



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, *Tourism* (letter of 30 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:	Tourism
Summary of proposal:	<p>The proposal would:</p> <ul style="list-style-type: none">a) increase Tourism Australia's funding by \$100 million over three years from 1 July 2014 to allow an expansion of promotional activitiesb) provide a contribution of \$3 million in 2014-15 only towards a World Heritage Interpretation Centre in Tasmania, andc) provide \$3 million over three years from 1 July 2014 for a digital tourism experiences program to provide funding for the development of smartphone and tablet applications for specific regions that help enhance the visitor experience.
Person/party requesting costing:	Senator Christine Milne, Australian Greens
Date costing request received:	30 August 2013
Date costing completed:	1 September 2013
Date of public release of policy:	29 August 2013
Agencies from which information was obtained:	Not applicable

Costing overview

This proposal is expected to decrease both the underlying cash and fiscal balances by \$106 million over the 2013-14 Budget forward estimates period. This impact is entirely due to an increase in expenses.

Funding for this proposal will be capped for 3 years and will terminate on 30 June 2017.

The PBO has not allowed for any additional departmental costs as the extra funding for Tourism Australia (element (a)) is entirely departmental funding and no departmental costs would be required to implement the remaining elements of this proposal.

This costing is considered to be of a high reliability as it is based on capped amounts specified in the costing request.

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)	-	-37.3	-34.3	-34.3
Fiscal balance (\$m)	-	-37.3	-34.3	-34.3

(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. Any differences in totals are due to rounding.