unlegislated	0	0	0	-21	-71	-164	-223	-332	-475	-607	-793	-2,686	BP2 p. 203
Child Care	Maintain eligibility thresholds for Australian Government payments for three years	Unlegislated	-33	-49	-71	-77	-80	-84	-89	-94	-99	-105	-112	-893	BP2 p. 204
DSP	Maintain eligibility thresholds for Australian Government payments for three years	Unlegislated	0	0	0	-7	-15	-22	-22	-22	-22	-22	-22	-156	BP2 p. 204
DSP	Education entry supplement - cessation of indexation	Unlegislated	-3	-6	-6	-6	-6	-6	-6	-6	-6	-6	-6	-64	BP2 p. 197
DSP	Reset the assets test deeming rate	Unlegislated				-3	-4	-4	-5	-5	-5	-5	-5	-36	BP2 p. 208
DSP	Index Pension and equivalent payments by the CPI	Unlegislated	0	0	0	-57	-194	-404	-594	-875	-1,243	-1,576	-2,046	-6,988	BP2 p. 203
Family Tax Benefit	Family Payment Reform package - Maintain FTB payment rates for two years	Unlegislated	-399	-719	-730	-741	-779	-815	-849.8	-888	-930	-962	-996	-8,808	BP2 p. 204
Family Tax Benefit	Family Payment Reform package - Revise FTB end-of-year supplements	Unlegislated		-410	-399	-425	-487	-554	-623	-693	-775	-857	-941	-6,162	BP2 p. 200
Family Tax Benefit	Family Payment Reform package - Limit FTB B to families with children under six years of age	Unlegislated	0	-88	-245	-1,579	-1,646	-1,718	-1,792	-1,871	-1,952	-2,037	-2,124	-15,051	BP2 p. 198
Family Tax Benefit	Maintain eligibility thresholds for Australian Government payments for three years	Unlegislated	-115	-208	-314	-317	-329	-341	-354	-371	-383	-401	-414	-3,549	BP2 p. 199
Higher education	Higher Education Reforms — amendments	Unlegislated	426	592	755	914	1,074	1,262	1,483	1,743	2,048	2,407	2,828	15,532	MYEFO p. 151
Higher education	A Sustainable Higher Education Loan Programme - Repayment thresholds and indexation	Unlegislated	-349	-459	-583	-731	-904	-1,100	-1,310	-1,410	-1,504	-1,605	-1,718	-11,672	BP2 p. 77
Higher education	Expanding Opportunity - Expansion of the demand driven system and sharing the cost fairly	Unlegislated		-162	-399	-510	-532	-474	-375	-373	-367	-360	-351	-3,903	BP2 p. 84
Higher education	Expanding Opportunity - A more effective Higher Education Participation Programme	Unlegislated	-8	-13	-14	-18	-20	-22	-25	-27	-30	-32	-35	-241	BP2 p. 84
Higher education	Expanding Opportunity - Higher Education Indexation — revised arrangements	Unlegislated	0	-25	-68	-104	-134	-158	-179	-209	-236	-265	-297	-1,675	BP2 p. 84
Higher education	A Sustainable Higher Education Loan Programme - Research Training Scheme — student contributions	Unlegislated		-33	-68	-70	-72	-75	-78	-80	-83	-87	-90	-735	BP2 p. 79
Medicare Benefits Schedule	A strong and sustainable Medicare	Unlegislated	-184	354	18	-291	-364	-330	-323	-317	-309	-302	-294	-2,343	MYEFO p. 166
Medicare Benefits Schedule	Introducing patient contributions for general practitioner, pathology and diagnostic imaging services	Unlegislated	1	-1,164	-1,182	-1,227	-1,278	-1,331	-1,385	-1,441	-1,499	-1,560	-1,623	-13,689	BP2 p. 84
Medicare Benefits Schedule	Simplifying Medicare safety net arrangements	Unlegislated	0	-54	-116	-117	-119	-120	-122	-123	-125	-126	-128	-1,148	BP2 p. 145
Medicare Benefits Schedule	Pausing indexation of some Medicare Benefits Schedule fees and the Medicare Levy Surcharge and Private Health Insurance Rebate thresholds	Unlegislated	-132	-280	-291	-307	-328	-346	-367	-388	-410	-433	-455	-3,736	BP2 p. 139
Newstart	Increasing the eligibility age for Newstart allowance and sickness allowance	Unlegislated	-121	-831	-1,069	-1,016	-1,008	-993	-1,007	-1,037	-1,067	-1,100	-1,138	-10,386	BP2 p. 203
Newstart	Maintain eligibility thresholds for Australian Government payments for three years	Unlegislated	0	-4	-8	-7	-7	-7	-7	-7	-8	-8	-8	-71	BP2 p. 204
Newstart	Stronger participation incentives for job seekers under 30	Unlegislated	-111	-237	-244	-240	-240	-239	-242	-250	-260	-271	-281	-2,616	BP2 p. 210
PBS	Increase in co-payments and safety net thresholds	Unlegislated	-145	-306	-365	-447	-487	-495	-503	-510	-518	-525	-535	-4,836	BP2 p. 140
Private Health Insurance Rebate	Pausing indexation of some Medicare Benefits Schedule fees and the Medicare Levy Surcharge and Private Health Insurance Rebate thresholds	Unlegislated		-99	-189	-290	-312	-336	-361	-389	-418	-450	-484	-3,329	BP2 p. 139
Total unlegislated			-1,173	-4,203	-5,590	-7,920	-9,022	-10,316	-11,346	-12,850	-14,814	-16,499	-18,942	-112,673	