



**Parliament of Australia**  
**Parliamentary Budget Office**

**Phil Bowen PSM FCPA**  
**Parliamentary Budget Officer**

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

Dear Senator Di Natale

Please find attached a response to your costing request, *Sustainable Research Excellence Grants* (letter of 29 June 2016).

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

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

Yours sincerely

Phil Bowen

30 June 2016



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

Name of proposal:	Sustainable Research Excellence Grants
Summary of proposal:	<p>The proposal would lift the funds available to the Sustainable Research Excellence (SRE) grant program to a level where the combined amount from the SRE and the Research Infrastructure Block Grants (RIBG) is equal to 50 per cent of the total amount of competitive research grants awarded.</p> <p>The proposal would take effect from 1 September 2016.</p>
Person/party requesting costing:	Senator Richard Di Natale, Australian Greens
Date of public release of policy:	23 May 2016 <a href="http://greens.org.au/research">http://greens.org.au/research</a>
Date costing request received:	30 June 2016
Date costing completed:	30 June 2016
Expiry date for the costing:	Release of the next economic and fiscal outlook report

### Costing overview

This proposal would be expected to decrease the fiscal and underlying cash balances by \$1,430.4 million over the 2016-17 Budget forward estimates period. This impact is entirely due to an increase in administered expenses. The proposal would not have an impact beyond the 2016-17 Budget forward estimates period as the proposed funding increase would terminate in 2019-20.

The proposal would not be expected to involve additional departmental expenses, as the proposal relates to increasing existing payments under an existing program.

This costing is considered to be of high reliability as it is based on a specified increase in administered expenses.

**Table 1: Financial implications (outturn prices)<sup>(a)(b)</sup>**

Impact on (\$m)	2016–17	2017–18	2018–19	2019–20	Total
Fiscal balance	-311.0	-373.1	-373.1	-373.1	<b>-1,430.4</b>
Underlying cash balance	-311.0	-373.1	-373.1	-373.1	<b>-1,430.4</b>

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

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

## Key assumptions

In costing this proposal it has been assumed that the first year impact would reflect the remainder of 2016-17 from 1 September 2016.