



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party
Date Referred: 17/03/2015

Proposal No: A0356
Date Published: 23/03/2015

Proposal Title: **FUNDING OUR PUBLIC LIBRARIES**

Cluster: Education and Communities

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		4,039	7,749	11,475	23,264
Depreciation					-
Less: Offsets					-
Revenue					-
Net Operating Result:	-	(4,039)	(7,749)	(11,475)	(23,264)

Capital Expenditure					-
Capital Offsets					-
Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing)	-	(4,039)	(7,749)	(11,475)	(23,264)
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Net Financial Liabilities:	-	4,039	11,789	23,264
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Total State Sector Impacts

Net Financial Liabilities:	-	4,039	11,789	23,264
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Notes and costing assumptions

The policy proposes that the library funding rate would be increased from \$1.85 per person per year to \$2.31 in 2015-16, \$2.78 in 2016-17, \$3.24 in 2017-18, and \$3.70 in 2018-19.

The policy also proposes to allocate a capped amount of \$500,000 per year to a hardship fund to support libraries with low population bases, in recognition of the relatively high fixed costs of these libraries.

The cost of the policy over the forward estimates is \$23.2 million, and the cost of the policy will be \$15.3 million in 2018-19.

Key assumptions

An estimated NSW population of 7.69 million people in 2015-16, with a growth rate of 1.3 per cent per year, has been used to estimate the costs of this policy. The library funding rate is currently set by legislation, the *Library Act 1939 Section 13*, at \$1.85 per person, and is assumed not to change over the forward estimates absent this policy change.