



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party **Proposal No:** C1693
Date Referred: 17/03/2023 **Date Published:** 20/03/2023
Proposal Title: Labor's multicultural communities package
Cluster: Cross cluster

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4 year Total \$'000
Expenses (ex. depreciation)		5,866	5,930	5,993	17,789
Depreciation				200	200
Less: Offsets					-
Revenue					-
Net Operating Balance:	-	(5,866)	(5,930)	(6,193)	(17,989)

Capital Expenditure		5,000	10,000	10,000	25,000
Capital Offsets					
Net Capital Expenditure:	-	5,000	10,000	10,000	25,000

Net Lending/(Borrowing):	-	(10,866)	(15,930)	(15,993)	(42,789)
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Total State Sector Impacts

Net Lending/(Borrowing):	-	(10,866)	(15,930)	(15,993)	(42,789)
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Notes and costing assumptions:

This policy proposes to:

- Provide \$13.9 million for community languages schools (see assumptions below for policy breakdown);
- Create a capped \$30 million multicultural capital partnership fund, to build, develop and ultimately make their organisational premises available to the wider public and promote events to their respective communities;
- Support a Parramatta Council and Federal Government proposal to brand three streets in Harris Park as Sydney's 'Little India' (being Wigram St, Marion St and Station St) and consult with the Federal Government to implement a street beautification program, including an 'India gate' and promotional signage to strengthen the business district of Harris Park;

Notes and costing assumptions continued:

- Form a Premier’s Prevention Panel on Racism and Extremism, including senior representative of NSW government agencies and multicultural and multifaith communities (relevant Federal Government agencies will also be invited to participate);
- Create a multicultural Youth Network platform to advise government departments on matters affecting multicultural young people.

The Parliamentary Budget Office (PBO) estimates the cost of this policy at \$43 million over the forward estimates. Further depreciation estimates will occur beyond the forward estimates.

Policy breakdown:

Community languages schools

The PBO estimates the total cost of this aspect of the policy at \$17.8 million.

1. *Improve security of tenure:* Offer three-year Community Use Agreements as standard for the use of a host government school.
 - Where a school principal decides to end a Community Use Agreement, they must provide at least six months’ notice.
 - The Department of Education will help find an alternative host school if needed.
 - The PBO assumes that these regulatory changes can be implemented as part of business as usual, and that any additional costs can be absorbed from existing resources within the Department of Education (DoE)
2. *Professional pathway for community languages school teachers:* Work with Initial Teacher Education Providers to develop a professional pathway for community language teachers to become qualified to teach in NSW public schools
 - The PBO assumes that the administrative costs involved in implementing this scheme can be absorbed from within existing DoE resources
3. *Increase the per capita grant to \$200 per student:* To cover the increased cost of running the schools plus expected salary increases for teachers.
 - The per capita grant is an existing DoE grant for Community languages schools to help cover school operating costs such as teaching materials, staff wages and new equipment, and is based on the number of eligible students enrolled in Term 1.
 - This policy will explore changing the payment cycle so the grant can be paid in the middle of the year, rather than at the end of the year.
 - By raising the per capita grant per student, schools will be supported to deliver a better quality of tuition by having smaller class sizes and better qualified teachers.
 - The PBO estimates the grant increase will cost \$7 million over the forward estimates:

(\$'000)	2022-23	2023-24	2024-25	2025-26	4-yr total
Increase the per capita grant		2,266	2,330	2,393	6,989

4. *\$100 Community Languages Fee Rebate:* Provide a rebate of \$100 on community language school fees if a student passes their exam and has an 85 per cent attendance record.
 - The PBO estimates this rebate will cost \$10.8 million over the forward estimates:

(\$'000)	2022-23	2023-24	2024-25	2025-26	4-yr total
\$100 Rebate		3,600	3,600	3,600	10,800

Notes and costing assumptions continued:

5. *Online Lessons for Regional and Rural Children:* Expand the use of digital and online classrooms to give regional and rural students the opportunity to participate in language classes if none operate near them.
 - Policy and guidelines to facilitate these online classes will be developed.
 - The PBO assumes that the administrative costs involved in implementing this scheme can be absorbed from within existing DoE resources

Multicultural capital partnership fund

1. The fund will be:
 - capped at \$30 million; and
 - established to build and develop organisational premises available to the wider public for events with their respective communities.
2. Organisations must sign a MOU with the NSW Government to partner in the delivery of public outreach programs with government agencies, e.g. NSW Health, NSW Police, NSW Sport.
3. The capital expenditure profile will be:

(\$'000)	2022-23	2023-24	2024-25	2025-26	4-yr total	2026-27
Proposed Capital Expenditure		5,000	10,000	10,000	25,000	5,000

- The PBO assumes that the \$5 million in 2023-24 will go towards the purchase of land and early works.
- Depreciation:
 - The PBO assumes that majority of construction will commence in 2024-25, such that depreciation will only be incurred from 2025-26.
 - The useful life of the building is 50 years, such that depreciation will be calculated at 2% per year on a straight line basis.
 - When the full \$30 million capital cost has been expended, beyond the forward estimates period, the PBO estimates the depreciation expense of the building at \$500,000 per annum.
- The costing does not include any operational expenditures involved in the running of the organisational premises.

Sydney's 'Little India'

1. Convert the three streets of Wigram St, Marion St, and Station St, into Sydney's 'Little India' precinct.
2. Consult with the Federal Government to implement a street beautification program, including establishing an 'India gate' and promotional signage to strengthen the business district of Harris Park.
 - The policy assumes that both these policy aims can be done using existing NSW Government resources and that any significant funding will come from Federal and/or local government.

Notes and costing assumptions continued:

Premier's Prevention Panel on Racism and Extremism

1. Form a Premier's Prevention Panel on Racism and Extremism
2. The panel will include senior representative of NSW government agencies and multicultural and multifaith communities (relevant Federal Government agencies will also be invited to participate)
3. To ensure a whole-of-government approach to combating racism and extremism - the Panel will be convened by the Premier with the Premier's department providing secretariat support
 - The PBO assumes that costs of establishing this panel can be absorbed by the Department of Premier and Cabinet with panel membership and responsibilities assigned to existing staff across government.

Multicultural Youth Network

The proposal is to create a Multicultural Youth Network platform to advise government departments on matters affecting multicultural young people. These matters would include multicultural affairs, mental health, employment, racism and discrimination. This program would be similar to the Multicultural Youth Network launched by the Victorian Multicultural Commission in October 2022¹.

The network will consist of volunteers who act as youth commissioners, representing regions of NSW, to advise government agencies on multicultural issues for youth.

The policy states that this program should be funded from existing resources. The PBO assumes that, based on the voluntary nature of public participation in the program, any government agency costs can be met through existing resources.

¹ Victorian Multicultural Commission, Multicultural Youth Network (24 November 2022), <https://www.multiculturalcommission.vic.gov.au/multicultural-youth-network>