



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition
 Date Referred: 21/02/2019
 Proposal Title: Expansion of Productivity Bootcamp
 Cluster: Industry

Proposal No: Y066
 Date Published: 18/03/2019

General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	-	1,814	1,424	3,238
Depreciation	-	-	-	-	-
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	-	-	(1,814)	(1,424)	(3,238)

Capital Expenditure	-	-	-	-	-
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	-	(1,814)	(1,424)	(3,238)
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Total State Sector Impacts

Net Lending/(Borrowing):	-	-	(1,814)	(1,424)	(3,238)
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Notes and costing assumptions

This policy proposes expanding the existing 'Productivity Bootcamp' program to two new sites, which will provide training to increase job skills and employability for young persons.

The PBO estimates the cost of this policy to be \$3.2 million over the forward estimates. This is based on advice from TAFE NSW and Treasury, which in turn are derived from costs incurred by the existing Productivity Bootcamp on the TAFE NSW Nirimba premises.

The funding paid to the Productivity Bootcamp over the forward estimates will be in a form of a direct grant from TAFE NSW. This amount includes:

- One-off site establishment costs of \$200,000 per site, based on advice TAFE NSW has received from the Productivity Bootcamp organisation
- Leasing costs of \$150,000 per site per year from 2020-21, with indexation in line with the Sydney consumer price index (CPI) forecasts/projections in the Pre-Election Budget Update (2.25% in 2020-21).
- Utilities and cleaning expenses of \$20,000 per site per year, plus annual indexation in line with the CPI
- Program funding of \$500,000 per site per year, and
- The creation of a new TAFE NSW position to manage the policy. This position has been costed as a TAFE Worker Level 9 (TWL9) position, with 25% on-costs and 2.5% annual wage increase in line with the NSW public sector wages policy.

Notes and costing assumptions continued:

Table A1 - Policy cost component breakdown

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 yr total \$'000
Site establishment costs	-	-	400	-	400
Leasing costs	-	-	300	307	607
Utilities and cleaning	-	-	40	41	81
TAFE project officer TWL9 0.5FTE	-	-	74	76	150
Grants to productivity bootcamps	-	-	1,000	1,000	2,000
Total	-	-	1,814	1,424	3,238