

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Cutting waste – a leaner senior executive bureaucracy
Date of request:	12 March 2019

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	Reduce senior executive staff in the NSW Government by ten per cent and implement a nominal wage freeze on senior executive remuneration.
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><u>Reduction in senior executives</u></p> <p>Assume the 10% reduction is delivered through natural attrition where possible. Unless otherwise specified, the policy specifications would be set to maximise the total saving over the forward estimates.</p> <p>The policy would only apply to the general government sector.</p> <p>Cluster Secretaries have the flexibility to manage the actual positions deleted and filled, provided that the overall 10% reduction in senior executives is achieved. The government executive would retain discretion to reallocate senior executives across clusters and agencies to maintain staffing capability in areas of government priority.</p> <p><u>Senior executive remuneration freeze</u></p> <p>Unless required by existing contracts, there would be no nominal wage increases for senior executives in the general government sector for the duration of the forward estimates.</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:	Upon formation of government.
Intended duration of policy ⁴ :	To 30 June 2022.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Whole-of-government.
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:	Uncapped.
Eligibility criteria or thresholds:	N/a.

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.