

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Free travel for children – clarified proposal
Date of request:	26 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):	Abolish fares for travel by children aged 4–15 years, and eligible full time NSW/ACT school students aged 16 years or older with their Secondary Student Concession Card, providing they have the appropriate Opal card. The provision of additional services will be a matter for subsequent consideration of government, informed by observed changes in the patterns of demand.
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 ¹					
Impact on GGS capital expenditure ²					
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?

¹ Negative for a saving that reduces expenditure

² Negative for a reduction in capital expenditure.

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>Apply standard assumptions.</p> <p>Apply to all modes of transport covered by the children/youth Opal card consistent with the policy outlined in the policy <u>Summary</u>.</p> <p>Children would still be required to travel with an Opal card, but travel would be free of charge.</p> <p>Please outline costs by mode of public transport. Note the train component of this policy has already been costed by the PBO in A004 Free Train Travel for Children, referred on 5 October 2018.</p> <p>The policy does not pre-emptively fund additional services based on assumptions about specific changes in demand. This is due to limited empirical evidence on relevant elasticities. Any additional services would be a matter for subsequent consideration by government and would be appropriately informed by observed rather than hypothetical changes in demand.</p>
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.	..
Are there significant costs or savings outside the forward estimates period which should be considered in costing this policy? ³	..

³ 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.

Administration of policy	
Intended date of implementation:	1 July 2019
Intended duration of policy ⁴ :	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Transport for 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?	..

If the policy is mainly an expenditure⁵ commitment	
Demand driven or a capped amount:	Demand driven
Eligibility criteria or thresholds:	See Policy Summary .

⁴ Where a policy is intended to be ongoing, please indicate “ongoing” in the space to the right

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