



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

Details of request	
Party:	Liberals/ Nationals
Name of Policy:	Aboriginal Centre for Excellence
Date of request:	16 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Attachment A
What is the purpose or intention of the policy?	Establish an Aboriginal Centre for Excellence which will empower students and provide incentives for Aboriginal students to finish school and transition into sustainable jobs.
Has the policy been publicly released yet?	N/A

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	-	- 10,000	-10,000	-	-20,000	
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.

Note: Has the policy been costed by a third party?
 If yes, can you provide a copy of this costing and its assumptions?

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	N/A
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	See Attachments A & B
Is there a range for the costing or any sensitivity analysis that you have undertaken?	N/A
Are there associated savings, offsets or expenses? If yes, please provide details.	See Attachments A & B

Administration of policy	
Intended date of implementation:	1 July 2015
Intended duration of policy:	Over the forward estimates
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Department of Education and Communities
Are there any specific administrative arrangements for the policy that need to be taken into account?	N/A
Are there transitional arrangements associated with policy implementation?	N/A

If the policy is mainly an expenditure⁶ commitment	
Demand driven or a capped amount:	Capped amount
Eligibility criteria or thresholds:	See Attachments A & B

If the policy is mainly a revenue commitment	
Transaction based or capped:	-
Thresholds and/or exemptions:	-
Collection method:	-
Additional expenditure associated with collection:	-

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

If the policy is mainly a capital costs⁷ commitment	
Type of work, size and capacity:	-
Proposed start and completion date of work:	-
Intended construction schedule/cashflow:	-
Offsetting expenditure savings:	-
Associated asset sell off (if any):	-
On-going maintenance, depreciation and operational expenses:	-
Third party funding involvement:	-

Checklist for key assumptions (please be comprehensive and include all relevant assumptions). Assumptions could include, but are not limited to, questions such as:

- What is the expected community impact?
- How many people will be affected by the policy?
- What is the likely take up or other behavioural response you expect?
- Is there a cap on total spending proposed, a funding formula, resource agreement or other mechanism of this nature associated with the policy?
- Will third parties have a role in funding or delivering the policy (e.g. Commonwealth Government)?
- Will funding/program cost require indexation?
 - If yes, do you have any assumptions about the index that should be applied?
- What assumptions have you made about costs of administering the policy?
 - For example, will additional staff be needed in the agency responsible for the policy?
 - If you have assumptions on this, how many and at what approximate levels?
 - Are there other administrative resources required?
 - Alternatively, are you assuming administrative costs will be absorbed within the agency?

Please note that:

- The costing will be on the basis of information provided in this costing request.
- The PBO is not bound to accept the assumptions provided by the requester. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requester in advance of the costing being completed.
- Where the details of the policy costing request differ from the announced policy, the costing will be on the basis of the information provided in the costing request.
- These guidelines are intended to facilitate requests for costing election policies. Persons preparing such requests who wish further assistance are invited to contact the staff of the Parliamentary Budget Office.

⁷ Capital costs differ from expenditure in that only depreciation will be included in the impact on operating balance. The capital cost of the asset to be acquired will however be included in net financial liabilities.

A re-elected Baird Government will create an Aboriginal Centre for Excellence



The Baird Government is committed to empowering Aboriginal students.

The Baird Government recognises the significant gap in the unemployment rates and school retention rates of Aboriginal people and non-Aboriginal people in NSW.

Western Sydney is home to over one-fifth of all Aboriginal people living in NSW, and 60 per cent of them are under 24 years of age.

The Baird Government is committed to establishing an Aboriginal Centre for Excellence which will empower students and provide incentives for Aboriginal students to finish school and transition into sustainable jobs.

The Centre will partner with best practice organisations to deliver evidence based, wrap around programs tailored to the individual needs of young Aboriginal people to keep them in school, and ensure job readiness. The Centre will use corporate partnerships to identify real jobs, and establish a pathway for Aboriginal youth to transition into sustainable employment.

Over the next decade Western Sydney will be the epicentre for employment in NSW with new suburbs being established, new schools opening and major infrastructure being built. An Aboriginal Centre for Excellence will tap into these opportunities.

With the aim of employment and further education, the Aboriginal Centre for Excellence campus will bring

A re-elected Baird Government will:

- ✓ Establish an Aboriginal Centre for Excellence in Western Sydney
- ✓ Empower young people by creating a pathway from primary school to tertiary education to sustainable employment
- ✓ Partner with the private sector to provide employment opportunities and establish recurrent funding for the Centre
- ✓ Undertake extensive, genuine consultation with Aboriginal communities and organisations in creating the Centre

together best practice organisations to provide wrap around programs for young Aboriginal people with a focus on learning and innovation, arts and culture, health and wellness, and sport and recreation.

The NSW Government has committed to working in partnership with Aboriginal people through OCHRE, the NSW Government plan for Aboriginal affairs. The Aboriginal Centre for Excellence will complement OCHRE initiatives, such as Opportunity Hubs.

Back The Baird Plan and keep NSW working.

2015 Election Policy Costing

Proposal Title: Establish Aboriginal Centre for Excellence in Greater Western Sydney
Lead Agency: Department of Education and Communities

General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. Depreciation)	0	10,000	10,000	0	20,000
Depreciation	0	0	0	0	0
Less: Agency Offsets	0	0	0	0	0
Agency Revenue	0	0	0	0	0
Net Operating Result:	0	-10,000	-10,000	0	-20,000
Capital Expenditure	0	0	0	0	0
Capital Offsets	0	0	0	0	0
Net Capital Expenditure:	0	0	0	0	0
Net Lending/Borrowing:	0	-10,000	-10,000	0	-20,000
Net Financial Liabilities:	0	10,000	20,000	20,000	

Notes and costing assumptions used:

The proposal commits a capped \$20m for the establishment of a satellite Aboriginal Centre for Excellence in Greater Western Sydney and expects the site will be established through EITHER the purchase of a greenfield site and construction of facilities on the site, OR the transfer of a government owned asset and construction/ refurbishment of that site.

The costing assumes that the \$20m will be expensed as a grant (transfer of Government owned asset) rather than as construction of a government owned asset (which would impact net capital expenditure rather than expenses).