

POLICY COSTING REQUEST – DURING THE CARETAKER PERIOD FOR A GENERAL ELECTION

Name of policy:	Tourism			
Person requesting costing:	Senator Milne			
Date of request to cost the policy:	30 August 2013			
Note: This policy costing request and the response to this request will be made publicly available.				
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (i.e. from the Treasury or the Department of Finance and Deregulation)?	No			
Details of the public release of this	29 August 2013, Senator Peter Whish-			
policy (Date, by whom and a	Wilson. http://greensmps.org.au/content/news-			
reference to that release)	stories/promoting-australia-world-supporting-our-tourism-industry			
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Description of policy:	1.4477//-77777777777777777777777777777777			
Summary of policy (as applicable, please attach copies of relevant policy documents):	http://greens.org.au/sites/greens.org.au/files/Supporting-Our- Tourism-Industry_0.pdf			
	The Greens will assist the tourism industry by:			
	 Increasing Tourism Australia's funding by \$100 million over the forward estimates to allow an expansion of promotional activities. 			
	 Providing \$3 million of federal funding for a World Heritage Interpretation Centre in Tasmania that complements Tasmania's world heritage areas by telling the story of their values and the struggle to protect them. 			
	 Directing \$3 million for a digital tourism experiences program to provide funding for the development of smartphone and tablet applications for specific regions that use crowd sourced content to help enhance the visitor experience. 			
What is the purpose or intention of the policy?	To promote Australia to the world and increase our national income from tourism.			
What are the key assumptions that	have been made in the policy, including:			
Is the policy part of a package?	No			
If yes, list and outline components and interactions with proposed or				

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existing policies.	
Where relevant, is funding for the policy to be demand driven or a capped amount?	Capped
Will third parties (for instance the States/Territories) have a role in funding or delivering the policy?	No
If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?	
Are there associated savings, offsets or expenses? If yes, please provide details.	No
Does the policy relate to a previous budget measure? If yes, which measure?	No
If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?	No
Will the funding/program cost require indexation? If yes, list factors to be used.	No
Expected impacts of the proposal	

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?

Estimated financial implications (outturn prices) (a)

	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	-	-37.3	-34.3	-34.3
Fiscal balance (\$m)	-	-37.3	-34.3	-34.3

(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)? The full \$3m from the establishing a World Heritage Interpretation Centre will be provided in the 2014-15 financial year.

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Has the policy been costed by a third party?	No	
If yes, can you provide a copy of this costing and its assumptions?		
What is the expected community impact of the policy?	Capped amount of funding. However it is possible that the international success of the promotional activities could result	
How many people will be affected by the policy?	in more revenue to be collected from tourists.	
What is the likely take up?		
What is the basis for these impact assessments/assumptions?		
Administration of policy:		
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc.)?	Australian government however the establishment of the World Heritage Centre will need to be delivered with the assistance of the Tasmanian government.	
Should departmental expenses associated with this policy be included in this costing?	No. Absorb.	
If no, will the Department be expected to absorb expenses associated with this policy?		
If yes, please specify the key assumptions, including whether departmental costs are expected with respect to program management (by policy agencies) and additional transactions/processing (by service delivery agencies).		
Intended date of implementation.	1 July 2014	
Intended duration of policy.	3 full years	
Are there transitional arrangements associated with policy implementation?	No	
List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0).	Measuring the Return from Australian Tourism Marketing Expenditure Journal of Travel Research February 2009 47:275-284, first published on August 15, 2008	
Are there any other assumptions that need to be considered?	No	
NOTE:		

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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.