Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By:	Australian Labor Party	Proposal No:	A264
Date Referred:	24/02/2015	Date Published:	23/03/2015

Proposal Title: **A COMPREHENSIVE ROLE FOR THE SMALL BUSINESS COMMISSIONER**

Cluster: Trade and Investment, Regional Infrastructure and Services

General Government Sector Impacts

	2014-15 $'000	2015-16 $'000	2016-17 $'000	2017-18 $'000	4 Year Total $'000
Expenses (ex. depreciation)		2,522	3,132	3,804	9,458
Depreciation		268	268	268	805
Less: Offsets					-
Revenue					-
Net Operating Result:	**-**	**(2,790)**	**(3,400)**	**(4,072)**	**(10,263)**
Capital Expenditure		1,074			1,074
Capital Offsets					-
Capital Expenditure:	**-**	**1,074**	**-**	**-**	**1,074**
Net Lending/(Borrowing)	**-**	**(3,596)**	**(3,132)**	**(3,804)**	**(10,532)**
Net Financial Liabilities:	**-**	**3,596**	**6,728**	**10,532**	

Total State Sector Impacts

Net Financial Liabilities:	**-**	**3,596**	**6,728**	**10,532**	

Notes and costing assumptions

This policy proposes to provide the Small Business Commissioner with additional resourcing to implement Labor's *Small Business Commissioner and Small Business Protection Bill 2012.*

Key assumptions:

The policy is to commence on 1 July 2015. Legal costs and market expenses are estimated at $450,000 and $150,000 per annum respectively. 19 additional full-time equivalent staff would be phased in over the next three years : 11 staff in 2015-16, 15 staff in 2016-17 and 19 staff in 2017-18.

The costing includes new accommodation for the entire Office of Small Business Commissioner as there is no current capacity to accommodate the additional staff. The full suite of office equipment and resources for the new staff would also need to be funded.

Both employee related costs and operating expense are escalated at 2.5% per annum.

Fit-out costs are estimated at about $1,100 per m2. Rent is based on the industry average for a CBD location. Fit-out costs are capitalised and depreciated over four years.