


## Request for Costing an Election Commitment

<b>Name of election commitment:</b>	<i>Increasing eligibility for the Seniors' Gold Card</i>
Person and party requesting costing:	Katy Gallagher, ACT Labor
Date of public release of election commitment, including source:	18/9/12 <a href="http://www.katygallagher.net/?p=2231">http://www.katygallagher.net/?p=2231</a>
Summary of election commitment:	Reducing the qualifying age for the Seniors' Gold Card
Intention of election commitment:	To reduce the age at which Canberrans are eligible for a Seniors' gold card – from 75 to 70.
Signature of person requesting costing:	
Date of request for costing:	25.9.12

**What are the key assumptions that have been made in the election commitment?**

ACT Labor will reduce the current qualifying age on the Seniors Gold Card from 75 to 70 years, ensuring that even more Canberrans have access to free ACTION bus travel. It means an additional 8,800 older Canberrans will benefit by lowering their living costs and improving their access to public transport.

Where relevant, is the funding for the policy to be demand driven or a capped amount? It is revenue foregone and will be demand-driven (methodology below)

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment? No

Will funding/the cost require indexation? No

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?

	2012-13	2013-14	2014-15	2015-16	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue <sup>(a)</sup>		-150	-150	-160	-160	-620
Expenses <sup>(a)</sup>						
Capital						

(a) A negative number indicates a decrease in revenue or an increase in expenses.

What is the likely take up?  
See below

Any other assumptions?

This is revenue foregone with a 2.5% indexation.

In the second half of 2011-12, adults aged from 70-74 contributed \$55,000 in revenue using MyWay. Extrapolating this to a full year gives a total of \$110,000.

ACTION does not have specific information on the composition of the cash fare, however the split between the use of MyWay and cash fares is roughly 80:20.

Based on a full year of revenue of \$110,000, cash fares would provide an additional \$27,500, bringing the total to \$137,500.

Factoring in some growth in the use of the service due to people in this age group being able to travel for free, \$150,000 per annum has been calculated in the first two years, and \$160,000 per annum in the second two years.

*Administration of the election commitment*

How will the election commitment be administered? Through ACTION in the Territory and Municipal Services Directorate.

Who will administer the election commitment? ACTION and TAMS

Has an allowance been made for expenses necessary to support the implementation of this election commitment? No, this should not come with any extra implementation expenses.

What is the intended implementation date of the election commitment? 2013-14

Are there transitional arrangements associated with election commitment implementation? No

Are there any other assumptions that need to be considered? No

When is the election commitment expected to be fully operational?  
2013-14

Will the election commitment cease and if so when? no