



Australian Government

Department of Finance

The Treasury

PUBLIC RELEASE OF 2019 ELECTION COMMITMENT COSTING

Name of proposal costed: Drought Communities Program - expansion	
Costing Identifier:	COA040
Summary of costing:	<p>The <i>Drought Communities Program - expansion</i> would provide \$14.0 million in 2019-20 to deliver local infrastructure projects and other drought-relief activities for an additional 14 eligible councils.</p> <p>Capped funding of \$1.0 million per council would be provided for the following eligible councils:</p> <ol style="list-style-type: none">1. Balranald;2. Berrigan;3. Hay;4. Renmark Paringa;5. Unincorporated South Australia;6. Latrobe;7. Mildura;8. Yarriambiack;9. Federation;10. Coolamon;11. Adelaide Plains;12. Alexandria;13. Copper Coast; and14. Port Pirie City and District. <p>The cost of the <i>Drought Communities Program - expansion</i> would be offset by redirecting funding from the <i>National Water Infrastructure Development Fund</i>.</p>
Ongoing or Terminating (including date) (a)	Terminating 30 June 2020.
Person making the request:	Prime Minister.
Date costing request received:	9 May 2019.
Date of public release of policy:	27 April 2019.
Date costing completed:	15 May 2019.
Additional information requested (including date):	Not applicable.
Additional information received (including date):	Not applicable.

(a) Ongoing policies continue indefinitely (until a decision is made to cease or alter the program).

Terminating measures end on a date set out in the initial policy and a further decision is required to continue the program beyond this date.

Financial implications (outturn prices)^(b)

Impact on	2018-19	2019-20	2020-21	2021-22	2022-23
Underlying Cash Balance (\$m)	0.0	0.0	0.0	0.0	0.0
Fiscal Balance (\$m)	0.0	0.0	0.0	0.0	0.0

(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 positive number for the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.

Where relevant, state that the proposal has been costed as a defined or specified amount.

The proposal has been costed as a specified amount.

Where relevant, include separate identification of revenue and expense components.

Not applicable.

Where appropriate, include a range for the costing or sensitivity analysis.

Not applicable.

Qualifications to the costing (including reasons for the costing not being comprehensive).

Not applicable.

Where relevant, explain effects of departmental expenses.

As specified in the costing request, any departmental costs associated with administering the *Drought Communities Program - expansion* would be met from within the existing resources of the Department of Infrastructure, Regional Development and Cities.

Where relevant, explain the reason for any significant differences between the assumptions specified in a party costing request and those used in a Treasury or Finance costing.

Not applicable.

Other comments (including reasons for significant differences between the estimated impact on the fiscal and underlying cash balances).

Not applicable.

Where relevant, include an explanation of the medium term implications of the proposal^(c).

Not applicable.

(c) Information on the medium term implications will be provided if the cost of the policy is expected to be significantly different beyond the forward estimates period.

Background information

Costing methodology used:

The costs of the proposal will be offset from the *National Water Infrastructure Development Fund*, administered by the Department of Infrastructure, Regional Development and Cities, which has sufficient uncommitted funding. The proposal therefore has no impact on underlying cash.

Behavioural assumptions used (as appropriate)

Not applicable.