



Expanding the PPP500 Scheme to support vulnerable parties seeking a property settlement	
Party:	The Coalition
Summary of proposal: The proposal would expand eligibility for the Priority Property Pools 500 (PPP500) program, run by the Federal Court of Australia to provide a simplified way of resolving property disputes involving total assets under \$1.5 million (excluding superannuation). The proposal would be ongoing and start on 1 July 2025.	

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$27.4 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered expenses.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

The impact of this proposal is sensitive to increases in the number PPP500 cases as a result of increasing the asset thresholds and excluding the superannuation from the calculation.

Table 1: Expanding the PPP500 Scheme to support vulnerable parties seeking a property settlement – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-6.8	-6.8	-6.9	-6.9	-27.4
Underlying cash balance	-6.8	-6.8	-6.9	-6.9	-27.4

(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 Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- The increased caseload generated by increasing the asset thresholds would not require additional court sites to service and the federal courts would be adequately funded to accommodate an increase in PPP500 cases.
- The base data used for this costing includes superannuation, which is not separately identified. As such to estimate this proposal we have assumed the average superannuation balance of a PPP500 filer would be similar to the balance recorded in the Australian Institute of Families (AIFS) evaluation of the PPP500 pilot program, adjusted for average earnings and contributions over the period from the evaluation report (2019-20) to the start of the proposal (2025-26).

- It is assumed that PPP500 filers with assets above \$500,000 would have double the average superannuation balance of current PPP500 filer recorded in the AIFS (Australian Institute of Family Studies) evaluation of the PPP500 pilot program.
- An increase in the asset threshold to \$1.5 million would result in more cases with complex affairs that are ineligible for the program such that 10% of parties otherwise eligible under the asset test could not access the scheme.

Methodology

The cost of the proposal was calculated by using the asset distribution of all court filers in the pilot sites from the AIFS evaluation report, adjusting the asset bands with inflation and calculating the ratio of newly eligible PPP500 filers for the baseline and the proposal. The difference between the proposal and the baseline was applied as an uplift to the ongoing funding for the program.

To accommodate the exclusion of superannuation to the asset test, the calculated double of the average superannuation balance for a PPP500 filers was added to the \$1.5 million asset thresholds (as separate distributional data is not available excluding super).

Financial implications were rounded consistent with the PBO's rounding rules.¹

Data sources

Australian Institute of Family Studies (2022) [Evaluation of the Small Claims Property Pilot – Priority Property Pools under \\$500,000 \(PPP500\)](#). Australian Institute of Family Studies website, accessed on 6 May 2025.

Australian Prudential Regulatory Authority (2025) [Quarterly Superannuation Statistics | APRA](#), Australian Prudential Regulatory Authority website, accessed 6 May 2025.

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia. Commonwealth of Australia, 2023. *2023-24 Mid-Year Economic and Fiscal Outlook*, Canberra: Commonwealth of Australia.

Commonwealth of Australia, 2024. *2024-25 Budget*, Canberra: Commonwealth of Australia.

¹ <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Expanding the PPP500 Scheme to support vulnerable parties seeking a property settlement – Financial implications

Table A1: Expanding the PPP500 Scheme to support vulnerable parties seeking a property settlement – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Administered													
<i>Federal Court of Australia</i>	-6.8	-6.8	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-27.4	-75.7
Total (excluding PDI)	-6.8	-6.8	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-6.9	-27.4	-75.7

(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: Expanding the PPP500 Scheme to support vulnerable parties seeking a property settlement – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-0.2	-0.5	-0.8	-1.1	-1.5	-1.9	-2.3	-2.7	-3.1	-3.6	-4.0	-2.6	-21.7
Underlying cash balance	-0.1	-0.4	-0.7	-1.0	-1.4	-1.8	-2.2	-2.6	-3.0	-3.4	-3.9	-2.2	-20.5

- (a) As this table is presented as a memorandum item, these figures are not reflected in the totals 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 glossary².
- (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.

² [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/online-budget-glossary)