

## Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Increase funding to local libraries
Date of request:	6 November 2018

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Increase the per capita funding for libraries to \$3.70
Has the policy been publicly released yet?	

	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	Total \$'000
Impact on GGS expenses					
Impact on GGS revenue					
Impact on General Government Sector (GGS) net operating result <sup>1</sup>					
Impact on GGS capital expenditure <sup>2</sup>					
Impact on GGS net lending/borrowing					

**Note:** Has the policy been costed by a third party?  
If yes, can you provide a copy of this costing and its assumptions?

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	

<sup>1</sup> Negative for a saving that reduces expenditure

<sup>2</sup> Negative for a reduction in capital expenditure.

What assumptions have been made in deriving the financial impacts in your estimated costing?  
(See checklist)

At the 2018-19 Budget, the per capita funding for libraries was \$1.85.

On 24 August 2018 the government announced that it would increase funding to libraries. The costing should take the latest available estimates as the relevant baseline, including the aforementioned policy decision.

The State Library understands the new per capita amount will be as follows:

Year	New per capita amount
2019/20	\$2.45
2020/21	\$2.55
2021/22	\$2.65
2022/23	\$2.85

<https://www.sl.nsw.gov.au/public-library-services/subsidies-grants/public-library-funding-201920>

Assume annual population growth of 1.5% from the population of 7,858,147 used for library funding purposes in 2018-19.

<https://www.sl.nsw.gov.au/public-library-services/subsidies-grants/public-library-funding-201819>

	Gap	Pop forecast	Cost \$m
2019/20	1.25	7,976,019	\$10.0
2020/21	1.15	8,095,659	\$9.3
2021/22	1.05	8,217,094	\$8.6

Is there a range for the costing or any sensitivity analysis that you have undertaken?

No.

Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.

See Assumptions.

Are there significant costs or savings <b>outside</b> the forward estimates period which should be considered in costing this policy? <sup>3</sup>	..
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<b>Administration of policy</b>	
Intended date of implementation:	1 July 2019
Intended duration of policy <sup>4</sup> :	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	State Library of NSW.
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	No.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly an expenditure<sup>5</sup> commitment</b>	
Demand driven or a capped amount:	Uncapped.
Eligibility criteria or thresholds:	N/a.

<sup>3</sup> Particularly important for large projects with long lead times, policies with a delayed timetable for implementation, or policies where up-front investment is required to achieve long term savings.

<sup>4</sup> Where a policy is intended to be ongoing, please indicate "ongoing" in the space to the right

<sup>5</sup> Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.