



**PARLIAMENTARY BUDGET OFFICE**

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

# Update to the Budget Impact Statement 2015

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*Australian Labor Party*

27 March 2015

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## About this update to the Budget Impact Statement

On 23 March 2015 the Parliamentary Budget Officer (PBO) released a Budget Impact Statement for the Leader of the Opposition. Under section 23 (7) of the *Parliamentary Budget Officer Act 2010* the PBO may release revisions to the budget impact statement if further costings of policies are completed after release of the statement.

This update to the Budget Impact Statement revises the impacts reported in the original statement to incorporate the impact of a number of policies that the PBO has completed costing since 23 March 2015.

The update includes a summary of the budget impact of all of the costed policies for the Leader of the Opposition. It provides an overview of the total effect on the budget for the current financial year and the next three years (the forward estimates) that the proposed election policies will have.

Appendix A includes detailed costings and requests for the individual election policies that have been completed since the original Budget Impact Statement was released.

## Summary impact on key fiscal aggregates

The following tables provide the updated impact of all costed policies of the Australian Labor Party on the key fiscal aggregates outlined in the *Parliamentary Budget Officer Act 2010*.

**Table 1: Net Operating Result - General Government Sector**

	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m
2014-15 Half Yearly Budget Review	272	402	1,096	1,038
Changes since Half-Yearly Review	(71)	(97)	(85)	(75)
<i>Pre-election estimate</i>	202	305	1,011	964
Impact of policies	2	311	804	705
<b>Estimate after impact</b>	<b>204</b>	<b>616</b>	<b>1,815</b>	<b>1,669</b>

Note: A positive number reflects a surplus and a negative number a deficit.

**Table 2: Capital Expenditure - General Government Sector**

	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m
2014-15 Half-Yearly Budget Review	10,203	9,556	9,782	9,501
Changes since Half-Yearly Review	75	199	283	54
<i>Pre-election estimate</i>	10,278	9,755	10,065	9,555
Impact of policies	53	319	688	703
<b>Estimate after impact</b>	<b>10,331</b>	<b>10,074</b>	<b>10,753</b>	<b>10,258</b>

Note: Positive numbers reflect increased expenditure and negative numbers reflect a reduction in expenditure.

**Table 3: Net Lending/(Borrowing) - General Government Sector**

	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m
2014-15 Half-Yearly Budget Review	(3,243)	(2,011)	(1,666)	(950)
Changes since Half-Yearly Review	(145)	(296)	(368)	(128)
<i>Pre-election estimate</i>	(3,388)	(2,307)	(2,034)	(1,078)
Impact of policies	(49)	(8)	118	5
<b>Estimate after impact</b>	<b>(3,437)</b>	<b>(2,315)</b>	<b>(1,916)</b>	<b>(1,073)</b>

Note: A positive result indicates net lending and a negative result indicates net borrowing.

**Table 4: Net Financial Liabilities - General Government Sector**

	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m
<b>Impact of policies</b>	293	301	183	179

Note: A positive number reflects an increase in the Sector's net liability and a negative number reflects a decrease.

**Table 5: Net Financial Liabilities - Total State Sector**

	2014-15	2015-16	2016-17	2017-18
	\$m	\$m	\$m	\$m
<b>Impact of policies</b>	293	301	183	179

Note: A positive number reflects an increase in the State's net liability and a negative number reflects a decrease.

*Note: This update to the summary impacts on key fiscal aggregates should be read in conjunction with the full Budget Impact Statement published on 23 March 2015.*

## Appendix A – Detailed costings of individual election policies included in the Budget Impact Statement

The table below lists the additional policies submitted by the Australian Labor Party for inclusion in this update to the Budget Impact Statement that have been costed by the Parliamentary Budget Officer.

Number	Proposal Title
A278	Move the Ministry of Health to Liverpool
A319	Crackdown on puppy farms
A389	Lower Hunter Hospital - planning
A390	Recreational Fishing Policy
A391	Goulburn Hospital Planning
A392	A Better Way - additional funding
A393	Palliative care - additional funding
A394	Additional Savings & Offsets
A395	Better Communities & Sports Funds - additional funding
A397	Adjust funding profile for Loose Fill Asbestos Insulation Assistance Package

*Note: all other ALP policies that have been costed by the Parliamentary Budget Officer and impact on the key fiscal aggregates are included in Part 2 of the original Budget Impact Statement released on 23 March 2015.*



# Parliamentary Budget Office - Election Policy Costing

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Referred By: Australian Labor Party  
Date Referred: 27/02/2015

Proposal No: A278  
Date Published: 27/03/2015

Proposal Title: **MOVE THE MINISTRY OF HEALTH TO LIVERPOOL**

Cluster: Health

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		1,428	4,667	4,826	10,921
Depreciation					0
Less: Offsets			6,170	6,386	12,556
Revenue					0
<b>Net Operating Result:</b>	<b>0</b>	<b>-1,428</b>	<b>1,503</b>	<b>1,560</b>	<b>1,635</b>

Capital Expenditure		10,620			10,620
Capital Offsets					0
<b>Net Capital Expenditure:</b>	<b>0</b>	<b>10,620</b>	<b>0</b>	<b>0</b>	<b>10,620</b>

<b>Net Lending/(Borrowing):</b>	<b>0</b>	<b>-12,048</b>	<b>1,503</b>	<b>1,560</b>	<b>-8,985</b>
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<b>Net Financial Liabilities:</b>	<b>0</b>	<b>12,048</b>	<b>10,545</b>	<b>8,985</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	<b>0</b>	<b>12,048</b>	<b>10,545</b>	<b>8,985</b>	
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## Notes and costing assumptions

The policy proposes to move the main office of the Ministry of Health from North Sydney to Liverpool from 1 January 2016.

The costing is based on moving 500 full time equivalent staff, with an allowance of 10 per cent to cater for part time employees and a further allowance for 40 project staff (a total of 590 actual staff).

The costing assumes:

- Appropriate accommodation will be available for lease in the Liverpool CBD, and that three months will be required for fitout and movement of staff.

- The standard Government allowance of 13m<sup>2</sup> per person for the Liverpool accommodation, which provides a total area of 7,670m<sup>2</sup>.

- A benchmark face rent of \$497 per m<sup>2</sup> in 2015-16, which is escalated at 3.5 per cent per annum. In addition, there will be outgoings of \$91.50 per m<sup>2</sup> in 2015-16, escalating at 3 per cent per annum. The escalation rates are based on standard escalation rates for office accommodation in the Liverpool CBD. It is assumed that rent commences in the final quarter of 2015-16. This gives total rent and outgoing charges of:

2015-16 \$1.1 million  
2016-17 \$4.7 million  
2017-18 \$4.8 million

**Costing assumptions continued:**

- Employee costs of \$300,000 would be incurred in 2015-16 to manage the move.
- The capital costs for the Liverpool offices include: fit out of \$1,300 per m<sup>2</sup>, ICT fit out of \$1,000 per head and moving costs of \$100 per person. These costs, which total \$10.6 million, are assumed to be incurred in 2015-16.
- According to the Property Council of Australia's January 2015 Office Market Report, the office vacancy rate in the Sydney CBD is 7.4 per cent. Based on this, the costing conservatively assumes that the Ministry would be able to recoup 80 per cent of the annual rent from 2016-17 onwards (\$7.2 million in 2014-15 and assumed to increase by 3.5 per cent per annum). The lease on the Ministry of Health's North Sydney office ends in July 2019.





## PARLIAMENTARY BUDGET OFFICE

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### Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Move the Ministry of Health to Liverpool
Date of request:	27 February 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Move the main office of the Ministry of Health to Liverpool.
What is the purpose or intention of the policy?	Decentralise NSW Government and move health administration to the heart of need for health service expansion.
Has the policy been publicly released yet?	

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

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>Move the approximately 493 staff in the Ministry of Health head office in Sydney's central business district to Liverpool's central business district.</p> <p>The accommodation should be efficiently secured at a median standard of office accommodation, consistent with standard assumptions for NSW public service office accommodation, except where otherwise specified.</p> <p>The accommodation should be leased.</p> <p>All estimated costs and savings associated with the move should be included in the costing.</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.	See <u>Assumptions</u> .

<b>Administration of policy</b>	
Intended date of implementation:	1 January 2016.
Intended duration of policy:	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Ministry of Health.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

If the policy is mainly an expenditure <sup>6</sup> commitment	
Demand driven or a capped amount:	Uncapped.
Eligibility criteria or thresholds:	..

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



# Parliamentary Budget Office - Election Policy Costing

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Referred By: Australian Labor Party  
Date Referred: 9/03/2015

Proposal No: A319  
Date Published: 27/03/2015

Proposal Title: **CRACKDOWN ON PUPPY FARMS**

Cluster: Trade and Investment, Regional Infrastructure and Services

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		666	667	667	2,000
Depreciation					0
Less: Offsets					0
Revenue					0
<b>Net Operating Result:</b>	<b>0</b>	<b>-666</b>	<b>-667</b>	<b>-667</b>	<b>-2,000</b>

Capital Expenditure					0
Capital Offsets					0
<b>Net Capital Expenditure:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Net Lending/(Borrowing):</b>	<b>0</b>	<b>-666</b>	<b>-667</b>	<b>-667</b>	<b>-2,000</b>
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<b>Net Financial Liabilities:</b>	<b>0</b>	<b>666</b>	<b>1,333</b>	<b>2,000</b>
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	<b>0</b>	<b>666</b>	<b>1,333</b>	<b>2,000</b>
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## Notes and costing assumptions

The policy specifies a number of regulatory changes including; large scale puppy farms will be banned in NSW, limiting breeding operations to 10 breeding dogs; the amount of litters in a breeding dogs lifetime will be limited to five; the sale of puppies from pet shops will be phased out; and human practices for the euthanasia of dogs will be ensured. The costing assumes these regulatory changes will not have a budget impact and the costs associated with administering these changes are absorbed within the Department of Trade, Investment, Regional Infrastructure and Service's existing budget allocation.

The policy also specifies \$2million of capped funding will be provided to the Royal Society for the Prevention of Cruelty to Animals (RSPCA) over three years from 2015-16 to fund specialist puppy farm inspectors.



## PARLIAMENTARY BUDGET OFFICE

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### Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Crackdown on puppy farms
Date of request:	9 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Ban large scale puppy farms outright, while also creating a regulatory framework that will ensure the continued welfare of breeding dogs through birth, pregnancy and their ultimate death.
What is the purpose or intention of the policy?	Protect animal welfare.
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years <sup>2</sup> \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>	-	-666	-667	-667	-2,000	-
Impact on GGS capital expenditure <sup>4</sup>	-	-	-	-	-	-
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>	-	-	-	-	-	-

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	No.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>A NSW Labor Government will launch a crackdown on the cruel and exploitative treatment of dogs within the commercial dog breeding industry.</p> <p>Labor will ban large scale puppy farms outright, while also creating a regulatory framework that will ensure the continued welfare of breeding dogs through birth, pregnancy, and their ultimate death.</p> <p>A NSW Labor Government will:</p> <ol style="list-style-type: none"> <li>1. Ban large scale puppy farms in NSW, limiting breeding operations to 10 breeding dogs.</li> <li>2. Provide \$2 million in additional funding to boost The Royal Society for the Prevention of Cruelty to Animals (RSPCA) capacity to investigate wrongdoers – including funding specialist puppy farm inspectors.</li> <li>3. Limit the amount of litters in a breeding dog’s lifetime to five.</li> <li>4. Phase out the sale of puppies from pet shops - ethical breeders do not sell puppies in Pet Shops. Pet shops can reposition to be Adoption Centres and help drive re-homing of unwanted dogs.</li> <li>5. Ensure humane practices for the euthanasia of animals.</li> </ol>
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.	With the exception of the funding to the RSPCA for investigations, any potential costs associated with administering the regulations are to be absorbed within the existing resourcing of the agency.

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2015.
Intended duration of policy:	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	NSW Department of Primary Industries.
Are there any specific administrative arrangements for the policy that need to be taken into account?	The funding will be provided as grants to the RSPCA.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	Capped.
Eligibility criteria or thresholds:	N/a.

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



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
 Date Referred: 18/03/2015

Proposal No: A389  
 Date Published: 27/03/2015

Proposal Title: **\$25 MILLION TO PLAN LOWER HUNTER HOSPITAL**

Cluster: Health

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)					-
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	-	-	-	-

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

<b>Net Lending/(Borrowing):</b>	-	-	-	-	-
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<b>Net Financial Liabilities:</b>	-	-	-	-	-
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	-	-	-	-
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## Notes and costing assumptions

The policy proposes to provide \$25 million in 2015-16 to support planning for construction of a new hospital in the Lower Hunter, with funding sourced from the Ministry of Health's uncommitted capital funding.

According to the Statement of Uncommitted Funds, there is \$1.3 billion in uncommitted capital funding available for health infrastructure, including \$273 million in 2015-16, \$488 million in 2016-17 and \$540 million in 2017-18.

Given there is sufficient uncommitted funding available to meet the cost of the policy (even allowing for \$200 million to be provided for redevelopment of Wyong Hospital - see A377), there will be no financial impact. The PBO notes that with respect to uncommitted health capital funding, "any election announcements of additional projects using these funds may require reprioritisation of the agency's service delivery plans".





## PARLIAMENTARY BUDGET OFFICE

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### Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Lower Hunter Hospital – planning
Date of request:	24 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Commit \$25 million to support planning a new hospital in the Lower Hunter.
What is the purpose or intention of the policy?	As above.
Has the policy been publicly released yet?	

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

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	No.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	A fixed amount of \$25 million should be provided in 2015-16 to support planning the construction of a new hospital in the Lower Hunter.
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.	Funds should be offset from uncommitted funds in the Ministry of Health's capital works provision.

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2015.
Intended duration of policy:	30 June 2016.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Ministry of Health.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	Capped.
Eligibility criteria or thresholds:	N/a.

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



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
 Date Referred: 26/03/2015

Proposal No: A390  
 Date Published: 27/03/2015

Proposal Title: **RECREATIONAL FISHING POLICY**

Cluster: Trade and Investment, Regional Infrastructure and Services

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		2,000	2,000	2,000	6,000
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	<b>(2,000)</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>(6,000)</b>

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

<b>Net Lending/(Borrowing):</b>	-	<b>(2,000)</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>(6,000)</b>
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<b>Net Financial Liabilities:</b>	-	<b>2,000</b>	<b>4,000</b>	<b>6,000</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>2,000</b>	<b>4,000</b>	<b>6,000</b>	
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## Notes and costing assumptions

The policy declares Sydney Harbour to be a 'recreational fishing haven', formalising the current ban on commercial fishing in Sydney Harbour. This policy is regulatory in nature and no costs to Government have been assumed; the PBO considers this a reasonable assumption.

The policy provides capped annual funding of \$2million from 2015-16 to support a native fish strategy for the Murry Darling Basin. The policy specifies the strategy will be scalable to funding available.

The policy specifies existing resources within the Department of Trade, Investment, Regional Infrastructure and Services would be allocated to scoping and planning the provision of additional fishing platforms. No costs for this have been included as there is insufficient detail on the number and location of fishing platforms. There are sufficient resources in the department to allow for the costs of scoping and planning to be absorbed.

The policy appoints a Parliamentary Secretary for Recreational Fishing. No costs have been included as the policy specifies the number of Parliamentary Secretaries will remain at the current level of 13.

The policy directs recreational fishing license fees into Recreational Fishing Trusts that support recreational fishing. No cost have been included because this represents maintenance of the status quo.



## PARLIAMENTARY BUDGET OFFICE

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### Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Recreational fishing policy
Date of request:	26 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	See <u>Attachment 1</u> .
What is the purpose or intention of the policy?	Promote recreational fishing, fish stocks and facilities and safety.
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years <sup>2</sup> \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>	-	2,000	2,000	2,000	6,000	-
Impact on GGS capital expenditure <sup>4</sup>	-	-	-	-	-	-
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>	-	-	-	-	-	-

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	No.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p><u>Sydney Harbour recreational fishing haven</u></p> <p>Declaring Sydney Harbour to be a recreational fishing haven would permanently formalise the current ban on commercial fishing in Sydney Harbour. It would have no cost to government.</p> <p><u>Murray Darling basin fishing</u></p> <p>A fixed capped amount of \$2 million annually would be provided to support a native fish strategy for the Murray Darling basin. The scope of the new strategy would be scalable to funding available.</p> <p><u>Fishing platforms</u></p> <p>Agency resources would be allocated to scoping and planning the provision of additional fishing platforms. Final project approvals would be subject to government consideration.</p> <p><u>Parliamentary Secretary for Recreational Fishing</u></p> <p>The Parliamentary Secretary for Recreational Fishing would be allocated within the current number of Parliamentary Secretaries. It would involve no additional cost to government.</p> <p><u>Guarantee recreational fishing licence fees go to benefit recreational fishers.</u></p> <p>Existing policy is to direct recreational fishing licence fees into Recreational Fishing Trusts that support recreational fishing. The commitment by NSW Labor involves a guarantee to ensuring these arrangements are upheld. It involves no quantifiable cost.</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.	..

<b>Administration of policy</b>	
Intended date of implementation:	26 March 2015.
Intended duration of policy:	Over the forward estimates.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	NSW Primary Industries.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	Capped
Eligibility criteria or thresholds:	N/a.

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

## **Attachment 1**

Labor's recreational fishing policy is to:

1. Declare Sydney Harbour a permanent Recreational Fishing Haven;
2. Provide \$2 million per year to reinstate the native fish strategy for the Murray Darling basin which was cut by the Baird Government
3. Work to enhanced facilities including fishing platforms to take the pressure off commuter wharfs;
4. Appoint a Parliamentary Secretary for Recreational fishing; and
5. Guarantee 100% of recreational fishing licence fees go to benefit recreational fishers.



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
 Date Referred: 26/03/2015

Proposal No: A391  
 Date Published: 27/03/2015

Proposal Title: **GOULBURN HOSPITAL PLANNING**

Cluster: Health

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)					-
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	-	-	-	-

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

<b>Net Lending/(Borrowing):</b>	-	-	-	-	-
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<b>Net Financial Liabilities:</b>	-	-	-	-
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	-	-	-
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## Notes and costing assumptions

The policy proposes to provide \$25 million in 2015-16 to support planning and site acquisition of a new hospital in Goulburn, with funding sourced from the Ministry of Health's uncommitted capital funding.

According to the Statement of Uncommitted Funds, there is \$1.3 billion in uncommitted capital funding available for health infrastructure, including \$273 million in 2015-16, \$488 million in 2016-17 and \$540 million in 2017-18.

Given there is sufficient uncommitted funding available to meet the cost of the policy (even allowing for \$225 million to be provided for other hospital projects - see A377 and A389), there will be no financial impact. The PBO notes that with respect to uncommitted health capital funding, "any election announcements of additional projects using these funds may require reprioritisation of the agency's service delivery plans".





## 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:	Construct a new hospital in Goulburn – planning
Date of request:	26 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Allocate \$20 million in 2015-16 to support planning and site acquisition of a new hospital in Goulburn.
What is the purpose or intention of the policy?	As above.
Has the policy been publicly released yet?	

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

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	No.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>A fixed capped amount of \$20 million should be allocated in 2015-16 to support planning and site acquisition for a new hospital in Goulburn.</p> <p>Funding to support construction of the new hospital will be reserved under Labor's <i>A Better Way</i> infrastructure program.</p> <p>A decision on the details of the final project will be made on the completion of the business case.</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.	Funds should be offset from uncommitted amounts in the Ministry of Health capital works program.

<b>Administration of policy</b>	
Intended date of implementation:	26 March 2015.
Intended duration of policy:	Over the forward estimates.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Ministry of Health.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	Capped
Eligibility criteria or thresholds:	N/a.

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



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
Date Referred: 26/03/2015

Proposal No: A392  
Date Published: 27/03/2015

Proposal Title: **A BETTER WAY - ADDITIONAL FUNDING**

Cluster:

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)					-
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	-	-	-	-

Capital Expenditure	-	146,026	146,026	146,026	438,078
Capital Offsets					-
<b>Net Capital Expenditure:</b>	-	<b>146,026</b>	<b>146,026</b>	<b>146,026</b>	<b>438,078</b>

<b>Net Lending/(Borrowing):</b>	-	<b>(146,026)</b>	<b>(146,026)</b>	<b>(146,026)</b>	<b>(438,078)</b>
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<b>Net Financial Liabilities:</b>	-	<b>146,026</b>	<b>292,052</b>	<b>438,078</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>146,026</b>	<b>292,052</b>	<b>438,078</b>	
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## Notes and costing assumptions

The policy proposes to provide additional funding to support the rollout of the *A Better Way* infrastructure plan.

The number and type of individual capital projects is to be finalised with completion of planning and business cases. The PBO does not have sufficient certainty to reliably estimate the timing and amount of resulting depreciation.



## 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:	<i>A Better Way</i> – additional funding
Date of request:	26 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Direct \$438.1 million of new savings to increase funding allocated to support the rollout of <i>A Better Way</i> (separately costed) – bringing the allocation to \$2.2 billion over the four years to 2017-18.
What is the purpose or intention of the policy?	Roll-out Labor's plan to deliver the state's infrastructure priorities – without privatising our electricity network.
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years <sup>2</sup> \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>	-	-	-	-	-	-
Impact on GGS capital expenditure <sup>4</sup>	-	146,026	146,026	146,026	438,079	-
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>	-	-	-	-	-	-

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	Yes – \$1,722 million of funding to support the rollout of <i>A Better Way</i> was published by the Parliamentary Budget Office as part of its Budget Impact Statement on the Australian Labor Party (NSW Branch).
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>Allocate an additional \$146.026 million in each of 2015-16 to 2017-18 to support the rollout of <i>A Better Way</i>.</p> <p>Accordingly, the capital funding allocated to support the delivery of <i>A Better Way</i> is as follows:</p> <p>2014-15: \$116.302 million  2015-16: \$387.997 million  2016-17: \$916.936 million  2017-18: \$737.659 million  Total: \$2,158.895 million.</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.	The policy reallocates \$438.1 million out of the \$519.1 million of savings taken up since the publication of the Budget Impact Statement.

<b>Administration of policy</b>	
Intended date of implementation:	Consistent with previously costed policy.
Intended duration of policy:	..
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	..
Are there any specific administrative arrangements for the policy that need to be taken into account?	..
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly a capital costs<sup>6</sup> commitment</b>	
Type of work, size and capacity:	To be finalised with completion of planning and business cases.
Proposed start and completion date of work:	Consistent with previously costed policy.
Intended construction schedule/cashflow:	..
Offsetting expenditure savings:	..
Associated asset sell off (if any):	..
On-going maintenance, depreciation and operational expenses:	..
Third party funding involvement:	..

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<sup>6</sup> 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.



## Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
Date Referred: 26/03/2015

Proposal No: A393  
Date Published: 27/03/2015

Proposal Title: **PALLIATIVE CARE - ADDITIONAL FUNDING**

Cluster: Health

### General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		8,000	8,000	8,000	24,000
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	<b>(8,000)</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(24,000)</b>

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

<b>Net Lending/(Borrowing):</b>	-	<b>(8,000)</b>	<b>(8,000)</b>	<b>(8,000)</b>	<b>(24,000)</b>
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<b>Net Financial Liabilities:</b>	-	<b>8,000</b>	<b>16,000</b>	<b>24,000</b>	
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### Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>8,000</b>	<b>16,000</b>	<b>24,000</b>	
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### Notes and costing assumptions

The policy proposes to increase funding for palliative care by \$32 million over four years from 2015-16. The funding will be delivered in equal amounts each year.

The cost of the policy is \$8 million per year, or \$24 million over the forward estimates, with an additional \$8 million to be spent in 2018-19.



## 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:	Palliative care – additional funding
Date of request:	26 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Labor commits to increase funding for palliative care by \$32 million over its term in office.
What is the purpose or intention of the policy?	As above.
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years <sup>2</sup> \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>	-	8,000	8,000	8,000	24,000	8,000
Impact on GGS capital expenditure <sup>4</sup>	-	-	-	-	-	-
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>	-	-	-	-	-	-

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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



<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	No.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	Labor commits to increasing funding for palliative care by \$32 million over its term in office. It should be assumed that this funding increase is delivered equally each financial year from 2015-16 to 2018-19.
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.	..

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2015.
Intended duration of policy:	To March 2019.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Ministry of Health.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	Capped.
Eligibility criteria or thresholds:	N/a.

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



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
Date Referred: 26/03/2014

Proposal No: A394  
Date Published: 27/03/2014

Proposal Title: **ADDITIONAL SAVINGS AND OFFSETS**

Cluster:

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		(7,620)	(10,840)	(10,320)	(28,780)
Depreciation					-
Less: Offsets		72,920	115,780	123,320	312,020
Revenue		54,500	59,500	59,500	173,500
<b>Net Operating Result:</b>	-	<b>135,040</b>	<b>186,120</b>	<b>193,140</b>	<b>514,300</b>

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

<b>Net Lending/(Borrowing):</b>	-	<b>135,040</b>	<b>186,120</b>	<b>193,140</b>	<b>514,300</b>
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<b>Net Financial Liabilities:</b>	-	<b>(135,040)</b>	<b>(321,160)</b>	<b>(514,300)</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>(135,040)</b>	<b>(321,160)</b>	<b>(514,300)</b>	
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## Notes and costing assumptions

The proposal consists of three policies:

### 1. Implementation of 10 whole of government procurement initiatives.

The policy proposes to implement efficiency savings through 10 whole of government procurement initiatives.

The net efficiency savings under the policy are estimated to be \$286.8 million over the forward estimates.

The mechanism for achieving the policy will be to take the savings up front by a reduction in agency budgets. The savings appear as an offset to the Net Operating Result. The estimated annual savings are:

2015-16: \$72.920 million  
2016-17: \$115.780 million  
2017-18: \$123.320 million

Once the savings have been taken, there will be a process to implement new approaches to procurement. These are estimated to require spending of \$25.2 million over the forward estimates (\$32.9 million to 2018-19), which is included as an expense in the above calculations. The estimated annual expenses are:

2015-16: \$10.380 million  
2016-17: \$7.160 million  
2017-18: \$7.680 million

## Costing assumptions continued:

### 2. Cash management practices

This policy proposes to make cash management practices in NSW public sectors more efficient. The specific changes are:

- Transferring current Treasury Corporation (TCorp) Hourglass Deposits held by General Government agencies into the Treasury Banking System to allow funds to be invested in higher yielding term deposits. NSW Treasury expects that an average increase in yield of 0.3 per cent could be achieved.
- Adopting a more diversified approach to investing surplus funds which recognises that greater risk (including in relation to capital) could increase investment returns.
- Taking advantage of a more diversified range of investments to increase investment revenue while maintaining the existing conservative risk management objective.

The changes are expected to improve the Net Operating Result by \$62.5 million per year, with expenses expected to decline by \$18.0 million per year and revenues expected to increase by \$44.5 million per year.

### 3. Offsetting additional police spending with \$40 million from the Confiscated Proceeds of Crime special deposit account.

The policy proposes to use \$40 million from the Confiscated Proceeds of Crime (CPC) special deposit account to offset additional police spending .

The policy proposes withdrawing \$10 million from the CPC in 2015-16, and \$15 million in each of 2016-17 and 2017-18. This money is recognised as revenue for the first time when withdrawals are made from the CPC according to NSW Treasury accounting treatment. Hence the policy provides a \$40 million increase in revenue over the forward estimates.



## 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:	Additional savings and offsets
Date of request:	26 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Labor commits to the following savings measures and offsets: Implementation of 10 whole of government procurement initiatives, cash management practices and offsetting additional spending on police with \$40 million from the Confiscated Proceeds of Crime special deposit account.
What is the purpose or intention of the policy?	Commit to a number of additional savings measures.
Has the policy been publicly released yet?	

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

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	Savings measures and offsets published by the Parliamentary Budget Office in costings C025, C039 and C049.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	Labor commits to additional savings measures and offsets consistent with the published amounts and profile.
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 will be directed to support capital spending under Labor's <i>A Better Way</i> plan and final spending commitments.

<b>Administration of policy</b>	
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?	Consistent with published costings.
Are there transitional arrangements associated with policy implementation?	No.

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	See <u>Assumptions</u> .
Eligibility criteria or thresholds:	N/a.

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



# Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
 Date Referred: 26/03/2015

Proposal No: A395  
 Date Published: 27/03/2015

Proposal Title: **BETTER COMMUNITIES & SPORTS FUND - ADDITIONAL FUNDING**

Cluster: Premier and Cabinet

## General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)		20,000	10,000	10,000	40,000
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	-	<b>(20,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(40,000)</b>

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

<b>Net Lending/(Borrowing):</b>	-	<b>(20,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(40,000)</b>
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<b>Net Financial Liabilities:</b>	-	<b>20,000</b>	<b>30,000</b>	<b>40,000</b>	
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## Total State Sector Impacts

<b>Net Financial Liabilities:</b>	-	<b>20,000</b>	<b>30,000</b>	<b>40,000</b>	
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## Notes and costing assumptions

From 1 July 2015 the policy proposes to increase grant funding allocated to the Better Communities and Sports Fund (BSCF) by \$40 million.

The earlier policy (A330) provided \$50 million over the forward estimates to establish the BCSF to support projects that improve local communities and sports.

The additional \$40 million is capped, taking the total funding allocated to the BCSF to \$90 million.

The total revised funding profile for the BCSF over the forward estimates from both proposed policies is:

(\$'000)	2014-15	2015-16	2016-17	2017-18	Total
Total	5,000	40,000	25,000	20,000	90,000



## 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:	Better Communities and Sports – additional funding
Date of request:	26 March 2015

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Increase grants funding allocated to the Better Communities and Sports Fund (separately costed) by an additional \$40 million.
What is the purpose or intention of the policy?	Deliver a \$90 million Better Communities and Sports Fund to support local projects and organisations, with the additional \$40 million funded by new savings taken up subsequent to the first Budget Impact Statement.
Has the policy been publicly released yet?	

Your estimated costing of the policy <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years <sup>2</sup> \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>	-	20,000	10,000	10,000	40,000	-
Impact on GGS capital expenditure <sup>4</sup>	-	-	-	-	-	-
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>	-	-	-	-	-	-

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
Does the policy relate to a previous announcement? If yes, which announcement?	Yes – the Better Communities and Sports Fund policy published in the Parliamentary Budget Office’s Budget Impact Statement on the Australian Labor Party (NSW Branch).
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	Increase funding allocated under the Better Communities and Sports Fund by \$20 million in 2015-16 and \$10 million in each of 2016-17 and 2017-18.  The additional \$40 million takes the total value of the fund to \$90 million.
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.	..

<b>Administration of policy</b>	
Intended date of implementation:	1 July 2015.
Intended duration of policy:	To 30 June 2018.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Various.
Are there any specific administrative arrangements for the policy that need to be taken into account?	No.
Are there transitional arrangements associated with policy implementation?	..

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	Capped.
Eligibility criteria or thresholds:	N/a.

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





## Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party  
Date Referred: 26/03/2015

Proposal No: A397  
Date Published: 27/03/2015

Proposal Title: **ADJUST FUNDING PROFILE FOR LOOSE FILL ASBESTOS INSULATION ASSISTANCE PACKAGE**

Cluster:

### General Government Sector Impacts

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	4 Year Total \$'000
Expenses (ex. depreciation)	46,900	(15,633)	(15,633)	(15,633)	0
Depreciation					-
Less: Offsets					-
Revenue					-
<b>Net Operating Result:</b>	<b>(46,900)</b>	<b>15,633</b>	<b>15,633</b>	<b>15,633</b>	<b>(0)</b>

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

<b>Net Lending/(Borrowing):</b>	<b>(46,900)</b>	<b>15,633</b>	<b>15,633</b>	<b>15,633</b>	<b>(0)</b>
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<b>Net Financial Liabilities:</b>	<b>46,900</b>	<b>31,267</b>	<b>15,633</b>	<b>0</b>
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### Total State Sector Impacts

<b>Net Financial Liabilities:</b>	<b>46,900</b>	<b>31,267</b>	<b>15,633</b>	<b>0</b>
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### Notes and costing assumptions

The policy provides funding for the 'Loose-Fill Asbestos Insulation Assistance Package' consistent with the profile of funding announced by the Coalition subsequent to the publication of the *Half-Yearly Review*. Funding of \$46.9 million will be provided for the 'Loose-Fill Asbestos Insulation Assistance Package' in 2014-15, offset by an annual reduction in spending of \$15.6 million in future years by reversing Coalition commitments made between the December 2014-15 Half-Yearly Review and the 2015 caretaker period, so that the budget impact over the forward estimates is unchanged.



## 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:	Adjust funding profile 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 <sup>1</sup>						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	4 Yr Total \$'000	Other years <sup>2</sup> \$'000
Impact on General Government Sector (GGS) net operating result <sup>3</sup>	-46,900	15,633	15,633	15,633	-	-
Impact on GGS capital expenditure <sup>4</sup>	-	-	-	-	-	-
If different from above, impact on total State Sector net financial liabilities <sup>5</sup>	-	-	-	-	-	-

<sup>1</sup> Amounts should be expressed in nominal dollars. GGS - General Government Sector.

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

<sup>3</sup> Negative for a saving that reduces expenditure

<sup>4</sup> Negative for a reduction in capital expenditure.

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

<b>Key assumptions made in the policy</b>	
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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<b>Administration of policy</b>	
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.

<b>If the policy is mainly an expenditure<sup>6</sup> commitment</b>	
Demand driven or a capped amount:	See <u>Assumptions</u> .
Eligibility criteria or thresholds:	N/a.

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