



## Policy costing request—during the caretaker period for a general election

<b>Name of policy:</b>	Independent Office of Animal Welfare
Person requesting costing:	Senator Di Natale
Parliamentary party:	Australian Greens
Date of request to cost the policy:	29/6/16
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (ie from the Treasury or the Department of Finance)?	No
Details of the public release of this policy (Date, by whom and a reference to that release):	29 August 2013, Senator Lee Rhiannon <a href="http://greensmps.org.au/giving-voice-animals">http://greensmps.org.au/giving-voice-animals</a> reintroduced 25 June 2015 <a href="http://lee-rhiannon.greensmps.org.au/content/media-releases/greens-introduce-bill-independent-office-animal-welfare-call-labor-support">http://lee-rhiannon.greensmps.org.au/content/media-releases/greens-introduce-bill-independent-office-animal-welfare-call-labor-support</a> Released 26 May 2016, Senator Rhiannon <a href="http://greens.org.au/animal-welfare">http://greens.org.au/animal-welfare</a>
<b>Description of policy</b>	
Summary of policy (as applicable, please attach copies of relevant policy documents):	<a href="http://greens.org.au/animal-welfare">http://greens.org.au/animal-welfare</a> The Greens will establish an independent office of Animal Welfare .
What is the purpose or intention of the policy?	To provide independent and expert advice to government about animal welfare issues; promote and oversee animal welfare; to investigate complaints; and work to harmonise and improve animal welfare laws across Australia.
<b>What are the key assumptions that have been made in the policy, including:</b>	
Is the policy part of a package? If yes, list the components and interactions with proposed or existing policies.	No.

PBO Policy costing request—during the caretaker period for a general election

<p>Where relevant, is funding for the policy to be demand driven or a capped amount? If a capped amount, are the costs of administering the policy to be included within the capped amount or additional to the capped amount?</p>	<p>Capped at \$0.5m for costs associated with establishment, with running costs of ~\$1m pa (see indicative costs of the disbanded Australian Animal Welfare Strategy:  <a href="http://www.agriculture.gov.au/animal/welfare/aaws/australian-animal-welfare-strategy-aaws-and-national-implementation-plan-2010-14#australian-animal-welfare-strategy">http://www.agriculture.gov.au/animal/welfare/aaws/australian-animal-welfare-strategy-aaws-and-national-implementation-plan-2010-14#australian-animal-welfare-strategy</a>)</p>
<p>Will third parties (for instance the States/Territories) have a role in funding or delivering the policy?                  If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?</p>	<p>No.</p>
<p>Are there associated savings, offsets or expenses?                  If yes, please provide details.</p>	<p>Yes. The operational funding for the Office will be wholly paid for by diverting any existing animal welfare funding from the Department of Agriculture and Water Resources.</p>
<p>Does the policy relate to a previous budget measure?                  If yes, which measure?</p>	<p>Yes. The 2014-15 budget saw funding withdrawn from the Australian Animal Welfare Strategy (\$3.3m cut from 2014 over 3 years). This funding would be reinstated with the IOAW absorbing the role of the AAWS.</p>
<p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?</p>	<p>Yes. The operational funding for the Office will be wholly paid for by diverting any existing animal welfare funding from the Department of Agriculture and Water Resources.</p>
<p>Will the funding/program cost require indexation?                  If yes, list factors to be used.</p>	<p>Yes: CPI.</p>

<b>Expected impacts of the proposal</b>				
If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?				
<b>Estimated financial implications (outturn prices)<sup>(a)</sup></b>				
	2016–17	2017–18	2018–19	2019–20
Underlying cash balance (\$m)	-2	-1.5	-1.5	-1.5
Fiscal balance (\$m)	-2	-1.5	-1.5	-1.5
(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.				
What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?				
Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?	No			
What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?	Community confidence in the improved oversight of the treatment of animals.			
<b>Administration of policy:</b>				
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	Independent Agency			
Please specify whether any special administrative arrangements are proposed for the policy and whether these are expected to involve additional transactions/processing (by service delivery agencies).	None.			
Intended date of implementation:	1 September 2016			
Intended duration of policy:	Ongoing			
Are there transitional arrangements associated with policy implementation?	Transitional arrangements would need to be developed in consultation with the Department of Agriculture, Fisheries and Forestry.			

PBO Policy costing request—during the caretaker period for a general election

List major data sources utilised to develop policy (for example, ABS catalogue number 3201.0).	None.
Are there any other assumptions that need to be considered?	None.
<b>NOTE:</b> <i>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 requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.</i>	