



## Policy costing

Guarantee access to services including social, disability, and mental health services, and aged care	
Party:	Australian Greens
Summary of proposal: This proposal has two components. <ul style="list-style-type: none"><li>• Component 1: Reverse the 2019-20 Budget measure <i>Changing the Social Security Income Assessment Model</i>.</li><li>• Component 2: Establish a taskforce to work across the Australian Public Service, and with state and territory counterparts, to establish community service guarantees aimed at improving the provision of income support and social services across Australia.<ul style="list-style-type: none"><li>– The taskforce would receive capped funding of \$20 million per year, increased annually in line with the consumer price index, and would be funded until the end of 2022-23.</li></ul></li></ul> The proposal would commence from 1 July 2019.	

## Costing overview

This proposal would be expected to decrease both the fiscal and underlying cash balances by \$2,172 million over the 2019-20 Budget forward estimates period. This reflects an increase in administered expenses of \$2,118 million and an increase in departmental expenses of \$54 million over this period.

This proposal would have an ongoing impact beyond the 2019-20 Budget forward estimates period. The financial implications of the proposal over the period to 2029-30 are included at [Attachment A](#).

The financial implications of this proposal are sensitive to projections of future expenditure on social security payments.

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

	2019–20	2020–21	2021–22	2022–23	Total to 2022–23
Fiscal balance	1	-667	-728	-777	<b>-2,172</b>
Underlying cash balance	1	-667	-728	-777	<b>-2,172</b>

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

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

## Key assumptions

The Parliamentary Budget Office (PBO) has assumed that the costing's financial implications would grow in line with growth in the underlying social security payments over the medium term.

## Methodology

The financial implications of reversing the 2019-20 Budget measure *Changing the Social Security Income Assessment Model* were based on the cost of the measure over the 2019-20 Budget forward estimates, projected over the medium term based on projections of the relevant social security payments.

The financial implications of the taskforce component of this proposal were calculated by growing the funding allocated to the base year of 2019-20 out to 2022-23, using the consumer price index.

- The PBO has not undertaken any analysis to confirm whether the proposed capped expenditure for the taskforce would be sufficient to achieve the objective of the policy proposal.

All estimates have been rounded to the nearest \$1 million.

## Data sources

The Department of Social Services provided details of the 2019-20 Budget measure.

The Department of Finance provided indexation parameters as at the 2019 Pre-election Economic and Fiscal Outlook.

## Attachment A – Guarantee access to services including social, disability, and mental health services, and aged care – financial implications

**Table A1: Guarantee access to services including social, disability, and mental health services, and aged care – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	Total to 2022–23	Total to 2029–30
<b>Expenses</b>													
<i>Administered</i>													
<i>Reversal of measure</i>	-	-656	-707	-756	-796	-831	-869	-908	-950	-994	-1,038	-2,118	-8,505
<i>Implement taskforce</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total – administered</b>	-	-656	-707	-756	-796	-831	-869	-908	-950	-994	-1,038	-2,118	-8,505
<i>Departmental</i>													
<i>Reversal of measure</i>	21	9	..	-	-	-	-	-	-	-	-	29	29
<i>Implement taskforce</i>	-20	-20	-21	-21	-	-	-	-	-	-	-	-83	-83
<b>Total – departmental</b>	1	-11	-21	-21	-	-	-	-	-	-	-	-54	-54
<b>Total – expenses</b>	1	-667	-728	-777	-796	-831	-869	-908	-950	-994	-1,038	-2,172	-8,559

- (a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.
- (b) Figures may not sum to totals due to rounding.
- .. Not zero but rounded to zero.
- Indicates nil.