



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Maintain funding for Loose Fill Asbestos Insulation Assistance Package
Date of request:	26 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Labor commits to maintaining funding for the loose fill asbestos insulation assistance package consistent with the existing profile. Funding should be profiled to preserve the assumption (separately costed) that Labor will maintain 25 per cent of the expenditure commitments booked by the Coalition after the <i>Half Yearly Review</i> .
What is the purpose or intention of the policy?	Labor's intention was to ensure that support for asbestos issues was maintained. It has been revealed that asbestos-related funding was entirely in 2014-15, rather than spread over the forward estimates. Labor is adjusting the annual profile of its revision to Coalition commitments to reflect this information.
Has the policy been publicly released yet?	

Your estimated costing of the policy ¹						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years ² \$'000
Impact on General Government Sector (GGS) net operating result ³	-46,900	15,633	15,633	15,633	-	-
Impact on GGS capital expenditure ⁴	-	-	-	-	-	-
If different from above, impact on total State Sector net financial liabilities ⁵	-	-	-	-	-	-

¹ Amounts should be expressed in nominal dollars. GGS - General Government Sector.

² Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

⁵ Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	Yes – the loose fill asbestos insulation assistance package and other commitments by the Coalition Government booked against the budget subsequent to the Half Yearly Review.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>The Coalition Government made commitments during the informal election period that were booked against the budget.</p> <p>These decisions were made subsequent to the last published budget update – the <i>Half Yearly Review</i> – which is intended to provide a common and transparent baseline for both major parties against which election commitments are to be made.</p> <p>As the Coalition has changed the budget after this time, without providing specific details about the relevant policy changes and their budget impact, Labor did not have visibility over the specific changes or the opportunity to review or scrutinise the decisions. Accordingly, Labor has decided to subject these spending commitments to the consideration of a Labor government (separately costed).</p> <p>It was assumed that a minority of the funding, such as funds to address asbestos related issues, would be maintained. In the absence of transparency from the Coalition about the funding arrangements for their post-<i>Half Yearly Review</i> commitments, Labor assumed 25 per cent of the expenditure would be maintained and notionally allocated this 25 per cent proportionately over the forward estimates.</p> <p>It has since been revealed that \$46.9 million for the Loose Fill Asbestos Insulation Assistance Package was to be spent entirely in 2014-15. Labor is adjusting the profile of its revision to Coalition commitments consistent with this information.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	No.

Are there associated savings, offsets or expenses? If yes, please provide details.	Funding (in net lending terms) reallocated from Coalition commitments will be directed to support capital spending under Labor's <i>A Better Way</i> plan.
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Administration of policy	
Intended date of implementation:	Upon formation of government.
Intended duration of policy:	Ongoing.
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?	Labor will scrutinise and review Coalition commitments upon formation of government.
Are there transitional arrangements associated with policy implementation?	No.

If the policy is mainly an expenditure⁶ commitment	
Demand driven or a capped amount:	See <u>Assumptions</u> .
Eligibility criteria or thresholds:	N/a.

⁶ Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.