

PBO Guidance 01/2019

2019 Post-election report of election commitments

This guidance note provides information on the 2019 Post-election report of election commitments, including arrangements for engagement with parliamentary parties.

In summary:

- the Parliamentary Budget Officer will be preparing a post-election report of the budget impacts of the major parliamentary parties' election commitments
- minor parties and independent parliamentarians who wish to opt in to the 2019 Post-election report will need to advise the Parliamentary Budget Officer of their intention by 5pm on Friday 3 May 2019
- included political parties will need to provide the Parliamentary Budget Officer with a list of their publicly announced policies by 5pm on Friday 17 May 2019
 - in preparing the report, the Parliamentary Budget Officer will provide each political party with a list
 of the party's election commitments that she determines would have a material effect on the budget
- the 2019 Post-election report will include:
 - the financial impact of each party's combined policy platform over the forward estimates period and the medium term
 - the financial impacts of all individual election commitments over the forward estimates period
 - the financial impacts of significant individual election commitments over the medium term
- after consulting with the parties, the 2019 Post-election report will be published by the later of the following dates: 30 days after the end of the caretaker period, or seven days before Parliament next sits.

Further details are provided in the *Frequently asked questions* below.

Whose election commitments are included in the post-election report?

The Parliamentary Budget Officer is required to prepare a post-election report of the budget impacts of the major parliamentary parties' election commitments. Major parliamentary parties are those that have at least five members in the Parliament immediately before the commencement of the caretaker period.

Parliamentary parties with fewer than five members (minor parties) are able to opt in to the 2019 Post-election report.

Which election commitments are included in the post-election report?

The process for compiling the list of election commitments for each party is as follows:

- 1 Each major party must, before 5pm on Friday 17 May 2019, provide the Parliamentary Budget Officer with a list of its publicly announced policies. Minor parties wishing to opt in to the 2019 Post-election report must also meet this requirement.
- 2 On 19 May 2019, the Parliamentary Budget Officer must release each list of commitments that has been provided, or where no list has been provided, a statement to that effect.
- 3 Within three calendar days of the end of the caretaker period² the Parliamentary Budget Officer must, for each major party:
 - provide the party with a list of election commitments that, in her best professional judgement, would
 have a material effect on the budget, having regard to the lists provided by the party and any public
 announcements made by the party before or during the caretaker period, and
 - provide the party with a statement explaining the reason(s) for any differences, in the event that the list prepared by the Parliamentary Budget Officer differs from the list of election commitments provided by the party.
- 4 Each party has three calendar days to provide the Parliamentary Budget Officer with comments on the list of its election commitments. The Parliamentary Budget Officer may take account of such comments, but is not required to do so.

The post-election report must only include costings of election commitments that are included in the list the Parliamentary Budget Officer provides to a party, or additional commitments in the response a party provides to that list.

What information is provided in the post-election report?

The post-election report must include costings of all the election commitments that the Parliamentary Budget Officer, in her best professional judgement, reasonably believes would have a material impact on the Commonwealth budget estimates for the current financial year and the following three financial years (the forward estimates period).

The post-election report will include the costings of the impact of each party's individual election commitments and their combined impact on the budget over the forward estimates period. The combined impact of each party's election commitments on the budget will also be provided over the medium term

¹ As required by the *Parliamentary Service Act 1999*.

¹

² The caretaker period begins at the time the House of Representatives is dissolved and continues until the election result is clear or, if there is a change of government, until the new government is appointed. See <u>Guidance on Caretaker Conventions 2018</u>, published by the Department of the Prime Minister and Cabinet.

(eleven years).³ The combined impact of election commitments will show the effect of commitments to cap or otherwise limit total tax receipts.

The 2019 Post-election report will include the budget impact of each individual election commitment, over the forward estimates period. For significant individual commitments, the medium-term impact will also be included. Significant commitments are:

- the top ten policy proposals by dollar value
- any proposal with an impact of over \$1 billion in a year
- proposals with a materially different impact beyond the forward estimates.

The post-election report must, for each major party, also include:

- any comments provided to the Parliamentary Budget Officer in response to the list of election commitments provided to the party, or a statement that no comments were provided
- an explanation of why each policy included in the report is taken to be an election commitment
- the source (or sources) of information from which the Parliamentary Budget Officer identified each election commitment.

The post-election report may also include a statement about any election commitments that were not included because insufficient information or time was provided, if relevant.

Post-election report costings will be prepared using the methods and approaches set out in the 2018 Charter of Budget Honesty Policy Costing Guidelines issued jointly by the Secretaries to the Treasury and the Department of Finance.

The report does not have to include information that the Parliamentary Budget Officer considers is confidential commercial information or which could prejudice national security.

What must minor parties do to opt in?

The PBO has adopted the <u>Parliamentary Budget Office Review 2016-17</u> recommendation that the PBO 'should provide parliamentary political parties with fewer than five Members or Senators the option to have the financial impact of their election commitments included in the PBO's post-election report of election commitments'.

Minor parties wishing to opt in to the 2019 Post-election report must notify the Parliamentary Budget Officer of their intention to do so by 5pm on Friday 3 May 2019. Any minor party that opts in must provide the Parliamentary Budget Officer with a list of its publicly announced policies before 5pm on Friday 17 May 2019. For further details on minor parties opting in to the 2019 Post-election report, see PBO Guidance 01/2018 <u>Allowing minor parties to opt in to the PBO's post-election report of election commitments</u>.

For any minor parties that choose to opt in to the 2019 Post-election report, the Parliamentary Budget Officer will release the financial implications of that party's election commitments in an addendum as soon as possible after the release of the main report.

³ For further details of how medium-term estimates are being included in the 2019 Post-election report, see PBO Guidance 02/2018 <u>Post-election report of election commitments: medium-term reporting</u>.

How is information gathered for the post-election report?

The Parliamentary Budget Officer may seek information regarding election commitments from an authorised member of the relevant party or any other person who it is reasonable to believe has been associated with the calculation, review or announcement of the financial implications of the election commitment.

The Parliamentary Budget Officer may also seek information from the Head of a Commonwealth body. This will include obtaining information from the Secretaries to the Treasury and the Department of Finance in respect of the caretaker period costings they have prepared under the *Charter of Budget Honesty Act 1998*.

How and when will the post-election report be published?

The Parliamentary Budget Officer must publicly release the post-election report by the later of:

- 30 days after the end of the caretaker period for the general election
- seven days before the first sitting day of either or both Houses of the Parliament after the general election.

The Parliamentary Budget Officer will provide each party with a confidential copy of the part of the report setting out the costings and totals of that party's election commitments at least 48 hours before publicly releasing the post-election report. The Parliamentary Budget Officer may include any comments received from parties in the final report, or may revise the report to take account of the comments.

Once the post-election report is finalised, the Parliamentary Budget Officer will advise the major parties at least one hour in advance of the public release of the report. The report will be emailed to all major parties immediately prior to its release.

If there is an addendum to the post-election report, containing the financial implications of the election commitments of minor parties that opt in, it will be published as soon as possible after the release of the main report. As with the main report, a confidential copy of the relevant section of the addendum will be provided to each minor party that chooses to opt in at least 48 hours before it is publicly released. The Parliamentary Budget Officer may include any comments received from parties in the final addendum, or may revise the addendum to take account of the comments. Once the addendum is finalised, the Parliamentary Budget Officer will advise the relevant minor parties at least one hour in advance of its public release.

The 2019 Post-election report will be publicly available on the PBO website (www.pbo.gov.au).

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