



Parliamentary Budget Office - Policy Costing

Referred By: Australian Labor Party (NSW Branch)
Referred Date: 21-Mar-11

Proposal No: C120
Released Date: 25-Mar-11

Proposal Title: Provide and additional 150 opportunity class places in five NSW government primary schools

Lead Agency: Department of Education and Training

General Government Sector Impacts

Table with 5 columns: 2010-11, 2011-12, 2012-13, 2013-14, 4 Year Total. Rows include Expenses (ex. depreciation), Depreciation, Less: Agency Offsets, Agency Revenue, and Net Operating Balance.

Table with 6 columns: 2010-11, 2011-12, 2012-13, 2013-14, Other Years, Total Cost. Rows include Capital Expenditure, Capital Offsets, and Net Capital Expenditure.

Table with 5 columns: 2010-11, 2011-12, 2012-13, 2013-14. Row: Net Worth.

Table with 5 columns: 2010-11, 2011-12, 2012-13, 2013-14. Row: Net Financial Liabilities.

Total State Sector Impacts

Table with 5 columns: 2010-11, 2011-12, 2012-13, 2013-14. Row: Net Financial Liabilities.

Costing assumptions used:

The additional places will commence in January 2012. One additional class in each of the five primary schools will be created, with each class comprising 30 places, based on the average class size for primary schools. One additional teacher is required for each class. There is a possibility that less teachers will be required if the reduction of students from a non-selective school results in that school requiring less teachers, though this is considered unlikely. The Department of Education and Training has advised that the average salary per primary school teacher is \$87,826 plus on-costs of 37.3%. Additional administration costs are estimated at \$16k p.a. The administration costs are difficult to estimate as it is not known whether, for example, any of these schools will require additional support staff. Costs are escalated at 2.5% p.a. The additional places may increase the cost of the School Student Transport Scheme (SSTS), which will have an ongoing Budget impact. If the student becomes eligible for subsidised travel after accepting a place or is currently eligible for subsidised travel but will travel longer distances, the cost of the SSTS will increase. However, an accurate estimate of the increased cost of the SSTS cannot currently be determined.

Handwritten signature of A.C. Harris

A.C Harris
Acting Parliamentary Budget Officer