



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
Date Referred: 9/03/2015

Proposal No: A323  
Date Published: 23/03/2015

Proposal Title: **NURSE RATIOS**

Cluster: Health

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		10,400	31,800	54,200	96,400
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	<b>(10,400)</b>	<b>(31,800)</b>	<b>(54,200)</b>	<b>(96,400)</b>

Capital Expenditure					-
Capital Offsets					-
<b>Capital Expenditure:</b>	-	-	-	-	-

<b>Net Lending/(Borrowing)</b>	-	<b>(10,400)</b>	<b>(31,800)</b>	<b>(54,200)</b>	<b>(96,400)</b>
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<b>Net Financial Liabilities:</b>	-	<b>10,400</b>	<b>42,200</b>	<b>96,400</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>10,400</b>	<b>42,200</b>	<b>96,400</b>	
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## Notes and costing assumptions

The policy proposes to increase legally enforceable mandated nursing hours/equivalent ratios in paediatrics and emergency departments. This is to be phased in annually from 1 January 2016 to 1 January 2019 in equal increments.

When fully implemented an estimated 800-880 additional nurse FTEs (full time equivalents) would be required to provide the necessary increase in nursing hours per patient day in non-tertiary hospitals. The impact on the Net Operating Result is therefore expressed conservatively using the mid figure of 840 FTEs.

The costs are based on the expected 2015-16 annual award salary of a 5th year Registered Nurse, including on-costs for penalties, overtime, superannuation and workers compensation. Costs are escalated at 2.5 per cent over the forward estimates.

When the policy is fully implemented in 2019-20, the cost will be \$92 million.