



## Kristina Keneally MP

Monday, 21<sup>st</sup> March 2011

Mr Tony Harris  
Acting Parliamentary Budget Officer  
NSW Parliament  
Macquarie Street  
SYDNEY NSW 2000

*21/3 11am*

Dear Mr Harris

I am writing to you to formally request, under Part 4 (Election policy costings) of the Parliamentary Budget Officer Act 2010, an official costing for the *Education, jobs and a better tomorrow- Labor's Indigenous Affairs Policy*, publicly announced on 16 March 2011.

This policy document includes commitments under Section 18(2) of the Act, specifically:

- Hold a Close the Gap Summit of Aboriginal peak bodies, community leaders, organisations to work together on how to continue to close the gap on Aboriginal disadvantage in NSW
- Further changes to the Aboriginal Land Rights Act 1983 to strengthen governance in Aboriginal Land Councils to provide for greater representation, transparency and accountability in their administration.
- Invest \$1.25 million a year into supported playgroups to provide early literacy services and early intervention such as speech therapy to 600 Aboriginal children and their families

Please find attached a copy of this policy outlining the purpose of the policy and relevant details required to complete the costing as per the requirements of the Act.

A copy of the NSW Treasury costing and budget impact statement for the policy has also been included for your reference.

Should you require any further information on this request, please contact my office on (02) 9228-5239.

Yours sincerely

**Kristina Keneally**  
Premier of NSW  
Leader of NSW Labor Party







# Education, jobs and a better tomorrow:

Labor's Indigenous Affairs Policy

March 2011





## Education, jobs and a better tomorrow

NSW has the largest Aboriginal population of any State or Territory; more Aboriginal people reside in NSW than Victoria, South Australia, Tasmania, ACT and the Northern Territory combined. In total more than 29 per cent of all Aboriginal people live in NSW

Unfortunately, Aboriginal people in NSW are disadvantaged across almost every economic, health and environmental measure when compared to non-Aboriginal Australians.

This policy is about harnessing the capacity of Aboriginal communities working together with Government to close the gap in health, education and employment outcomes and other key indicators.

Cohesive communities have strong leadership, confidence in the future for their children, a sense of cultural identity and community, and the ability to make collective decisions on what best meets their community's needs.

Together with Aboriginal communities, Labor's aim is to close the gap on Aboriginal disadvantage within a generation.

Together, we are building a new way of doing business with Aboriginal people actively involved in decisions and solutions for their communities.

Aboriginal communities have told us that closing the gap on Aboriginal disadvantage means first and foremost tackling economic circumstances.

Education is the most powerful tool against economic disadvantage. We will provide the support that is needed to help young Aboriginal people to stay in the education system and achieve their goals.

We will also create jobs and tackle the injustice and imbalance in public sector employment of Aboriginal people.

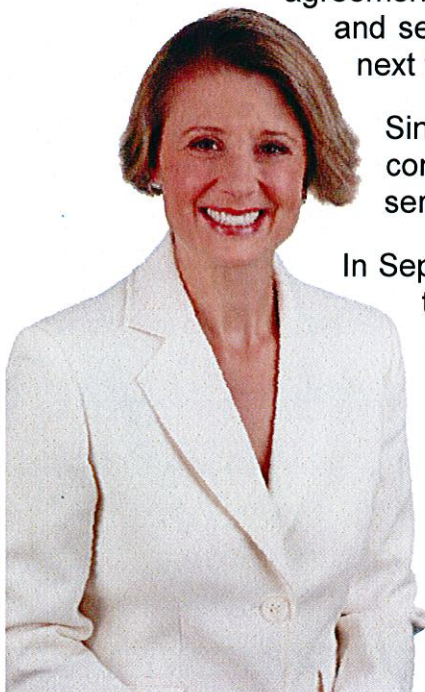
NSW Labor has a proud history of supporting reconciliation. We were the first State Parliament to apologise to the Stolen Generation in response to *Bringing Them Home Report*. Almost 11 years later, Prime Minister Kevin Rudd issued an official apology.

In 2008 the Labor Government and the NSW Aboriginal Land Council signed an agreement to spend more than \$200 million over 25 years to upgrade water and sewerage in 61 communities, with 22 communities to benefit over the next four years.

Since the program began, up to 2,700 people living in 27 Aboriginal communities are already receiving improved water and sewerage services.

In September 2010 NSW Labor led the changes to the State's Constitution to formerly recognise Aboriginal people as the First People of NSW, and to honour their contribution to the State.

I am proud of the steps we have already taken towards these goals, and am committed to continuing our State's journey to reconciliation – both symbolic and practical.



*Kristina Lennox*



## What this policy means for NSW

*Education, Jobs and a Better Tomorrow* is a new way of doing business with Aboriginal people in NSW.

Under the plan, the Keneally Government is committed to seven core principles:

- Listening to Aboriginal people and harnessing the capacity of Aboriginal communities;
- Emphasis on prevention, early intervention and education;
- Tackling economic disadvantage and creating jobs;
- A place based approach, which targets areas of Aboriginal disadvantage;
- Joined up services with a life-cycle approach;
- Strong governance and accountability; and
- Building the evidence base.

We recognise that Aboriginal disadvantage starts before birth, accumulates over the life of the individual, and is passed down through generations.

A life cycle approach looks at the needs of people at important stages in their lives, and identifies where prevention and early intervention can make the most difference. Moving to a life-cycle approach will allow us to focus on strengthening the capacity of government to deliver on State Plan and Council of Australian Governments Indigenous Reform commitments.

Aboriginal people will be at the centre of decision-making about the policies that affect them in NSW – they will lead the rest of the community in tackling Aboriginal disadvantage.

Communities will be able to work with Government to set agendas, and goals and have input into shaping the direction of services and policies. To make sure Aboriginal people have the opportunity to have a say in what is best for their communities.

Aboriginal women will be able to access antenatal care to make sure their babies are starting life with the best chance at good health.

We will ensure better access to preventative and early intervention programmes to help Aboriginal people onto a level playing field, to ensure our young Aboriginal people have the best possible start in life.

And we will deliver jobs and tackle the social injustice of the underrepresentation of Aboriginal people in the labour market.



## **ACTION:**

### **Listening to Aboriginal people and harnessing the capacity of Aboriginal communities and responding**

- Hold a Close the Gap Summit of Aboriginal peak bodies, community leaders, organisations to work together on how to continue to close the gap on Aboriginal disadvantage in NSW
- Continue the Partnership Community Program to continue working directly with Aboriginal communities.
- Continue to provide \$440,000 a year to set up the NSW Council for Aboriginal Languages run by Aboriginal people to work with Aboriginal language organisations to revitalise Aboriginal Languages in NSW .
- Further changes to the Aboriginal Land Rights Act 1983 to strengthen governance in Aboriginal Land Councils to provide for greater representation, transparency and accountability in their administration.

### **Giving disadvantaged Aboriginal kids the best possible start in life**

- \$25.1 million for intensive family support packages to support Aboriginal families supporting a child with a disability
- Tackling over-representation of Aboriginal children in the child protection system

### **A quality education for Aboriginal children**

- Invest \$1.25 million a year into supported playgroups to provide early literacy services and early intervention such as speech therapy to 600 Aboriginal children and their families
- Continue the Labor Government's Norta Norta program - which provides individual tutorial assistance to Aboriginal students who drop below the national minimum standards.
- Pilot Rugby League Academy in NSW to engage Aboriginal boys in education by using their passion for football as an incentive to stay engaged with school – to improve school retention rates
- Continue to provide free TAFE for Aboriginal students
- Develop a new five year plan to save Aboriginal languages in NSW

### **Jobs for Aboriginal people**

- Deliver 2,229 public sector jobs for Aboriginal people
- \$5 million for social impact bonds to support young Aboriginal with a disability to find employment
- \$4.8 million for a range of support and assistance measures to increase Aboriginal employment in the public, private and non-government sectors
- Maintain the allocation of \$2.5 million to continue and expand the Sydney Metropolitan Development Authority's Aboriginal employment program which trains and supports Aboriginal people to get jobs in both the construction and hospitality industries



## **Closing the gap on Aboriginal health**

- \$180 million over four years towards the National Partnership Agreement
- \$26.75 million over five years to 2014 to improve the health outcomes for Aboriginal women and their babies during pregnancy and birth
- Eight secondary mental health and drug and alcohol services integral to selected AMIHS (Aboriginal Maternal and Infant Health Strategy) programs

## **Better housing outcomes for Aboriginal people**

- Continue our \$100 million investment in the 'Build and Grow' strategy designed to streamline and reinvigorate the sector through consolidation of organisations and upgrading of homes
- Work with the Federal Government under the Remote Indigenous Housing National Partnership to construct 310 new houses in remote areas of NSW over 10 years for Aboriginal people.
- Provide \$2 million for revitalisation of The Block in Redfern.

## **Helping Aboriginal people stay out of the justice system**

- \$10 million for social impact bonds to help children stay out of the justice system of which half will be earmarked for assisting Aboriginal kids.
- Expand Circle Sentencing to five new locations - Ulladulla, Blacktown, Coonamble, Wellington, and Moree
- Continuation of the Balund-a program aimed at reducing recidivism rates.
- Continuation of local Aboriginal Justice Groups, which allow communities to advise government on local justice issues affecting their community.

## **The Aboriginal Communities Water and Sewerage Program – set up in July 2008**

- Continue the roll out of water and sewerage upgrades in 61 Aboriginal communities across the State to improve sanitation and drinking water quality
- Maintain service provision through service agreements with local councils and water utilities.

## **Measuring Government performance**

- Create a comprehensive evidence-based approach to fully understand where the Closing the Gap Strategy is making improvements in the lives of Aboriginal people.
- A publication every two years on the Strategy's progress.
- An independent public 'report card' every year on Government policy and service delivery to Aboriginal communities.



## Labor and Aboriginal Affairs

Labor remains fully committed to reconciliation, full social and economic justice for Aboriginal people, and to proper land ownership through the Aboriginal Land Rights Act.

Both State and Federal Labor are building a national strategy to improve the lives of Aboriginal Australians. We are committed to that strategy and to the goals and targets that have formed the basis of the State Plan and *Two Ways Together*.

Under the NSW State Plan, Labor has committed to entirely closing the gap between Aboriginal and non-Aboriginal primary school results by 2016 and increasing access to general preventative health care, so that over five years, hospital admissions will be reduced by 15 per cent.

NSW Labor remains committed to the goals of the *Two Ways Together* program, which has helped strengthen Aboriginal communities, improve access to housing and health facilities and increase employment opportunities.

In September 2010 NSW Labor led the changes to the State's Constitution to formerly recognise Aboriginal people as the First People of NSW, and to honour their contribution to the State.

We believe access to employment and economic opportunities is the cornerstone of social justice. That's why we have increased the number of public sector jobs in NSW for Aboriginal people and are embarking on a wide ranging program to leverage jobs for Aboriginal people through the Government spend on procurement.



## Our Challenges

While Aboriginal people make up high proportions of the populations of remote regions of the State, 95 per cent of Aboriginal people live in cities and regional areas in NSW.

Aboriginal people in NSW are disadvantaged across almost every economic, health and environmental measure compared to non-Aboriginal people. On average, the lives of our first peoples are shorter, more burdened by chronic disease and disability, and more likely to involve court appearances and imprisonment.

NSW faces enormous challenges in closing the gap on Aboriginal disadvantage. The Keneally Government is committed to addressing each area of disadvantage and working to meet the goals set through the Council of Australian Governments, the NSW State Plan and *Two Ways Together*, the NSW Government's Aboriginal Affairs plan.

We know that local solutions are best suited to local problems. The Keneally Government is committed to doing what is needed both locally and state-wide to close the disadvantage gap for Aboriginal people in NSW.

That's why we are committed to working in partnership with Aboriginal communities to build community resilience and wellbeing. We recognise that strong Aboriginal communities are safer, healthier, more successful places to live.

Of course, serious social change takes time and that's why we are committed to a new 'life-cycle' approach to Aboriginal affairs in NSW through the *Education, Jobs and a Better Tomorrow*, to build on the work already done under *Two Ways Together* and break the cycle of disadvantage for Aboriginal people through an emphasis on prevention and early intervention.



## Our Record

### LABOR

- Constitutional Recognition of Aboriginal people as the First People of NSW
- More than \$400 million in the 2009/2010 Budget to reduce Aboriginal disadvantage
- \$200 million program to improve water and sewerage systems to more than 60 communities across NSW
- \$7.8 million program with the Federal Government to increase Aboriginal employment through procurement
- 2,229 public sector jobs for Aboriginal people
- Comprehensive amendments to the *Aboriginal Land Rights Act 1983* to build sustainable Aboriginal Land Councils and strengthen the Land Rights system
- More than 1,200 new and renovated houses under the Aboriginal Communities Development Program
- Allocated \$2.5 million to continue and expand the Sydney Metropolitan Development Authorities Aboriginal employment program which trains and supports Aboriginal people to get jobs in both the construction and hospitality industries
- More than \$1 million provided to support Aboriginal language projects
- Partnership Community Program to improve government service delivery and contact between Aboriginal communities, government and non-government agencies.
- Premier's Excellence Awards for Leadership in Aboriginal Communities
- *Two Ways Together* Indicator Report to publically report on progress on key disadvantage targets.
- \$62 million whole of government plan to tackle child sexual assault in Aboriginal communities.

### OPPOSITION

- Opposed the introduction of the *Aboriginal Land Rights Act* in 1983
- 2007 election commitment to slash 20,000 public sector jobs
- Irregular sideline sniping as a substitute for public policy development
- Public branding of Aboriginal Land Councils as "dysfunctional"  
(*Liverpool Champion* 22/9/10, p7)



## Listening to Aboriginal people and harnessing the capacity of Aboriginal communities

Strong communities have leadership, a sense of identity and community, and the ability to make decisions about what best meets community needs.

The Keneally Government is proud of the work already in place with Aboriginal communities to establish community governance bodies and strengthen the ability of communities to work with Government to improve the lives of Aboriginal people.

The Partnership Community Program is the foundation of the *Education, Jobs and a Better Tomorrow*, which recognises that each Aboriginal community is different and that Government needs to listen to and reflect community advice in the initiatives and programs it puts in place.

The Partnership Community Program establishes a clear way for Aboriginal communities to work with government based on partnership and mutual accountability and aims to develop new ways of doing business with Aboriginal communities.

Language is fundamental to the celebration of Aboriginal culture and identity. It defines life experiences and connects people with family and culture.

Now is the time to protect the remaining Aboriginal languages in NSW before they are lost forever.

That's why we will establish a NSW Council for Aboriginal Languages run by Aboriginal people to work with Aboriginal languages organisations to revitalise, protect and develop Aboriginal languages across the State.

Labor is serious about supporting Aboriginal people to build community leadership structures and drive economic development.

Aboriginal Land Councils are the cornerstone of the land rights movement in NSW. NSW Labor is proud to have introduced the Aboriginal Land Rights Act in 1983 and remains committed to the principles of Aboriginal ownership of land.

We have greatly improved the Aboriginal Land Rights Act by strengthening the operation and sustainability of Land Councils, and supporting economic development.

Local Aboriginal land councils are now required to pay a Community Development Levy on land dealings to enable further land acquisition and the distribution of loans and grants to land councils.

Under this the New South Wales Aboriginal Land Council matches these contributions.



## **ACTION:**

- Hold a Close the Gap Summit of Aboriginal peak bodies, community leaders and organisations to work together on how to continue to close the gap on Aboriginal disadvantage in NSW.
- Continue the Partnership Community Program to continue working directly with Aboriginal communities.
- Provide \$440,000 a year to establish the NSW Council for Aboriginal Languages run by Aboriginal people to work with Aboriginal language organisations to revitalise Aboriginal Languages in NSW.
- Further changes to the Aboriginal Land Rights Act 1983 to strengthen governance in Aboriginal Land Councils to provide for greater representation, transparency and accountability in their administration.



## **Giving disadvantaged Aboriginal kids the best possible start in life**

We need to tackle the unacceptable over-representation of Aboriginal children in the child protection system. Under *Keeping Them Safe* we are investing:

- More than \$683,000 for Aboriginal Carer Peer Support Groups across the State
- \$3 million to establish four new Aboriginal Intensive Family Based Services to support Aboriginal families whose children are at risk of entering an out-of-home care placement.
- \$1.5 million to develop and pilot a new model of consultation with NGOs in child protection decisions involving Aboriginal children.
- \$1 million to develop and implement better support strategies for Aboriginal foster carers.

And many young Aboriginal families struggle with supporting a child with a disability. Under *Stronger Together 2*, Labor's plan for disability services in NSW, an additional 180 intensive family support packages will be specifically targeted to Aboriginal families worth \$25.1 million.

### **ACTION:**

- \$25.1 million for intensive family support packages to support Aboriginal families supporting a child with a disability.
- Tackle over-representation of Aboriginal children in the child protection system.



## A quality education for Aboriginal children

Education is the most powerful tool against economic disadvantage. We need to encourage young children to attend school, support their development in school and help them to achieve their goals in the education system.

A re-elected Labor Government will invest in education earlier in life, providing early childhood education and early intervention services that give young children the best possible start in life.

We will fund supported playgroups in high-Aboriginal population areas to provide early literacy services and early intervention such as hearing tests and speech therapy, reaching 600 families with children 18 months to 3 years.

And we remain committed to our successful *Norta Norta* program which provides individual tutorial assistance to Aboriginal students who drop below the national minimum standards.

To encourage young Aboriginal children to stay in school, a re-elected Labor Government will pilot a League Academy in NSW to engage Aboriginal boys in education by using their passion for football as an incentive to stay engaged with school.

Labor will keep TAFE free for Aboriginal students, which has already seen a 38 per cent increase in the number of Aboriginal people completing TAFE since 2005.

And importantly, Labor believes that young people gain confidence through the reinforcement of the value of their cultural heritage and identity. That's why a re-elected Labor Government will deliver a 5 year plan to preserve Aboriginal languages and expand their teaching in NSW schools.

## ACTION

- Supported playgroups to provide early literacy services and early intervention such as speech therapy to 600 Aboriginal children and their families.
- The continuation of the Labor Government's *Norta Norta* program.
- Pilot Rugby League Academy in NSW to engage Aboriginal boys in education by using their passion for football as an incentive to increase retention rates at school.
- Free TAFE for Aboriginal students
- Five Year Plan to save Aboriginal languages in NSW



## **Jobs for Aboriginal people**

The Keneally Government is committed to closing the gap in employment outcomes for Aboriginal people.

Employment and economic opportunities is the cornerstone of social justice. That's why we have increased the number of public sector jobs in NSW for Aboriginal people and are embarking on a wide ranging program to leverage jobs for Aboriginal people through the Government spend on procurement.

The Government has also funded 10 Aboriginal Economic Development Officers in key areas across the State to support young Aboriginal people to start small businesses.

A re-elected Labor Government will spend \$5 million on social impact bonds to help young Aboriginal people with a disability find a job through our proven Transition to Work model.

### **ACTION:**

- 2,229 public sector jobs for Aboriginal people.
- \$5 million social impact bonds to support young Aboriginal with a disability to find employment
- \$4.8 million for a range of support and assistance measures to increase Aboriginal employment in the public, private and non-government sectors.
- Allocated \$2.5 million to continue and expand the Sydney Metropolitan Development Authorities Aboriginal employment program which trains and supports Aboriginal people to get jobs in both the construction and hospitality industries.



## **Closing the gap on Aboriginal health**

In 2010/11, the Keneally Government invested \$93 million towards improving the health of Aboriginal people – almost 4 times the funding provided a decade ago.

And we will invest \$180 million over four years towards the National Partnership Agreement on Closing the Gap in Aboriginal Health Outcomes, focusing on:

- Tackling smoking;
- Providing a healthy transition to adulthood;
- Making Aboriginal health everyone's business;
- Delivering effective primary health care services; and
- Improving the coordination of patient journey through the health system.

We know that the sooner pregnant women connect with their health service the healthier their babies will be. That is why, under the Indigenous Early Childhood Development National Partnership Agreement, we will provide \$26.75 million over 5 years to 2014 to improve the health outcomes for Aboriginal women and their babies during pregnancy and birth.

Also under the Indigenous Early Childhood Development National Partnership Agreement a re-elected Labor Government will fund eight secondary mental health and drug and alcohol services integral to selected AMHS programs.

### **ACTION:**

- \$180 million over four years towards the National Partnership Agreement
- \$26.75 million over five years to 2014 to improve the health outcomes for Aboriginal women and their babies during pregnancy and birth.
- Eight secondary mental health and drug and alcohol services integral to selected AMHS programs



## Better housing outcomes for Aboriginal people

Aboriginal people in our society continue to suffer from some of the worst rates of homelessness and associated poor social outcomes.

The reform of the Aboriginal Housing sector is central to the policy of providing Aboriginal people with safe, affordable and decent accommodation.

We have been making a record investment of \$100 million in our innovative 'Build and Grow' strategy designed to improve outcomes in Aboriginal housing.

The key elements of Build and Grow include:

- A new registration system to ensure a high standard of property and tenancy management;
- Better quality houses through the backlog maintenance program;
- Operating subsidies for eligible providers until they achieve higher rental income;
- A stronger rent policy;
- Capacity building and business development support for the sector;
- Ongoing performance monitoring;
- More jobs for Aboriginal people.

And we will honour our commitments made to Federal Labor Government under the Remote Indigenous Housing National Partnership, which will result in the construction of 310 new houses in remote areas of NSW over 10 years for Aboriginal people.

The NSW Government will also provide \$2 million to re-develop and revitalise The Block in Redfern – creating 62 homes and providing 9,000 metres of commercial, community and cultural space.

The \$2 million grant will allow the Aboriginal Housing Company to complete the Development Application process and demolish all remaining properties on the Block.

The DA and demolition process is part of the \$60 million project to create a new residential, commercial and cultural precinct for the local Redfern community.

### **ACTION:**

- Continue our \$100 million investment in the 'Build and Grow' strategy designed to streamline and reinvigorate the sector through consolidation of organisations and upgrading of homes
- Work with the Federal Government under the Remote Indigenous Housing National Partnership to construct 310 new houses in remote areas of NSW over 10 years for Aboriginal people.
- \$2 million for revitalisation of The Block in Redfern

## Helping Aboriginal people stay out of the justice system

While Aboriginal people make up only two per cent of the population, they account for around a third of people in custody. We need better ways to tackle the rate of incarceration for Aboriginal people.

That's why a re-elected Keneally Government will fund a \$10 million Social Impact Bond to reduce juvenile recidivism with a specific requirement to deliver effective programs for Aboriginal kids.

Social Impact Bonds have been pioneered in the UK to reduce offending. The Keneally government has worked with the Centre for Social Impact to develop the model for delivery in NSW.

Juvenile rehabilitation has been identified as highly suitable for a Social Impact Bond. There is clear capacity in the community to extend effective rehabilitation programs to more kids and a Bond will make the additional resources available to achieve this.

In addition, we will expand Circle Sentencing to five new locations in NSW. The program allows the victim and offender to work directly with their community to address the problem behaviour.

Since its introduction in 2002, Circle Sentencing has been used in Nowra, Armidale, Bourke, Brewarrina, Dubbo, Kempsey, Lismore, Mount Druitt and Walgett Local Courts.

It is now being rolled out to Ulladulla, Blacktown, Coonamble, Wellington, and Moree.

As well as expanding the program, amendments to the regulations have been made to more clearly define the target group for Circle Sentencing. This will ensure more consistent referrals.

### **ACTION:**

- \$10 million Social Impact Bond to help children stay out of the justice system of which half will be earmarked for assisting Aboriginal kids.
- Expand Circle Sentencing to five new locations - Ulladulla, Blacktown, Coonamble, Wellington, and Moree



## **The Aboriginal Communities Water and Sewerage Program**

Under the State Plan, the NSW Government is continuing its focus to provide all Aboriginal communities with fair access to water and sewerage infrastructure by 2015.

In 2008 the Labor Government and the NSW Aboriginal Land Council signed an agreement to spend more than \$200 million over 25 years to upgrade water and sewerage in over 60 communities, with 22 communities to benefit over the next four years.

Since the program began, up to 2,700 people living in 27 Aboriginal communities are already receiving improved water and sewerage services.

### **ACTION:**

- Continue the roll out of water and sewerage upgrades in 61 Aboriginal communities across the State.
- Maintain service provision through service agreements with local councils and water utilities.

## Measuring Government Performance

To successfully close the gap on Aboriginal disadvantage government needs to have clear indicators of where we are winning the challenge, and the areas we need to do more.

That's why we have invested in evaluating and measuring the investments we make and reporting publically on progress.

But more can be done to track the ground we gain in all areas of Aboriginal disadvantage.

We will build on the current Two Ways Together Report on Indicators and make sure our Education, Jobs and a Better Tomorrow is on target to meet its goals in improving the lives of Aboriginal people in NSW.

### ACTION:

- Create a comprehensive evidence base to fully understand where the *Education, Jobs and a Better Tomorrow* is making improvements in the lives of Aboriginal people.
- A publication every two years on the Strategy's progress.
- An independent public 'report card' every year on Government policy and service delivery to Aboriginal communities.





[www.kristinakeneally.com.au](http://www.kristinakeneally.com.au)



## Costing of Proposal

<b>Title/Subject:</b>	Early Literacy Supported Playgroups
<b>Pink/Physical ID:</b>	EA 1640348
<b>Proposal by:</b>	Government
<b>Agency:</b>	Department of Human Services
<b>Cluster:</b>	Human Services
<b>Detailed description:</b>	Supported playgroups in high Aboriginal population areas will provide early literacy services and early intervention (e.g. hearing tests and speech therapy) reaching 600 families with children 18 months - 3 years old at a cost of \$1.25m pa
<b>FIS No:</b> 406	
<b>Classification:</b> GGB	

### General Government Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Expenses (incl. depreciation)		1,086	1,086	1,131	1,086	1,086
Less Agency Offsets (1)						
Less Agency Revenue						
Less Crown Provisions						
<b>Budget Result Impact</b>	0	-1,086	-1,086	-1,131	-1,086	-1,086

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	<b>Residual</b>
Capital Expenditure						
Less Capital Offsets (1)						
<b>Net Capital Cost</b>	0	0	0	0	0	0

Depreciation						
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<b>Net Lending (2)</b>	0	-1,086	-1,086	-1,131	-1,086	
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### Public Trading Enterprises Sector Financial Impact

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	Ongoing \$'000
Revenues						
Expenses						
<b>Operating Result</b>	0	0	0	0	0	0

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	<b>Residual</b>
Capital Expenditure						
Less Capital Offsets (1)						
<b>Net Capital Cost</b>	0	0	0	0	0	0

Depreciation						
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<b>Net Lending (2)</b>	0	0	0	0	0	
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### Accumulated Net Financial Liabilities as at 30 June (3)

	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
General Government Sector	0	1,086	2,172	3,303	4,389
Total State Sector	0	1,086	2,172	3,303	4,389

(1) Includes items such as available funding within existing estimates, expenditure offsets, recurrent savings associated with capital projects, linked assets sales.

(2) Equal to Budget Result or Operating Result Impact plus Net Capital Cost.

(3) Equals cumulative Net Lending Impact. Total State Sector equals sum of General Government and PTE (and PFE) sectors.



**Key costing assumptions**

The services are contracted to Non Government Organisations (NGOs). Assumes that grants to the NGOs are limited to \$900,000 per annum (ie \$15,000 pa for 60 playgroups) and any cost pressures beyond this are absorbed by these service providers.

There is 1 FTE (2 positions at 0.5 FTE) per annum employed at DHS – Community Services

**Key data**

Refer tables in Attachment 1

**Caveats or qualifications**

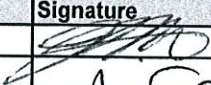


Assumes that the additional services will only apply to the 60 playgroups referred to in this request and will not be required in the other 240 playgroups operating in NSW.

**Implementation issues (including how Treasury can assist in speedy implementation and any potential difficulties and how these might be overcome)**

N/A

**Other comments (including explanation where Treasury costing differs from agency or PBO estimates)**

N/A

Position	Name and extension	Signature	Date
Analyst(s)	Julia Mitchell		22.2.11
in consultation with			
Director	Judy O'Connell		22/2/11
Deputy Secretary	Caralee McLiesh		22/2/11