



Environment Assurance Commissioner – abolition	
Party:	Australian Labor Party
Summary of proposal: The proposal would abolish the Environment Assurance Commissioner from 1 July 2022 and subsume its functions into the Department of Agriculture, Water and the Environment's existing funding envelope.	

## Costing overview

The proposal would be expected to increase both the fiscal and underlying cash balances by about \$9.2 million over the 2022-23 Budget forward estimates period. This reflects a decrease in departmental expenses.

The proposal would have an impact beyond the 2022-23 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2032-33 is provided at Attachment A.

The Parliamentary Budget Office (PBO) has not made an assessment as to whether the Department of Agriculture, Water and the Environment (DAWE) would be able to effectively deliver the functions of the Environment Assurance Commissioner with its existing resources.

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

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	2.3	2.3	2.3	2.3	9.2
Underlying cash balance	2.3	2.3	2.3	2.3	9.2

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

(b) PDI impacts are not included in the totals.

## Key assumptions

The PBO has made the following assumptions in costing the proposal.

- The Environment Assurance Commissioner could be absorbed into DAWE with its existing resources.

## Methodology

The financial implications from the measure in DAWE's 2021-22 Portfolio Budget Statements *Establish an independent, statutory office known as the Environment Assurance Commissioner* were indexed to the relevant wage cost index and efficiency dividend over the medium term.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.<sup>1</sup>

## Data sources

Australian Government, 2021. [2021-22 Budget: Budget Paper No. 2](#), Australian Government, accessed 1 April 2022.

Department of Agriculture, Water and the Environment, 2021. [2021-22 Portfolio Budget Statements](#), DAWE, accessed 1 April 2022.

The Treasury provided economic parameters as at the *2022 Pre-election Economic and Fiscal Outlook*.

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<sup>1</sup> [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Budget\\_Office/Costings\\_and\\_budget\\_information](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information)

## Attachment A – Environment Assurance Commissioner – abolition – financial implications

**Table A1: Environment Assurance Commissioner – abolition – Fiscal and underlying cash balances (\$m)<sup>(a)</sup>**

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
<b>Expenses</b>													
<b>Departmental</b>													
<i>Abolish the Environment Assurance Commissioner</i>	2.3	2.3	2.3	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4	9.2	25.9
<b>Total – expenses</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>9.2</b>	<b>25.9</b>
<b>Total (excluding PDI)</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>	<b>9.2</b>	<b>25.9</b>

(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.

**Table A2: Environment Assurance Commissioner – abolition – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
<b>Fiscal balance</b>	..	0.1	0.1	0.2	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.4	3.9
<b>Underlying cash balance</b>	..	0.1	0.1	0.2	0.2	0.3	0.4	0.5	0.6	0.6	0.8	0.4	3.8

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the tables above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary<sup>2</sup>.

(b) 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.

.. Not zero but rounded to zero.

<sup>2</sup> [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)