



Parliament of Australia
Parliamentary Budget Office

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Parliamentary Budget Officer

Senator Richard Di Natale
Leader of the Australian Greens
Australian Greens
Parliament House
CANBERRA ACT 2600

Dear Senator Di Natale

Please find attached a response to your costing request, *Safe Schools* (letter of 1 July 2016).

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

If you have any queries about this costing, please contact Colin Brown on (02) 6277 9530.

Yours sincerely

Phil Bowen

/ July 2016



Policy costing—during the caretaker period for the 2016 general election

Name of proposal:	Safe Schools
Summary of proposal:	The proposal would expand funding to the Safe Schools program to \$8 million annually. The proposal would have effect from 2016-17 until 2019-20.
Person/party requesting costing:	Senator Richard Di Natale, Australian Greens
Date of public release of policy:	17 May 2016 http://robert-simms.greensmps.org.au/content/media-releases/australian-greens-launch-lgbtqi-policy-package-idahobit
Date costing request received:	1 July 2016
Date costing completed:	1 July 2016
Expiry date for the costing:	Release of the next economic and fiscal outlook report

Costing overview

This proposal would be expected to decrease both the fiscal and underlying cash balances by \$31.5 million over the 2016-17 Budget forward estimates period. This impact is due to an increase in administered expenses of \$30.0 million and in departmental expenses of \$1.5 million.

The proposal would not have an impact beyond the 2016-17 Budget forward estimates period as the proposal would terminate at the end of 2019-20 as specified in the request. A breakdown of the financial implications of the proposal across the forward estimates period is provided at [Attachment A](#).

The costing is considered to be of high reliability as it is based on specified capped amounts and the application of administrative costs based on similar programs.

Table 1: Financial implications (outturn prices)^{(a)(b)}

Impact on (\$m)	2016-17	2017-18	2018-19	2019-20	Total
Fiscal balance	-6.3	-8.4	-8.4	-8.4	-31.5
Underlying cash balance	-6.3	-8.4	-8.4	-8.4	-31.5

(a) A positive number represents an increase in the relevant budget balance, a negative number represents a decrease.

(b) Figures may not sum to totals due to rounding.

Key assumptions

Any contributions from the state and territory governments would have no impact on the specified Commonwealth funding for the program.

Methodology

Administered expenditure estimates are as specified in the request taking into account that the program already includes \$2.0 million of administered and some departmental funding in 2016-17. The departmental expenditure estimates are in addition to capped amounts, as specified, and are based on other like initiatives and estimates account for the net effect of indexation parameters and the efficiency dividend, in accordance with the Department of Finance's costing practices.

Data sources

- The Department of Finance provided indexation and efficiency dividend parameters.
- The Department of Education and Training (DET) advised that the Safe Schools program includes \$2.0 million in administered funding, and that this funding terminates on 30 June 2017.

Attachment A: Safe Schools—financial implications

Table A1: Safe Schools—Financial implications (outturn prices)^{(a)(b)}

(\$m)	2016–17	2017–18	2018–19	2019–20	Total to 2019–20
Impact on fiscal and underlying cash balances					
Administered	-6.0	-8.0	-8.0	-8.0	-30.0
Departmental - DET	-0.3	-0.4	-0.4	-0.4	-1.5
Total	-6.3	-8.4	-8.4	-8.4	-31.5

(a) A positive number indicates an increase in revenue or decrease in expenses or net capital investment in accrual and cash terms. A negative number indicates a decrease in revenue or an increase in expenses or net capital investment in accrual and cash terms.

(b) Figures may not sum to totals due to rounding.