



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, *Support for schools and teachers* (letter of 5 September 2013).

The response to this request will be released on the PBO website (<http://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

5 September 2013



COSTING – ELECTION CARETAKER PERIOD

Name of proposal to be costed:	Support for schools and teachers
Summary of proposal:	<p>The proposal would invest an additional \$1.0 billion over three years to:</p> <ul style="list-style-type: none">• increase teaching staff in government schools• enhance the curriculum with extra investments in maths and science, Asian and Indigenous languages, and music• provide mentoring and professional development opportunities for teachers, and• increase the number of qualified mental health counsellors and social workers in government schools as well as fund a grant program for student wellbeing initiatives. <p>The proposal would have effect from 1 July 2014.</p>
Person/party requesting costing:	Senator Christine Milne, Australian Greens
Date costing request received:	5 September 2013
Date costing completed:	5 September 2013
Date of public release of policy:	31 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 \$1.0 billion over the 2013-14 Budget forward estimates period. This is entirely due to an increase in expenses.

This costing is considered to be of high reliability as it is based on the capped amount and funding profile as specified in the costing request.

Given that the majority of funds under the proposal would be allocated to government schools, the PBO has assumed that any additional departmental administrative costs would be borne by the states and territories, as the main providers of government school funding. Minor costs associated with overseeing the funding would be absorbed within existing departmental funds of the relevant department.

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)	-	-333.3	-333.3	-333.3
Fiscal balance (\$m)	-	-333.3	-333.3	-333.3

(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 increase in expenses in cash terms.