



Parliament of Australia
Parliamentary Budget Office

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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 *protecting threatened species* (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

16 August 2013



COSTING – ELECTION CARETAKER PERIOD

Name of proposal to be costed:	Protecting threatened species
Summary of proposal:	<p>The proposal would:</p> <ul style="list-style-type: none">• provide \$30 million annually for bioregional assessments of protected species and habitat• provide \$10 million annually for changes to species listing processes and protection, and• restore the Biodiversity Fund to original levels of funding. <p>The proposals for bioregional assessments and species listing processes will have effect from 1 July 2014.</p> <p>Restoring the Biodiversity Fund will have effect from the 2013-14 financial year as specified in the request.</p>
Party requesting costing:	Senator Christine Milne, Australian Greens
Date costing request received:	14 August 2013
Date costing completed:	16 August 2013
Date of public release of policy:	24 July 2013
Agencies from which information was obtained:	Not applicable

Costing overview

This proposal is expected to decrease the underlying cash and fiscal balances by \$590.3 million over the 2013-14 Budget forward estimates period reflecting an increase in expenses.

Departmental costs for bioregional assessments and species listing are estimated at \$120 million over the 2013-14 Budget forward estimates period. Administered expenses for the Biodiversity Fund are estimated at \$470.3 million over the same period.

This costing is considered to be of high reliability as it is based on a capped funding amount for departmental components and restoring funding previously identified in the Budget.

POLICY COSTING – ELECTION CARETAKER PERIOD

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

Impact on	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	- 95.4	- 186.2	- 151.9	- 156.8
Fiscal balance (\$m)	- 95.4	- 186.2	- 151.9	- 156.8

(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

It has been assumed that restoring funding for the Biodiversity Fund would have effect from the 2013-14 financial year as specified in the request.

Methodology

The departmental estimates in this costing are based the capped amounts specified in the request. Administered expenses have been calculated based on savings identified in the Budget papers and relevant economic and fiscal updates.

Data sources

- *2011-12 Mid-Year Economic and Fiscal Outlook*, p. 190
- *2012-13 Mid-Year Economic and Fiscal Outlook*, p. 255
- *2013-14 Budget*, p. 69
- *Economic Statement*, August 2013, p. 62