



Parliament of Australia
Parliamentary Budget Office

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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, *Community Sports* (letter of 30 June 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

30 June 2016



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

Name of proposal:	Community Sports
<p>Summary of proposal:</p>	<p>The proposal has two components.</p> <p><u>Component 1: Community Sports Initiative</u></p> <ul style="list-style-type: none"> • \$20 million over four years of the 2016-17 Budget forward estimates for a community sports initiative to address the barriers to participation for disadvantaged families comprising: <ul style="list-style-type: none"> – \$10 million in direct financial support to families for costs associated with kids’ participation in sport such as membership fees – \$9.5 million in grants to help set up local sports libraries where kids and local sports programs can borrow equipment – \$500,000 in assistance to help volunteers and sports clubs navigate the legal and organisational barriers to volunteering, including a hotline and assistance with the cost of qualifications such as first aid certificates. <p><u>Component 2: Reclink National Program</u></p> <ul style="list-style-type: none"> • \$4 million over four years of the 2016-17 Budget forward estimates as a grant for a new Reclink National Program targeting assistance to sports and recreation programs in regional and rural communities with higher levels of disadvantage. <p>The proposal would have effect from 1 September 2016.</p>
<p>Person/party requesting costing:</p>	<p>Senator Richard Di Natale, Australian Greens</p>
<p>Date of public release of policy:</p>	<p>11 June 2016 http://greens.org.au/community-sport</p>
<p>Date costing request received:</p>	<p>30 June 2016</p>
<p>Date costing completed:</p>	<p>30 June 2016</p>
<p>Expiry date for the costing:</p>	<p>Release of the next economic and fiscal outlook report</p>

Costing overview

This proposal would be expected to decrease both the fiscal and underlying cash balances by \$24 million over the 2016-17 Budget forward estimates period. This impact is due to an increase in administered expenses of \$23 million and an increase in departmental expenses of \$1 million.

The proposal would not have an impact beyond the 2016-17 Budget forward estimates period as funding for the proposal would terminate on 30 June 2020. A detailed breakdown of the financial impacts for the total (Table A1) and by component (Tables A2 and A3) is provided at [Attachment A](#).

Both components are considered to be of high reliability as they are based on specified capped amounts and the application of administrative costs based on similar programs.

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

Impact on (\$m)	2016–17	2017–18	2018–19	2019–20	Total
Fiscal balance	-6.0	-6.0	-6.0	-6.0	-24.0
Underlying cash balance	-6.0	-6.0	-6.0	-6.0	-24.0

(a) A positive number indicates 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

It has been assumed that despite the 1 September 2016 start date a full year of funding would be provided during 2016-17.

Methodology

Departmental expenditure estimates are accommodated within the capped funding amounts as specified in the request. These estimates are based on other like programs.

Administered expenditure estimates are the remainder of the capped funding amounts after allowing for the estimated departmental expenditure.

Attachment A: Community Sports—financial implications

Table A1: Combined impact of all components—Financial implications^{(a)(b)}

(\$m)	2016–17	2017–18	2018–19	2019–20	Total to 2019–20
Impact on fiscal and underlying cash balances					
Administered	-5.5	-5.7	-5.7	-5.7	-23.0
Departmental	-0.4	-0.2	-0.2	-0.2	-1.0
Total	-6.0	-6.0	-6.0	-6.0	-24.0

(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.

Table A2: Component 1: Community Sports Initiative—Financial implications^{(a)(b)}

(\$m)	2016–17	2017–18	2018–19	2019–20	Total to 2019–20
Impact on fiscal and underlying cash balances					
Administered					
<i>Direct financial support to families</i>	-2.2	-2.4	-2.4	-2.4	-9.5
<i>Local sport libraries grants</i>	-2.2	-2.2	-2.2	-2.2	-9.0
<i>Volunteers assistance</i>	-0.1	-0.1	-0.1	-0.1	-0.5
Total Administered	-4.5	-4.7	-4.7	-4.7	-19.0
Departmental					
<i>Direct financial support to families</i>	-0.3	-0.1	-0.1	-0.1	-0.5
<i>Local sport libraries grants</i>	-0.1	-0.1	-0.1	-0.1	-0.5
<i>Volunteers assistance</i>
Total Departmental	-0.4	-0.2	-0.2	-0.2	-1.0
Total	-5.0	-5.0	-5.0	-5.0	-20.0

(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.

.. Not zero but rounded to zero.

Table A3: Component 2: Reclink National Program—Financial implications^{(a)(b)}

(\$m)	2016–17	2017–18	2018–19	2019–20	Total to 2019–20
Impact on fiscal and underlying cash balances					
Administered					
Reclink National Program	-1.0	-1.0	-1.0	-1.0	-4.0
Total	-1.0	-1.0	-1.0	-1.0	-4.0

(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.