



| Mobile Blackspots Program | |
|---|-----------------------------|
| Party: | Independent Member for Indi |
| Summary of proposal: The proposal would build 20 mobile phone base stations in the worst remaining black spots in Indi, Victoria. The proposal would also increase the \$500,000 cap on Australian Government funding for individual mobile phone towers through the Mobile Black Spot Program (MBSP) to \$1 million per tower. Funding for the proposal would be drawn from uncommitted funds under the MBSP, as well as be reported and administered as a separate funding round. The proposal would be in effect from 1 October 2022. | |

Costing overview

The proposal would be expected to have no impact on the fiscal and underlying cash balances over the 2022-23 Budget forward estimates period. This reflects nil impact in administered expenses, as the proposal is covered by sufficient uncommitted funds under the MBSP. The main impact of this proposal will be to reprioritise expenditure within the MBSP.

A breakdown of the financial implications (including separate PDI tables) over the period to 2032-33 is provided at Attachment A.

Table 1: Financial implications (\$m)^{(a)(b)}

| | 2022-23 | 2023-24 | 2024-25 | 2025-26 | Total to 2025-26 |
|-------------------------|---------|---------|---------|---------|---------------------|
| Fiscal balance | - | - | - | - | - |
| Underlying cash balance | - | - | - | - | - |

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

- Indicates nil.

Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- Uncommitted funds from the MBSP in 2022-23 will be used to fund the proposal.
- The proposal is assumed to be implemented during Round 7 of the MBSP which occurs at the start date of 1 July 2022.
- The average cost of each of the 20 new mobile base stations will equal the average cost of stations from previous rounds of the MBSP (around \$676,000 (includes GST)).
- Any additional departmental expenses would be met from existing allocations under the MBSP.

Methodology

Estimated uncommitted funding for the MBSP over the 2022-23 forward estimates period was based on information provided by the Department of Infrastructure, Transport, Regional Development and Communications. The cost of the proposal was derived by multiplying the average cost of a mobile base station with the number of stations.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.¹

Data sources

The Department of Infrastructure, Transport, Regional Development and Communications provided information on the average cost of a base station and uncommitted funding data for the program as at 25 March 2022.

¹ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information

Attachment A – Mobile Blackspots Program – financial implications

Table A1: Mobile Blackspots Program – Fiscal and underlying cash balances (\$m)^(a)

| | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | Total to 2025-26 | Total to 2032-33 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|
| Expenses | | | | | | | | | | | | | |
| Administered | | | | | | | | | | | | | |
| <i>Mobile Blackspot Program</i> | - | -13.5 | - | - | - | - | - | - | - | - | - | -13.5 | -13.5 |
| <i>Uncommitted funds allocated to the program</i> | - | 13.5 | - | - | - | - | - | - | - | - | - | 13.5 | 13.5 |
| Total (excluding PDI) | - | - | - | - | - | - | - | - | - | - | - | - | - |

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: Mobile Blackspots Program– Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

| | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | Total to 2025-26 | Total to 2032-33 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|------------------|------------------|
| Fiscal balance | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Underlying cash balance | - | - | - | - | - | - | - | - | - | - | - | - | - |

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the table above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary².

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

² [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)