



Parliament of Australia
Parliamentary Budget Office

Phil Bowen PSM FCPA
Parliamentary Budget Officer

Senator Christine Milne
Leader of the Australian Greens
Parliament House
CANBERRA ACT 2600

Dear Senator Milne

Please find attached a response to your costing request on *caring for our schools* (letter of 14 August 2013).

The response to this request will be released on the PBO website (www.aph.gov.au/pbo).

If you have any queries about this costing, please do not hesitate to contact Colin Brown on (02) 6277 9530.

Yours sincerely

Phil Bowen

15 August 2013

COSTING – ELECTION CARETAKER PERIOD

Name of proposal to be costed:	Caring for our schools
Summary of proposal:	This proposal would provide an additional \$2 billion of school funding over the forward estimates, on top of the funding provided under the National Plan for School Improvement.
Person/party requesting costing:	Senator Christine Milne, The Australian Greens
Date costing request received:	14 August 2013
Date costing completed:	15 August 2013
Date of public release of policy:	13 July 2013
Agencies from which information was obtained:	Not applicable

Costing overview

This proposal is expected to decrease both the underlying cash balance and fiscal balance by \$2 billion over the 2013-14 Budget forward estimates period.

Departmental expenses associated with this proposal are not expected to be significant and are assumed to be accommodated within existing departmental resources.

This costing is considered to be of high reliability as it is based on the capped amount and profile as specified in the costing request.

Table 1: Financial implications (outturn prices)^(a)

Impact on	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	-500.0	-500.0	-500.0	-500.0
Fiscal balance (\$m)	-500.0	-500.0	-500.0	-500.0

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Key assumptions

The expense profile is as specified in the costing request.

Methodology

The estimates are based on the capped funding amount specified in the costing request.