



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party

Proposal No: B408

Date Referred: 11/03/2019

Date Published: 18/03/2019

Proposal Title: Support for commercial and amateur beekeepers in NSW

Cluster: Industry

## General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	406	410	414	1,230
Depreciation	-	-	-	-	-
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
<b>Net Operating Balance:</b>	-	<b>(406)</b>	<b>(410)</b>	<b>(414)</b>	<b>(1,230)</b>

Capital Expenditure	-	-	-	-	-
Capital Offsets	-	-	-	-	-
<b>Net Capital Expenditure:</b>	-	-	-	-	-

<b>Net Lending/(Borrowing):</b>	-	<b>(406)</b>	<b>(410)</b>	<b>(414)</b>	<b>(1,230)</b>
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## Total State Sector Impacts

<b>Net Lending/(Borrowing):</b>	-	<b>(406)</b>	<b>(410)</b>	<b>(414)</b>	<b>(1,230)</b>
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## Notes and costing assumptions

The policy proposes to:

- provide registration at no cost to amateur beekeepers who have five hives or less
- allocates staffing from within the Department of Industries to support apiary industry policy, including:
  - one additional full-time equivalent staff, with a salary of \$130,000 plus on-costs, to standardise apiary tenancies and terms and conditions, across government
  - existing staff to work towards a whole-of-government memorandum between the apiary industry and Government
- provide \$250,000 annually over four years from 2019-20, for a "Bees for the Environment" grants program.

The policy specifies that the costs of existing staff for preparing the memorandum are to be absorbed from within the Department's existing resources. The policy also specifies that its intended implementation date is 1 July 2019.

The PBO estimates the total cost of the policy is \$1.2 million over the forward estimates and \$1.6 million by 2022-23, when the last tranche of grants are disbursed (see table overleaf).

**Notes and costing assumptions continued:**

(\$)	2018-19	2019-20	2020-21	2021-22	2022-23	Total by 2021-22	Total by 2022-23
<b>Grants</b>	-	250,000	250,000	250,000	250,000	750,000	1,000,000
<b>Employee costs (incl. on-costs)</b>	-	156,000	159,900	163,898	167,995	479,798	647,792
<b>Total</b>	-	<b>406,000</b>	<b>409,900</b>	<b>413,898</b>	<b>417,995</b>	<b>1,229,798</b>	<b>1,647,792</b>

For employee costs, the PBO has assumed 20% for on-costs such as superannuation, long service leave, leave loading, payroll tax and worker's compensation etc. In addition, the PBO has escalated employee costs by 2.5% which is consistent with the Public Sector Wages Policy.

The PBO considers it feasible for the Department to absorb other employee costs related to the memorandum:

- Industry engagement and support is part of the Department's core functions. The PBO notes that the Department's industry-based stakeholders currently include fishing, hunting, agriculture, animals and livestock, forestry and biosecurity and food safety stakeholders.
- The Industry Cluster's 2018-19 budget for resources and agriculture and primary industries is approximately \$700 million. This indicates scope for the Department to reprioritise existing resources and programs to meet the cost of this policy.