



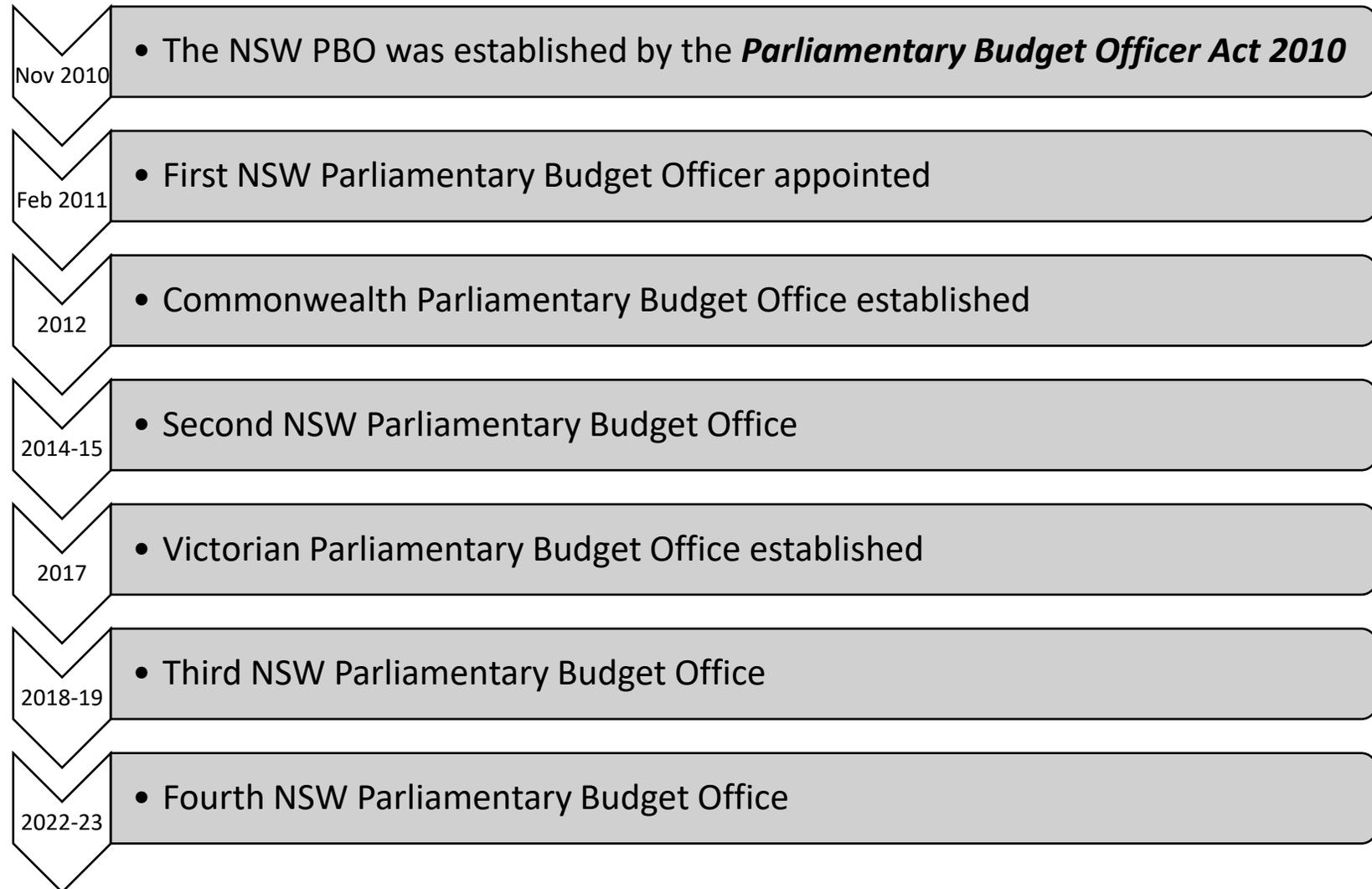
PARLIAMENT OF NEW SOUTH WALES
PARLIAMENTARY BUDGET OFFICE

A fresh start every four years...

Professor Stephen Bartos - Presentation to 15th Annual Meeting of the OECD Working Party of Parliamentary Budget Officials and Independent Fiscal Institutions

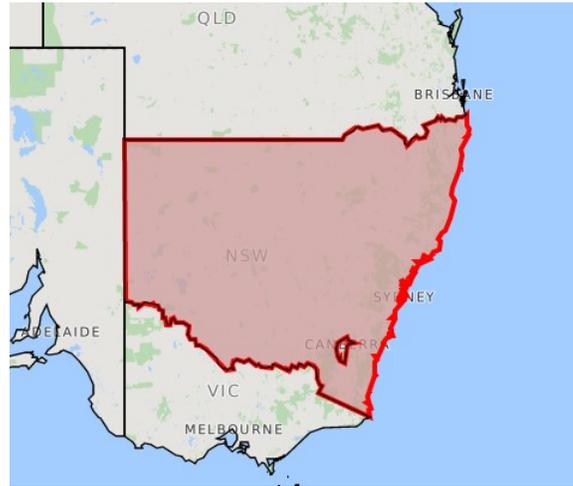


Establishment of Parliamentary Budget Offices in Australia





NSW in the Australian context



- NSW is Australia's largest State economy, with the largest public sector (>400,000 employees)
- Reconstitutes its Parliamentary Budget Office every four years, in September, prior to the March Election

2021-22	AUD \$	USD \$	EUR €
State Revenue	103 bn	69 bn	63 bn
State Expenses	118 bn	79 bn	72 bn
Gross State Product (GSP)	697 bn	468 bn	429 bn



About the NSW Parliamentary Budget Office

- NSW Parliament has fixed four-year terms. The last election was on 25 March 2023
- The Officer is appointed in September every fourth year before the election the following March
- As far as we know NSW is the only jurisdiction with a recurring (not temporary) PBO
- The PBO costs policies for Government and Opposition
- Before the election the PBO publishes costings of announced policies together with a summary of their total fiscal impact



Staffing and engagement



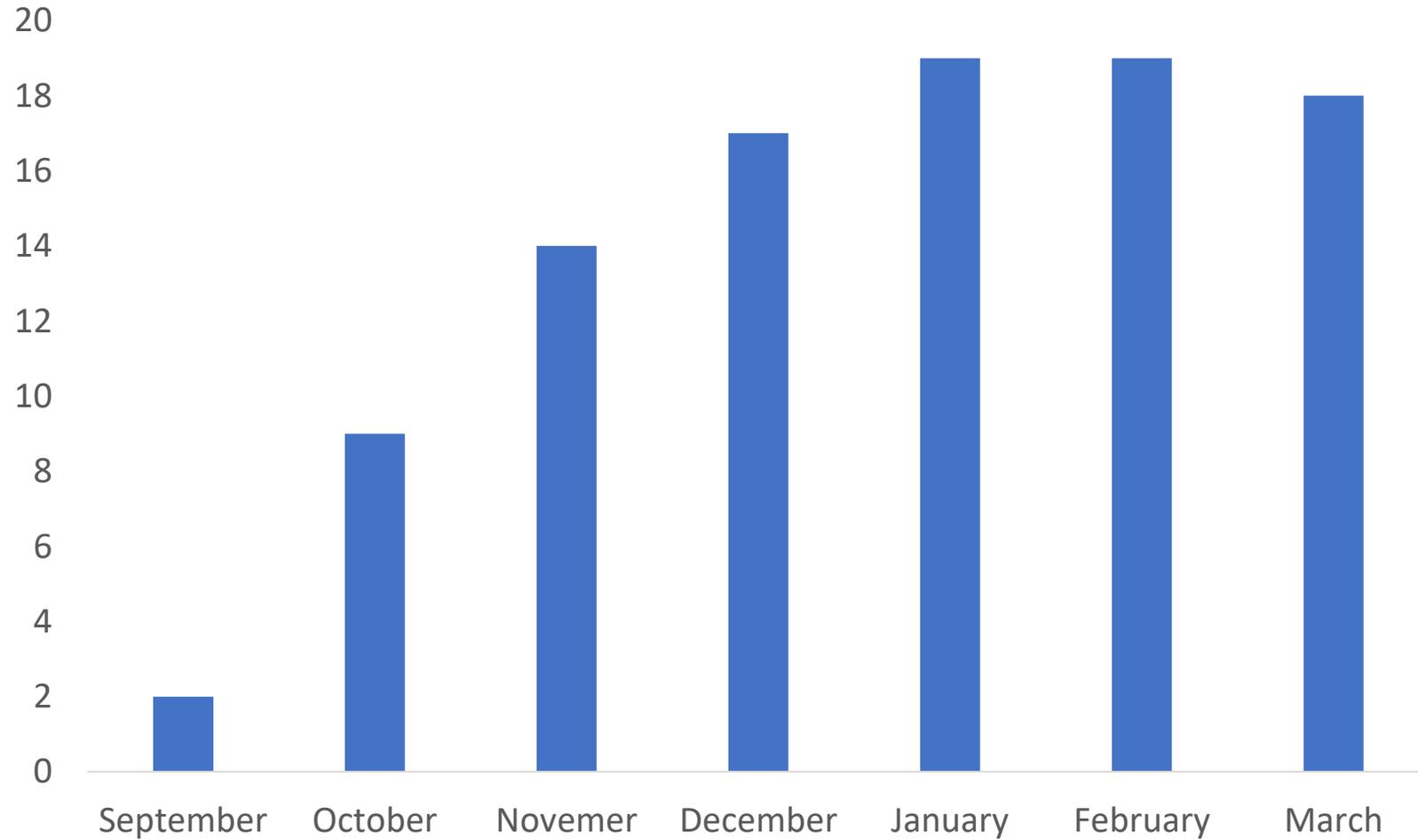


Media and engagement

- We publish an operational plan early in the PBO term and brief the media on how we intend to work
- We produced several videos, available on our website and Linked In page
- We communicated regularly with the leaders of the two major parties
- We were open and available to media inquiries at all times



Number of staff, per month, until election





Rapid recruitment of staff

- Advertising for staff is not the most successful strategy, attracted very few good applicants
- Approaching departments to second talented staff to the PBO has been effective
- Treasury and the Audit Office were particularly helpful, but other departments contributed too
- Aim is to have good mix: economists, accountants and public policy experts
- Importance of induction and training for new staff



How does the PBO cost a policy?

- PBO staff review policies to determine whether the PBO requires further information from a Government agency to prepare the costing.
- Agencies are obliged to provide information unless there is an overriding public interest against its disclosure
- With agency information, the PBO prepares its own independent advice, outlining key assumptions, calculation methods, and models used to prepare the costing.



Where do we get the models?

- Mostly, departments already have models, which they are obliged by law to share with the PBO
- We can hire consultants to assist with modelling
- In the last election, we also drew on published academic modelling work for some policy costings
- We developed some modelling in house based on data sourced from agencies
 - Key lesson is that solid empirical data on behavioural responses is essential for a modelling to be reliable

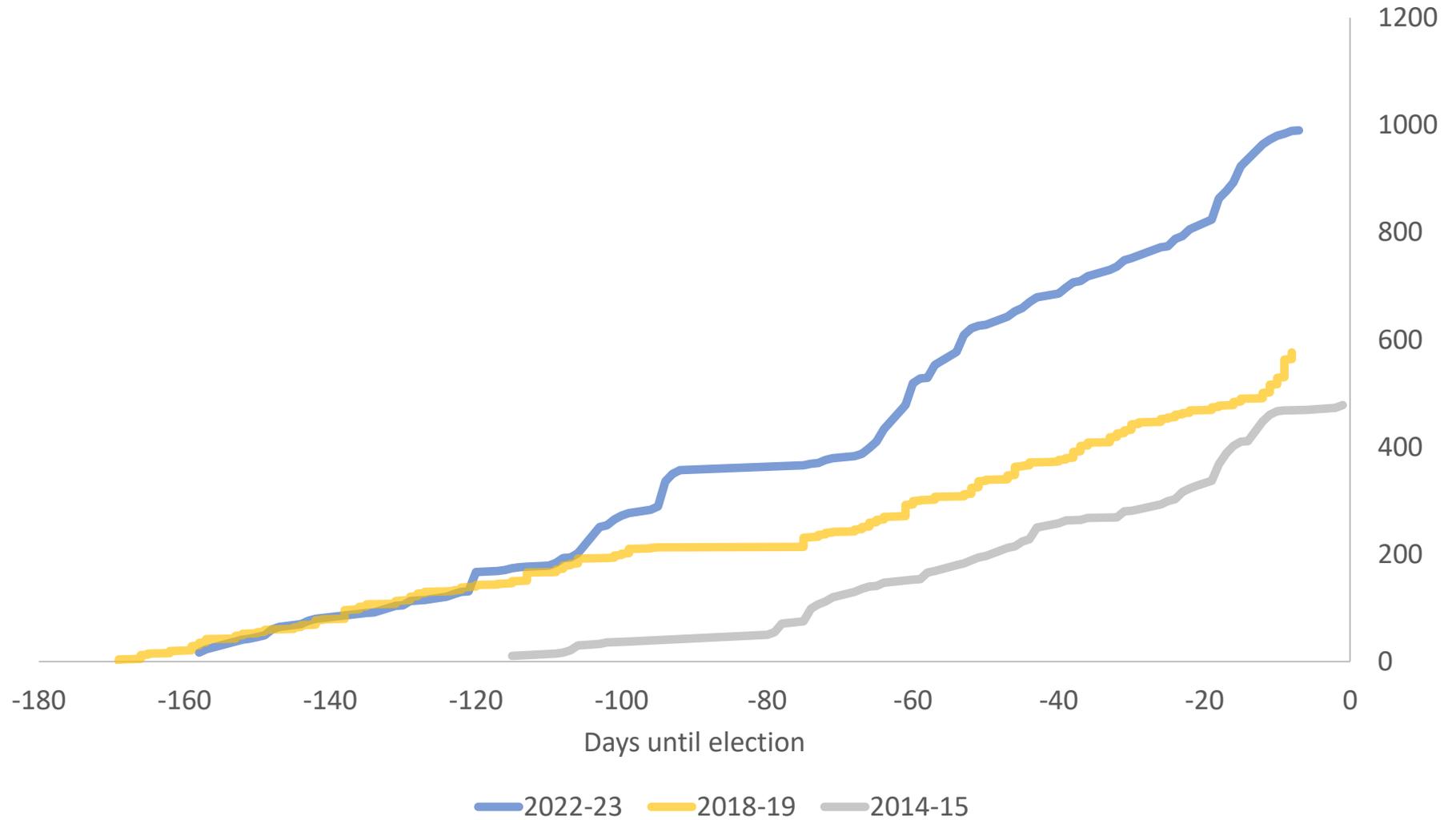


Budget Impact Statements

- Two Budget Impact Statements are prepared, one each for Government and Opposition
- The Statements list all policies (spending, savings, revenue increases, revenue decreases) and show the impact of these on the NSW forward estimates (budget year and three subsequent years)
- Published five days before the election

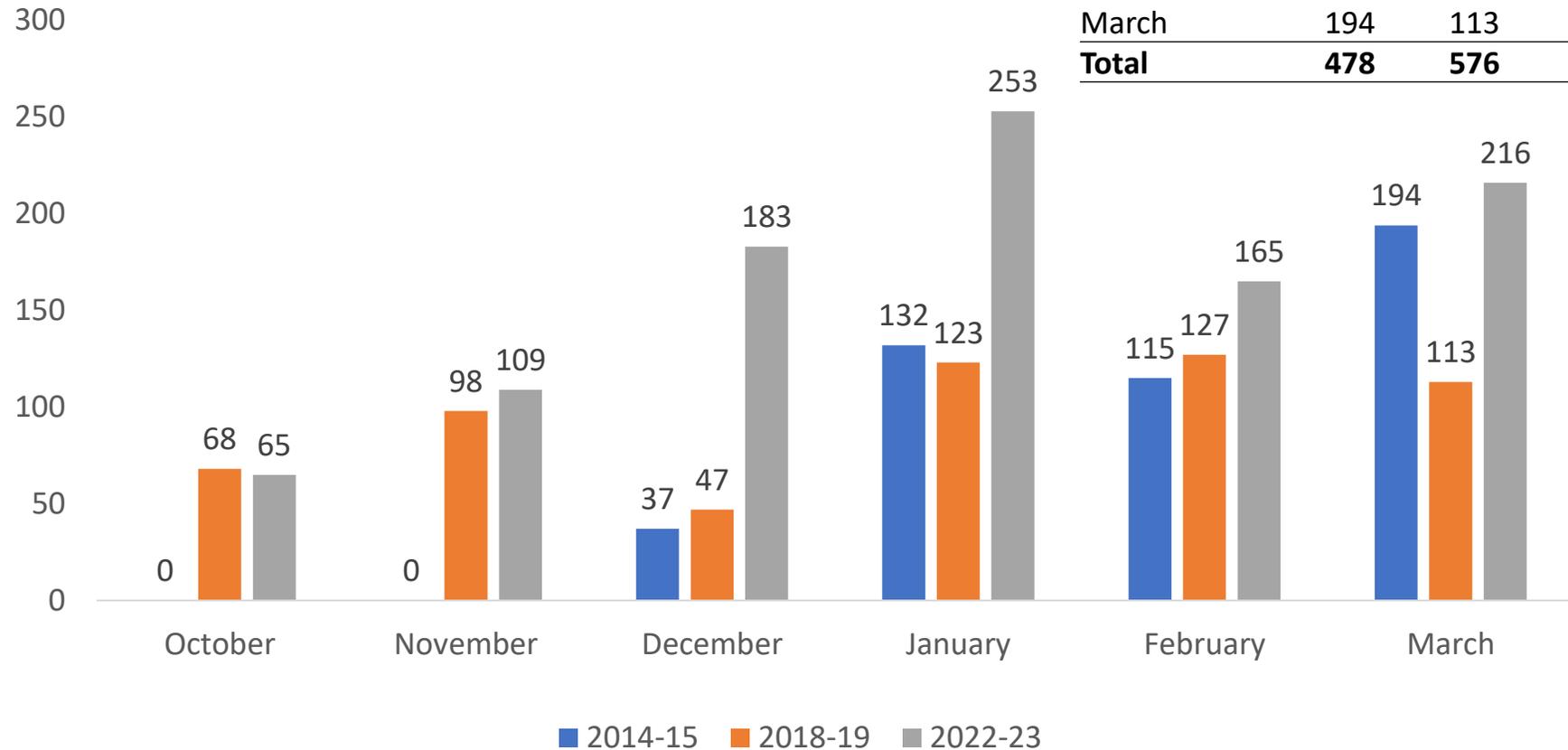


Costing requests received, versus days until election for 2022-23, 2018-19 and 2014-15





Costing requests received by month

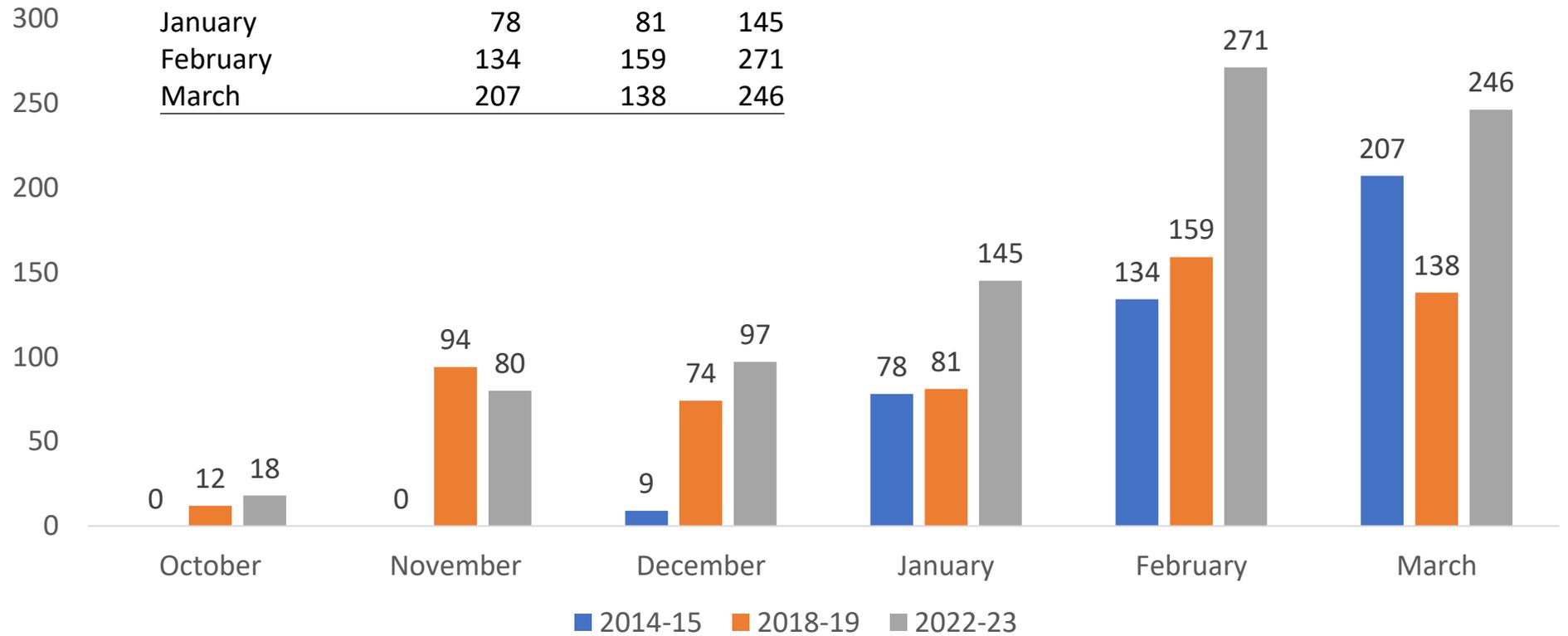


Month	2014-15	2018-19	2022-23
October	0	68	65
November	0	98	109
December	37	47	183
January	132	123	253
February	115	127	165
March	194	113	216
Total	478	576	991



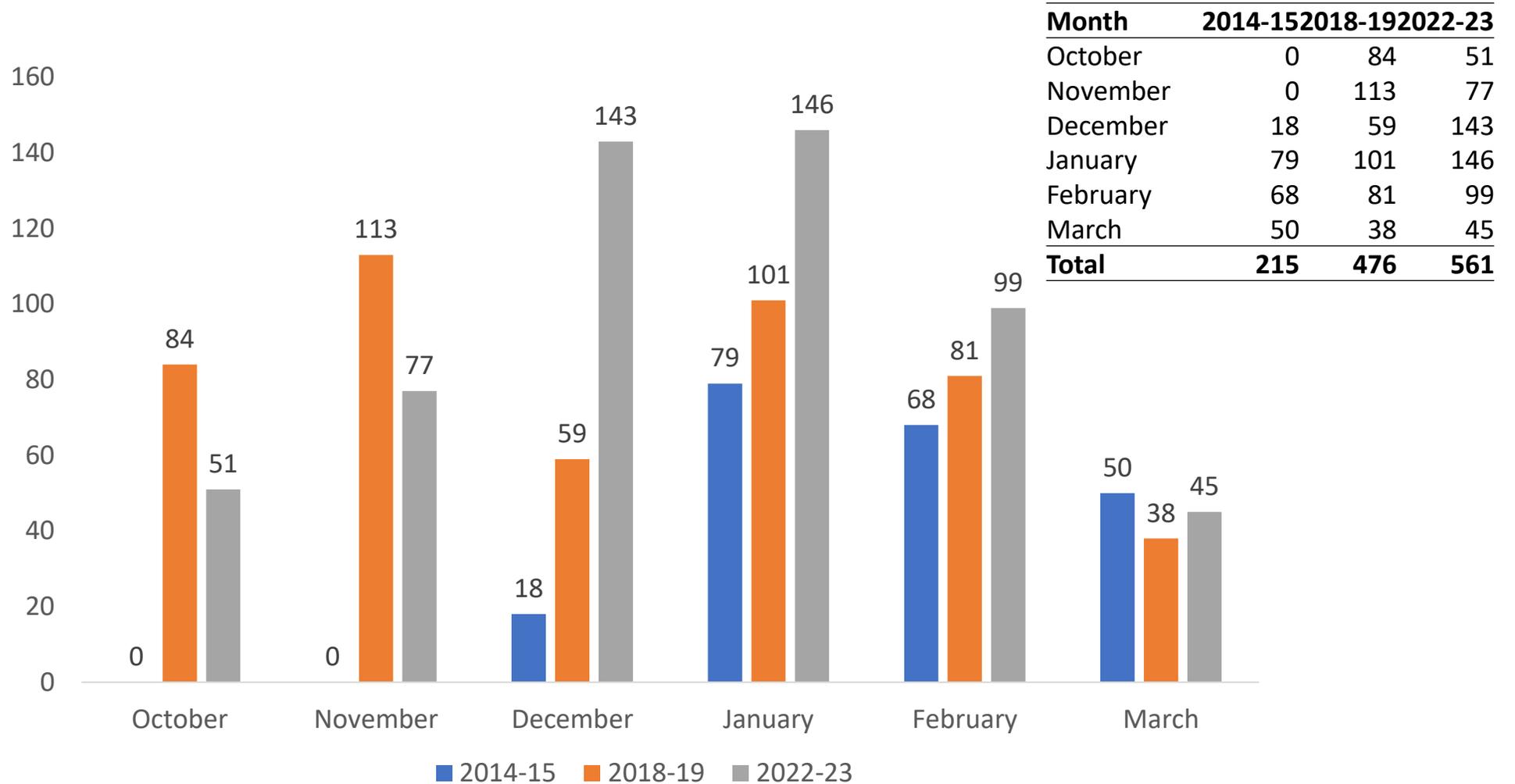
Costing requests completed by month

Month	2014-15	2018-19	2022-23
October	0	12	18
November	0	94	80
December	9	74	97
January	78	81	145
February	134	159	271
March	207	138	246





Information requests sent to agencies each month.





See NSW PBO [website](#)