



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
Date Referred: 16/03/2015

Proposal No: A358  
Date Published: 23/03/2015

Proposal Title: **MAKE THE HUNTER A NATIONAL HUB FOR RENEWABLE ENERGY**

Cluster: Trade and Investment, Regional Infrastructure and Services

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		3,000	3,250	3,250	9,500
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	<b>(3,000)</b>	<b>(3,250)</b>	<b>(3,250)</b>	<b>(9,500)</b>
Capital Expenditure					-
Capital Offsets					-
<b>Capital Expenditure:</b>	-	-	-	-	-
<b>Net Lending/(Borrowing)</b>	-	<b>(3,000)</b>	<b>(3,250)</b>	<b>(3,250)</b>	<b>(9,500)</b>
<b>Net Financial Liabilities:</b>	-	<b>3,000</b>	<b>6,250</b>	<b>9,500</b>	

## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>3,000</b>	<b>6,250</b>	<b>9,500</b>
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## Notes and costing assumptions

From 1 July 2015 the policy proposes to provide \$14 million in funding over 5 years to make the Hunter a national hub for renewable energy. The total cost of the policy over the forward estimates is \$9.5 million.

### Key assumptions

The policy proposes funding for three initiatives:

- \$10 million over five years for the Institute for Energy and Resources at the University of Newcastle.
- \$2 million over three years to set up a Hunter Clean Tech Innovation Taskforce.
- \$2 million over four years to build Hunter TAFE's clean tech capacity.

The policy assumes funding to the Institute for Energy and Resources will be provided as annual grants to the University of Newcastle.

The funding for the initiatives is capped at \$14 million, with yearly amounts as per the policy, and \$4.5 million of funding allocated outside the forward estimates in 2018-19 and 2019-20.