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Small Area Modelling of the Federal Budget Impact

The Federal Budget for 2014-15 was one of the most dramatic budgets in recent history. The budget makes significant changes to several key welfare payments which directly impact the disposable incomes of many lower and middle income families. The number of changes made in the budget were significant. This paper discusses the microsimulation tool (STINMOD) that models the budget and provides an overview of the major impacts on families and the income distribution flowing from the budget. The results will be provided at both the national and regional level. The methodology used to develop the regional level results (SpatialMSM) will also be discussed.