



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 *preventing blindness* (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:	Preventing blindness
Summary of proposal:	<p>The proposal is intended to reduce the incidence of avoidable vision impairment in Australia, and would include:</p> <ul style="list-style-type: none">• a \$10 million targeted awareness-raising campaign over four years to encourage people to have an eye examination every two years as well as recognising the health risk factors, such as a family history of vision loss or diabetes over four years• investing \$12 million over four years in the development of a comprehensive 10 year national eye health and vision strategy, and• strengthened national eye health and vision care monitoring and research at a cost of \$13 million over four years. <p>The proposal will have effect from 1 July 2014.</p>
Person/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	31 July 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 \$28.5 million over the 2013-14 Budget forward estimates period. This impact is entirely due to an increase in expenses. The financial impact extends beyond the forward estimates period, with an additional cost of \$9.5 million in 2017-18.

This costing includes administered funding of \$8.75 million per annum as specified in the request.

The costing request has noted departmental expenses associated with the administration of this proposal are expected to be absorbed. Given it is likely the proposal could not be implemented without the cessation of other departmental operations, costs of \$0.75 million per year (approximately an EL2 and 4 support staff) have been included for additional departmental resourcing. These costs are consistent with Vision 2020 Australia's policy proposal *Eliminating Avoidable Blindness and Reducing the Impact of Vision Loss in Australia by 2020*.

POLICY COSTING – ELECTION CARETAKER PERIOD

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

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

Impact on	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	-	-9.5	-9.5	-9.5
Fiscal balance (\$m)	-	-9.5	-9.5	-9.5

(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

Consistent with the costing request, funding for the proposal is evenly distributed across the four years.

Methodology

The estimates are based on the capped funding amount specified in the costing request, and departmental costs were estimated using average APS remuneration for the levels specified above.

Data sources

Vision 2020 Australia (2010), *Eliminating Avoidable Blindness and Reducing the Impact of Vision Loss in Australia by 2020*, Policy Proposal, Melbourne.