



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, *Great Barrier Reef* (letter of 29 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

/ September 2013

COSTING – ELECTION CARETAKER PERIOD

Name of proposal to be costed:	Great Barrier Reef
Summary of proposal:	The proposal would: • ban dredging and offshore dumping of dredge spoil within World Heritage waters • protect pristine areas, such as the Fitzroy Delta and Cape York, from new coal and gas ports, and stop damaging port expansions, including Abbot Point coal terminal • undertake a comprehensive ‘strategic assessment’ for the Reef before any new developments can be approved • increase funding for the successful Reef Rescue programme by \$25 million per annum for four years from 1 July 2014 • increase funding for the Great Barrier Reef Marine Park Authority by \$20 million per year from 1 July 2014, and • provide an additional \$16 million over the forward estimates to deliver a long-term plan for the Reef. The proposal would have effect from immediately for banning damaging activities and 1 July 2014 for the spending measures.
Person/party requesting costing:	Senator Christine Milne, Australian Greens
Date costing request received:	29 August 2013
Date costing completed:	1 September 2013
Date of public release of policy:	16 August 2013
Additional information requested:	On 30 August 2013 the PBO asked Senator Milne’s Office whether departmental costs would be met from within the capped funding amounts.
Additional information received:	On 31 August 2013 Senator Milne’s Office advised that departmental costs would be met from within capped funding amounts.
Agencies from which information was obtained:	Not applicable

POLICY COSTING – ELECTION CARETAKER PERIOD

Costing overview

This proposal is expected to decrease the underlying cash and fiscal balances by \$151.0 million over the 2013-14 Budget forward estimates period. This is entirely due to an increase to expenses. The proposal would also decrease the underlying cash and fiscal balances by \$45.0 million in 2017-18 and have an ongoing impact of \$20.0 million per annum from 2018-19.

Any departmental costs related to administering this program would be accommodated from within the capped amount specified in the costing request.

This costing is considered to be of high reliability as it is based on fixed funding amounts 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)	-	-50.3	-50.3	-50.3
Fiscal balance (\$m)	-	-50.3	-50.3	-50.3

(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