



Senator Jacqui Lambie  
Senator for Tasmania



11 May 2016

Parliamentary Budget Office  
Phil Bowen PSM FCPA  
Parliamentary Budget Officer  
Parliament House  
Canberra ACT

Dear Mr Bowen,

I request that the attached pro-forma policy costing within the caretaker period document please be processed in a timely manner.

Kind regards

Jacqui Lambie  
Senator for Tasmania



## Policy costing request—during the caretaker period for a general election

<b>Name of policy:</b>	<b>Veterans' entitlement: expanded Gold Card</b>
Person requesting costing:	Senator Jacqui Lambie
Parliamentary party:	Independent Senator
Date of request to cost the policy:	11 May 2016
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (ie from the Treasury or the Department of Finance)?	No
Details of the public release of this policy (Date, by whom and a reference to that release):	<p>Progress in the senate  Copy of Second Reading speech attached.</p> <p style="text-align: center;"><b>Senate</b></p> <p>Introduced and read a first time                      11 Nov 2015  Second reading moved                                      11 Nov 2015  Second reading debate                                      25 Feb 2016  Lapsed at prorogation                                        17 Apr 2016  Restored to Notice Paper                                   19 Apr 2016  Lapsed at dissolution                                        09 May 2016</p>
<b>Description of policy</b>	
Summary of policy (as applicable, please attach copies of relevant policy documents):	Copy of Bill and Explan Mem and previous PBO costing
What is the purpose or intention of the policy?	Amends the Veterans' Entitlements Act 1986 to provide that all veterans, including former members of the Defence Force and members of a peacekeeping force, who have served in war or war-like operations, are eligible for medical treatment, regardless of whether the condition or injury was caused by war or contracted during war or war-like operations.
<b>What are the key assumptions that have been made in the policy, including:</b>	
Is the policy part of a package? If yes, list the components and interactions with proposed or existing policies.	NO

PBO Policy costing request—during the caretaker period for a general election

<p>Where relevant, is funding for the policy to be demand driven or a capped amount? If a capped amount, are the costs of administering the policy to be included within the capped amount or additional to the capped amount?</p>	<p>Demand Driven</p>
<p>Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?</p>	<p>No Federally Funded</p>
<p>Are there associated savings, offsets or expenses? If yes, please provide details.</p>	<p>Attached is the previous PBO – We are seeking a calculation for an individual versus the costing as a whole</p>
<p>Does the policy relate to a previous budget measure? If yes, which measure?</p>	<p>Veterans Entitlement Act 1986</p>
<p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?</p>	<p>It is expected to possibly cost more but savings would be made in areas where claims are disputed and are being pursued legally.</p>
<p>Will the funding/program cost require indexation? If yes, list factors to be used.</p>	<p>Unsure if indexation would be required</p>

<b>Expected impacts of the proposal</b>				
If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?				
<b>Estimated financial implications (outturn prices)<sup>(a)</sup></b>				
	2016–17	2017–18	2018–19	2019–20
Underlying cash balance (\$m)	Please refer to previous PBO costing	Please refer to previous PBO costing	Please refer to previous PBO costing	Please refer to previous PBO costing
Fiscal balance (\$m)	Please refer to previous PBO costing	Please refer to previous PBO costing	Please refer to previous PBO costing	Please refer to previous PBO costing
(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 positive number in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.				
What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?	Please refer to previous PBO costing			
Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?	No			
What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?	Please refer to previous PBO costing			
<b>Administration of policy:</b>				
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	Veterans Affairs/Defence Dept.			
Please specify whether any special administrative arrangements are proposed for the policy and whether these are expected to involve additional transactions/processing (by service delivery agencies).	Processes are already in place.			
Intended date of implementation:	1 July 2016			

PBO Policy costing request—during the caretaker period for a general election

Intended duration of policy:	Ongoing
Are there transitional arrangements associated with policy implementation?	Possibly re-assessing cases under new guidelines
List major data sources utilised to develop policy (for example, ABS catalogue number 3201.0).	Please refer to previous PBO costing
Are there any other assumptions that need to be considered?	<b>Senator Lambie would like the previous costing broken so as she can see how much it would potentially be for an individual.</b>
<p><b>NOTE:</b>  <i>Please note that:  The costing will be on the basis of information provided in this costing request.  The PBO is not bound to accept the assumptions provided by the requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.</i></p>	