CHF Policy Primer

The Federal Budget

What is a Federal Budget?

The Federal Budget is an annual process in which the Australian Government details their expected annual income and expenses for the upcoming July 1st-June 30th period (the "Budget Year"), along with forecasts for the following three years ("forward estimates").

The Budget estimates how money will be raised (e.g. taxes) and then allocated to different Government areas (e.g. services and programs), whether by continuing funding for existing activities or allocating funding for new ones. Decisions on how money is raised and what is then funded or not funded reflect what the Government's policy priorities are.

Logistically the Budget is a group of documents or "Appropriations Bills" which are introduced to the Federal Parliament by the Treasurer of Australia, generally in May. They must be passed by a majority vote in both the House of Representatives and the Senate before going into effect. If they don't pass before July 1 the Government will have lost 'supply' and may be forced to an immediate election.

The main Budget is then followed by the 'Mid-Year Economic and Fiscal Outlook' or 'MYEFO', which must be completed within six months of the Budget. MYEFO updates the expected income and expenses with what actually occurred in that six month period, while also adding in income and expenses for any new programs or program changes announced since the Budget.

How can consumers contribute to the Federal Budget?

The main ways consumers and the community can contribute to the Budget are:

1. Submitting a proposal or idea to the Treasury Public consultation in December/ January (generally found at consult.treasury.gov.au/). A proposal can be as detailed and as short/long as you like and Treasury provides 'Submission Guidelines' to provide advice on how to structure it.

2. Sharing your idea with the Offices of your local Representative or the Minister(s)/Assistant Minister(s) whose areas relate to your proposal. You can look up your local representative, your State Senator, and the list of current Ministers.

3. Engaging with the submission development process that organisations across Australia run when developing their submissions e.g. CHF, ACOSS, RACGP.

Note - you generally won't be able to see what other people or organisations have contributed until after the consultation period has finished, but if you want to get a general idea you can have a look at the published submissions from previous years.

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When is the Federal Budget?

While the Budget is normally announced in May, the process for putting it together begins much earlier:

- In September-October different Government Departments begin Budget planning by developing internal 'New Policy Proposals' (NPPs) that request funding for potential activities or services that the Department could deliver.
- From December-February these NPPs are further refined and 'costed' with the assistance of Treasury and the Department of Finance.
- Around December Treasury opens a public consultation for members of the broader Australian community to submit idea or proposals for what the Government should include in the Budget. This generally closes at the end of January. These are then passed to the relevant Department for consideration to be developed into additional NPPs.
- From March-April all NPPs go to the 'Expenditure Review Committee' (ERC), which consists of the Prime Minister, the Treasurer, the Minister for Finance and other Senior Ministers of the Government). The ERC can then accept, reject or request amendments to NPPs as they build the Budget.
- The Treasurer tables the Appropriation Bills in the House of Representatives on 'Budget Night', which is traditionally on the second Tuesday of May at 7:30pm AEST but can moved due to other major events (e.g. Federal elections).
- From May-June the Parliament, in particular the Senate, consider, review, potentially amend and (generally) eventually pass the Budget into law.
- Six months later, typically in December, the Mid-Year Economic and Fiscal Outlook is published.

What can I ask to include in the Federal Budget?

Anything at all that you think that Government should consider spending money on (i.e. healthcare, education, defense, infrastructure, services), or anything else you think is important or beneficial for Government to do.

The Budget Process

Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6
Begin Budget Planning	**Review & Refined**	**Expenditure Review Commitee**	**Budget Night**	**Amendments**	**MYEFO**
Period: Sept - Oct	**Period:** Dec - Feb	**Period:** Mar - Apr	**Period:** May	**Period:** May - Jun	**Period:** Dec
Who: Government Departments	**Who:** Government Departments with Treasury and the Department of Finace	**Who:** Prime Minister, the Treasurer, the Minister of Finance and other members of Federal Cabinet	**Who:** the Treasurer	**Who:** the Parliament	**Who:** The Government
Task: Develop New Policy	**Task:** NPP's are further refined and "costed"	**Task:** all NPP's get reviewed by this committee. This committee will either accept, reject or request amendments to NPP's as they build the budget	**Task:** Tables the Appropriation bulls in the House of Representatives	**Task:** Consider, review, potentially amend and pass the Budget into law	**Task:** Update Budget with first six months of data and account for changes
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	Public Consultation				
	Period: Dec - Jan (approx)				
	Who: Australian communities				
	Task: Submit ideas or proposals that should be included in the Budget				

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