

Attachment G

PBO list of election commitments provided to the Coalition



Parliament of Australia
Parliamentary Budget Office

Phil Bowen PSM FCPA
Parliamentary Budget Officer

The Hon Tony Abbott MP
Prime Minister
Parliament House
CANBERRA ACT 2600

Dear Prime Minister

Thank you for providing a list of the Coalition's election commitments to the Parliamentary Budget Office (PBO) on 6 September 2013. This list was posted on the PBO website on the day after polling day.

In accordance with Section 64MA of the *Parliamentary Service Act 1999* (the Act), I am providing you with a list of the Coalition's publicly announced policies that, in my best professional judgement, would have a material impact on the Commonwealth budget. I propose to include this list of Coalition election commitments in the post-election report on election commitments.

The attached list has been prepared having regard to the information provided by the Coalition and public announcements made by the Coalition before and during the caretaker period for the 2013 general election. I have not identified any election commitments additional to the list of commitments already provided by the Coalition. Hence the attached list is identical to the list provided to me by the Coalition on 6 September 2013.

Consistent with subsection 64MA(8) of the Act, I would appreciate receiving any comments that you may have on the attached list within three days of receipt of this correspondence.

Under Section 64MAA of the Act the post-election report must include any comments that you provide to me. If you do not provide me with any comments, the post-election report must include a statement to this effect.

Yours sincerely

Phil Bowen
20 September 2013

Parliamentary Budget Officer's list of the Coalition's election commitments

Coalition Election Policies in 2013

- The Coalition's policy to Enhance Online Safety for Children
- The Coalition's policy for Indigenous Affairs
- The Coalition's policy for Better Child Care and Early Learning
- The Coalition's policy for Superannuation
- The Coalition's policy for Foreign Affairs
- The Coalition's policy for Women
- The Coalition's policy for a Strong and Sustainable Forestry Industry
- The Coalition's policy for Healthy Life, Better Ageing
- The Coalition's policy for Trade
- The Coalition's policy to deliver better infrastructure planning
- The Coalition's policy for Tourism
- The Coalition's policy to create jobs by boosting productivity
- The Coalition's policy for Resources and Energy
- The Coalition's policy to deliver lower prices by scrapping the carbon tax
- The Coalition's plan for the digital economy & e-Government
- The Coalition's policy for Veterans and their families
- The Coalition's policy for Stronger Defence
- The Coalition's policy to improve mental health
- The Coalition's Plan for Aviation
- National Stronger Regions Fund
- The Coalition's policy for Agriculture
- The Coalition's policy for schools: Putting students first
- The Coalition's growth plan for the Central Coast
- The Coalition's plan to increase employment participation
- The Coalition's policy for a more competitive and sustainable fisheries sector
- The Coalition's Policy to Boost Dementia Research
- The Coalition's Policy to Index the Commonwealth Seniors Health Card
- The Coalition's Policy for Better Support for Australian Apprentices
- Upgrade to Adelaide's North-South Road Corridor
- A regional deterrence framework to combat people smuggling
- The Coalition's Policy to Improve Road Safety
- The Coalition's policy to support Australia's health system
- The Coalition's policy to boost manufacturing
- The Coalition's Policy for Disability and Carers
- The Coalition's commitment to upgrade the Great Ocean Road
- The Coalition's policy to tackle crime
- The Coalition's policy for jobs and growth in small business
- The Coalition's Policy for Paid Parental Leave
- Boosting employment for Indigenous Australians
- The Coalition's Policy to Build the Swan Valley Bypass and Perth Gateway
- The Coalition's Rigorous Policy Costings Process
- The Coalition's Policy to Clear Labor's 30,000 Border Failure Backlog
- The Coalition's Economic Growth Plan for Tasmania
- Mobile Black Spot Programme
- Building Melbourne's East West Link

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- Reducing Drownings
- Helping Problem Gamblers
- Boosting Employment in Tasmania
- Lowering Company Tax
- Scrapping the Carbon Tax and Reducing the Cost of Living
- Fair indexation of military service pensions
- Better Transparency and Accountability of Registered Organisation
- Operation Sovereign Borders
- Fixing the Bruce Highway
- Fast Broadband and an Affordable NBN
- Boosting Productivity and Reducing Regulation
- Improving the Fair Work Laws
- Creating a Green Army
- Protect and Streamline Health and Medical Research Funding
- 2030 Vision for Developing Northern Australia
- Building a Strong, Prosperous Tasmania
- Respite and Hospice Care for Children in Brisbane

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FISCAL BUDGET IMPACT OF FEDERAL COALITION POLICIES		2013-14	2014-15	2015-16	2016-17	Total
		\$m	\$m	\$m	\$m	\$m
1.0	Removal of Carbon Tax Package					
	<i>Removal of Associated Expenditure</i>					
1.1	Discontinue business compensation measures	-	1,053	1,684	2,350	5,087
1.2	Discontinue energy market compensation measures	-	507	-13	-18	476
1.3	Discontinue land initiatives and unnecessary bureaucracies	56	172	127	85	439
1.4	Abolish other carbon tax measures no longer needed	123	604	493	248	1,468
	<i>Total Savings From Removal Of Associated Expenditure</i>	179	2,336	2,290	2,666	7,471
1.5	Foregone Revenue From Removal Of Carbon Tax	-	-2,245	-4,530	-6,744	-13,519
	Net Budget Impact - Carbon Tax Package (1)	179	91	-2,240	-4,079	-6,048
2.0	Removal of Mining Tax Package					
	<i>Removal of Associated Expenditure</i>					
2.1	Re-phase Superannuation Guarantee increase	-	175	590	875	1,640
2.2	Not proceed with low income super contribution	961	933	921	907	3,722
2.3	Abolish twice yearly mining tax supplementary allowance	146	325	313	323	1,106
2.4	Abolish Schoolkids Bonus	646	1,311	1,333	1,351	4,641
2.5	Discontinue instant asset write-off increase	-	850	1,065	990	2,905
2.6	Discontinue phase-down of interest withholding tax	-	80	160	165	405
2.7	Discontinue tax loss carry back	-	350	300	300	950
2.8	Discontinue accelerated depreciation for motor vehicles	-	155	155	115	425
2.9	Reduce administrative and other expenses from scrapping the MRRT package	5	26	30	30	91
2.10	Regional Infrastructure Fund (net of funds which can not be returned to Budget, some projects have been separately funded by the Coalition - refer to section 4.0)	126	920	663	776	2,485
	<i>Total Savings From Removal of Associated Expenditure</i>	1,884	5,125	5,530	5,832	18,370
2.11	Foregone Revenue From Removal of Mining Tax	-	-800	-1,100	-1,800	-3,700
	Net Budget Impact - Mining Tax Package (2)	1,884	4,325	4,430	4,032	14,670
3.0	Coalition's Paid Parental Leave Scheme Package					
3.1	Gross cost of the Coalition PPL	-	-10	-4,108	-5,684	-9,802
	<i>Less:</i>					
3.2	Existing Government scheme	-	-	1,653	2,012	3,665
3.3	Existing Commonwealth and State Public Sector schemes	-	-	557	672	1,229
3.4	Automatic adjustments to Government spending and revenue	-	-	665	946	1,611
	Remaining Cost	-	-10	-1,233	-2,054	-3,297
3.5	Levy of 1.5% on company taxable income above \$5 million	-	300	300	3,800	4,400
	Net Budget Impact - Coalition's Paid Parental Leave Scheme Package	0	290	-933	1,746	1,103

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FISCAL BUDGET IMPACT OF FEDERAL COALITION POLICIES		2013-14	2014-15	2015-16	2016-17	Total
		\$m	\$m	\$m	\$m	\$m
4.0	Coalition's Infrastructure Package*					
4.1	The Coalition's Plan to Reduce Traffic Congestion: East-West Link	-500	-600	-400	-	-1,500
4.2	The Coalition's Plan to Reduce Traffic Congestion: WestConnex Sydney ¹	-250	-600	-650	-	-1,500
4.3	The Coalition's Plan to Reduce Traffic Congestion: Gateway Brisbane ²	-250	-350	-400	-	-1,000
4.4	Toowoomba Range Crossing	-	-	-50	-80	-130
4.5	Pacific Highway ³	-1,023	-625	-770	-145	-2,563
4.6	North-South Road Adelaide ⁴	-20	-100	-80	-100	-300
4.7	Perth Airport Gateway ³	-136	-300	-123	-64	-622
4.8	Swan Valley Bypass ³	-	-	-40	-160	-200
4.9	Bruce Highway ^{3,4}	-521	-648	-481	-442	-2,092
4.10	Sydney F3 to M2 link ¹	-5	-150	-75	-25	-255
4.11	Midland Highway	-	-40	-40	-40	-120
4.12	Warrego Highway ³	-	-50	-50	-100	-200
4.13	Melbourne-Brisbane Railway ¹	-	-50	-50	-80	-180
4.14	Princes Highway duplication ¹	-	-98	-120	-40	-258
4.15	Ipswich Motorway - Darra Rocklea ¹	-	-20	-20	-25	-65
4.16	Tiger Brennan Drive widening ¹	-5	-20	-25	-20	-70
4.17	Great Ocean Road	-15	-	-5	-5	-25
4.18	Ravenswood interchange	-45	-	-	-	-45
4.19	Condah-Hobspur Road	-3	-	-	-	-3
4.20	Princes Highway East	-5	-	-	-	-5
4.21	Mt Barker interchange	-	-	-4	-4	-8
4.22	Outback Way	-	-11	-11	-11	-33
4.23	Kin Kora roundabout	-	-13	-	-	-13
4.24	Shoalhaven River Bridge planning	-	-5	-5	-	-10
4.25	Jane Street extension	-	-5	-5	-10	-20
4.26	Narellan Road	-	-22	-9	-9	-40
4.27	Moree Bypass stage 2	-	-5	-5	-5	-15
4.28	Dalrymple Road	-	-5	-10	-5	-20
4.29	D'Agular Highway	-	-5	-5	-6	-16
4.30	Local Road Projects (27 projects)	-	-26	-	-	-26
4.31	Bridges renewal programme	-	-60	-60	-60	-180
<i>Total Coalition Infrastructure Commitments</i>		-2,777	-3,807	-3,493	-1,435	-11,512
<i>Less:</i>						
4.32	Existing Funding Allocated from the Nation Building Program	1,655	1,571	1,571	1,306	6,134
4.33	Do not proceed with Melbourne metro rail	-	-	25	50	75
4.34	Do not proceed with Cross river rail	40	272	45	96	453
4.35	Do not proceed with Perth urban rail public transport	-	25	25	50	100
4.36	Do not proceed with Tonsley park public rail transport project	-	15	16	-	31
4.37	Do not proceed with Airport rail - planning	3	-	-	-	3
4.38	Do not proceed with Mulgrave River bridge	40	-	-	-	40
Net Budget Impact - Coalition's Infrastructure Package		-1,010	-1,923	-1,810	67	-4,676

*Key:

Unless otherwise specified funding for these projects is greater than the Government's commitment in the forward estimates period:

- 1 Funding for this project has been accelerated.
- 2 The Coalition's funding commitment for this project is greater than the Government's beyond the forward estimates.
- 3 This project is funded without a Mining Tax.
- 4 The Coalition's plans for this project are different from the Government's current commitment.

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FISCAL BUDGET IMPACT OF FEDERAL COALITION POLICIES	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	Total \$m
Improve minor use chemical registration	-	-2	-2	-2	-6
Agriculture in education	-1	-1	-	-	-2
7.2 The Coalition's Policy for Fisheries	-3	-2	-2	-2	-9
7.3 The Coalition's Policy for a Strong and Sustainable Forestry Industry	-	-5	-5	-5	-15
Net Spending - Agriculture, Forestry and Fisheries	-13	-44	-42	-41	-140
<i>Crime and Terrorism</i>					
7.4 Supporting Australian victims of terrorism overseas	-30	-	-	-	-30
7.5 The Coalition's Policy to Tackle Crime					
Safer Streets - Protecting Communities from Crime	-	-20	-15	-15	-50
Restore and further boost Customs funding for cargo inspections	-13	-25	-25	-25	-58
Net Spending - Crime and Terrorism	-43	-45	-40	-40	-168
<i>Environment</i>					
7.6 The Coalition's Plan for a Cleaner Environment					
Emissions Reduction Fund	0	-300	-500	-750	-1,550
Green Army	-1	-47	-96	-157	-300
Other Environment Policies	0	-71	-65	-27	-163
Net Spending - Environment	-1	-418	-660	-934	-2,013
<i>Coalition's Plan to Grow Tasmania</i>					
7.7 The Coalition's Plan to Grow Tasmania (3)	-2	-32	-31	-10	-74
Net spending - Coalition's Plan to Grow Tasmania	-2	-32	-31	-10	-74
<i>Building Stronger Communities and Regions</i>					
7.8 National Stronger Regions Fund	-	-	-200	-200	-400
7.9 Community Development Grants programme	-2	-160	-160	-20	-342
Redirect Building Better Regional Cities programme	25	-	-	-	25
7.10 Mobile Blackspot programme	-	-25	-25	-25	-75
Net Spending - Building Stronger Communities and Regions	23	-185	-385	-245	-792
<i>Employment Policies</i>					
7.11 Restore and further boost the ABCC - additional funding on top of redirected Fair Work Building Inspectorate funding	-5	-10	-10	-10	-35
7.12 Employment Participation Plan					
Indigenous employment (Australian Employment Covenant - funding of four trial sites)	-20	-25	-	-	-45
Incentives to employers to employ over 50s	-	-20	-82	-86	-188
Jobseeker relocation allowance and job commitment bonus for young people	-1	-5	-21	-48	-75
Redirect Mature Age Participation (job seeker assistance)	3	8	-	-	10
Net Spending - Coalition's Employment Participation Plan	-18	-42	-103	-134	-297
Net Spending - Employment Policies	-23	-52	-114	-144	-333

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FISCAL BUDGET IMPACT OF FEDERAL COALITION POLICIES	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	Total \$m
<i>Border Protection Policies</i>					
The Coalition's Plan for More Secure Borders					
7.13 Operation Sovereign Borders Joint Agency Taskforce (OSBIAT)	-6	-2	-2	-2	-10
7.14 Clear 30,000 Border Backlog	2	38	..	-95	-55
7.15 Regional Co-operation to Combat People Smuggling					
Improved regional intelligence and joint policing operations	-15	-17	-17	-17	-67
Engage with local communities in Indonesia	-7	-6	-3	-3	-20
Tighten regional border controls and improve identity management	-20	-7	-6	-6	-38
Appoint special envoy for Operation Sovereign Borders	..	-1	..	..	-1
Enhanced air surveillance	-7	-10	-5	-5	-27
Enhanced search and rescue capacity	-18	-27	-13	-13	-71
Interception and transfer of asylum seekers	-69	-89	-27	-14	-198
7.16 Border security - withdraw taxpayer funded immigration assistance to illegal boat arrivals	28	35	20	17	100
7.17 Border security - dividend from stopping the boats (4)	93	274	309	413	1,088
Net Spending - Border Protection Policies	-19	189	246	274	701
<i>Coalition's Plan for the Automotive Industry</i>					
7.18 Reverse change to FBT arrangements for cars	-75	-331	-617	-772	-1,795
Net Spending - Coalition's Plan for the Automotive Industry	-75	-331	-617	-772	-1,795
<i>Coalition's Plan for Manufacturing</i>					
7.19 The Coalition's Plan to Boost Australian Manufacturing					
Export Market Development Grants	-13	-13	-13	-13	-50
Manufacturing Transition Grants Programme	..	-25	-25	..	-50
Net Spending - Coalition's Plan for Manufacturing	-13	-38	-38	-13	-100
<i>Transport Policies</i>					
7.20 Improve road safety - support for Keys2Drive	-1	-3	-3	-3	-10
7.21 The Coalition's Plan for Aviation					
En route rebate scheme	-1	-1	-1	-1	-4
Inquiry into best practice aviation	-1	..	..	..	-1
Expansion of CASA Board	..	..	..	..	0
Net Spending - Transport Policies	-3	-4	-4	-4	-15
<i>Resources and Energy</i>					
7.22 Exploration development incentive	..	-25	-35	-40	-100
Net Spending - Resources and Energy	0	-25	-35	-40	-100
<i>Supporting Business</i>					
7.23 Company Tax rate cut to 28.5 per cent	..	-400	-300	-4,200	-4,900
7.24 Other Small Business Measures	-1	-3	-3	-3	-11
Net Spending - Supporting Business	-1	-403	-303	-4,203	-4,911

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FISCAL BUDGET IMPACT OF FEDERAL COALITION POLICIES		2013-14	2014-15	2015-16	2016-17	Total
		\$m	\$m	\$m	\$m	\$m
<i>Defence and Veterans' Affairs</i>						
7.25	The Coalition's policy for fair indexation of Military Super (5)	-	-249	-261	-270	-780
7.26	Re-build ADF Gap Year programme	-	-18	-35	-58	-113
7.27	Restore Veterans' advocacy funding	-1	-1	-1	-1	-4
7.28	Centenary of ANZAC funding	-4	-	-	-	-4
Net Budget Impact - Defence and Veterans' Affairs		-5	-268	-299	-329	-901
<i>Further Coalition Policy Priorities</i>						
7.29	Coalition Plan to Reduce Drownings	-1	-3	-3	-3	-10
7.30	The Coalition's Policy for Disability and Carers	-	-1	-1	-1	-3
7.31	Marriage vouchers trial	-	-17	-3	-	-20
7.32	Prime Minister's Indigenous Council	...	...	...	...	-1
7.33	National Commission of Audit	-1	-	-	-	-1
7.34	ACCC Funding to ensure scrapping the Carbon Tax means lower prices	-3	-6	-1	-	-10
7.35	The Coalition's Policy to Enhance Online Safety for Children	...	-3	-3	-3	-10
7.36	The Coalition's Policy for Women	...	...	...	...	-1
7.37	Coalition's Policy for Tourism	-	-1	-1	-1	-3
Net Spending - Further Coalition Policy Priorities		-6	-31	-12	-8	-59
Net Budget Impact - Other Coalition Policy Commitments		-179	-1,687	-2,324	-6,609	-10,700
8.0 Other Announced Coalition Savings						
8.1	Reduce Public Service headcount by 12,000 through natural attrition	303	1,198	1,790	1,920	5,211
8.2	Restore humanitarian immigration intake to 13,750 p.a.	141	267	372	489	1,269
8.3	Redirect Carbon Capture and Storage Flagships program	45	67	150	87	349
8.4	Reduce Automotive Transformation Scheme	48	182	182	88	400
Net Budget Impact - Other Announced Coalition Savings		538	1,716	2,494	2,683	7,330
9.0 Further Coalition Savings						
9.1	Discontinue Carbon Farming Initiative - advertising campaign	1	-	-	-	1
9.2	Reduce payments for grants to Australian Organisations	...	...	...	...	1
9.3	Reprioritise Indigenous Policy Reform program	5	13	12	12	42
9.4	ITSA (reduced administration of minor insolvencies)	3	7	7	8	25
9.5	Streamline Family Court processes	2	6	9	13	30
9.6	Redirect Portrayal of Senior Australians in the media	...	1	...	...	1
9.7	Redirect National Crime Prevention Fund to the Coalition's Safer Streets Program	-	20	20	...	41
9.8	Reduce former Department of Climate Change	7	13	13	13	46
9.9	Discontinue direct Commonwealth funding to ICT centre of excellence	-	21	21	-	42
9.10	Discontinue ACT Pokies trial	20	22	-	-	42
9.11	Foreign Aid - grow in line with inflation	656	873	1,230	1,741	4,500
9.12	Discontinue establishment of Senegal diplomatic post	2	5	3	3	14
9.13	Revert to pre-2010 election personal staffing ratios	1	2	2	2	7
9.14	Further 0.25 per cent p.a. efficiency dividend - reduce advertising	0	69	139	220	428
9.15	Discontinue Manufacturing Technology Innovation Centre	2	5	5	5	16
9.16	Discontinue Community Cabinets	3	4	4	4	13
9.17	Water Buybacks - re-phase four years' spending over six years	25	174	210	240	669

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FISCAL BUDGET IMPACT OF FEDERAL COALITION POLICIES	2013-14 \$m	2014-15 \$m	2015-16 \$m	2016-17 \$m	Total \$m
9.18 Reduce National Low Emissions Coal Initiative	10	13	19	-	42
9.19 Suspend National CO2 Infrastructure Plan	\$	6	-	-	13
9.20 Discontinue RET Counsellor to India	-	1	1	1	3
9.21 Geothermal and Tidal - allocate \$40m of existing ARENA funding	-	10	15	15	40
9.22 Connecting renewables - connecting to the grid - suspend until committed demand is identified	25	50	55	55	185
9.23 Not proceed with further increase in instant asset write-off to \$10,000	-	150	150	-100	200
Net Budget Impact - Further Coalition Savings	769	1,464	1,915	2,231	6,382

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FISCAL BUDGET IMPACT OF FEDERAL COALITION POLICIES		2013-14	2014-15	2015-16	2016-17	Total
		\$m	\$m	\$m	\$m	\$m
10.0	Public Debt Interest (6)	62	273	444	535	1,313
11.0	Coalition Budget Impact					
	Total Coalition Savings (Including Public Debt Interest)	3,431	11,202	11,741	15,593	41,969
	Total Coalition Policy Commitments:	-1,247	-6,785	-9,937	-15,207	-33,178
	Net Impact of Coalition Measures on Budget (Fiscal Basis)	2,183	4,417	1,804	386	8,791
	Net Impact of Coalition Measures on Budget (Cash Basis) (7)	1,141	2,429	1,943	576	6,090
	<u>Notes:</u>					
	Carbon Tax abolition - growth dividend (not included above) (8)	-	100	400	600	1,100
12.0	Coalition Debt Reduction					
	Other Savings Affecting Debt not included above (9)	3,548	3,781	1,646	992	9,967
	Debt reduction as a result of Coalition Policies	4,689	6,210	3,589	1,568	16,057

Notes:

Totals may not add due to rounding.

.. Not zero, but rounded to zero.

- Nil.

References:

- (1) There is a -\$2.5 billion difference between cash and fiscal estimates over the forward estimates period.
- (2) There is a -\$0.9 billion difference between cash and fiscal estimates over the forward estimates period.
- (3) Excludes the Midland Highway commitment identified elsewhere at item 4.11.
- (4) Represents a conservative estimate of the savings to be achieved by the Coalition's comprehensive suite of Border Protection policies, as modelled on the basis of the scenario analysis as set out in the Pre-Election Economic and Fiscal Outlook. These savings correspond to reducing illegal maritime arrivals to the long term average rate of 370 per month by the end of 2014 and then gradually continuing to decrease them to 50 per month by 2016-17. The Coalition expects to do better than this. Under the previous Coalition Government there were only a total of 272 illegal arrivals in its last 6 years.
- (5) There is a -\$0.7 billion difference between cash and fiscal estimates over the forward estimates period.
- (6) Public Debt Interest is calculated from the net Budget impact of the Coalition's policy package plus further interest savings from reduced equity injections to the CEFC and NBN Co.
- (7) For major differences between cash and fiscal see (1), (2) and (5).
- (8) As calculated by the Parliamentary Budget Office, based on Treasury modelling of the macroeconomic impact of the Carbon Tax.
- (9) Reduced equity injections to the CEFC and NBN Co.