

# PRO-FORMA REQUEST FOR COSTING AN ELECTION COMMITMENT<sup>1</sup>

| Name of policy  | Technology Skills Passport   |
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| Person requesting costing<br>(Prime Minister/Leader of the<br>Opposition/Leader of a minority party):                           | Prime Minister.  |
| Date of public release of policy:   | 10 May 2022.   |
| Link to the publicly released policy:   | <a href="https://www.liberal.org.au/latest-news/2022/05/10/building-strong-economy-strong-future-through-rapidly-skilling-australias">https://www.liberal.org.au/latest-news/2022/05/10/building-strong-economy-strong-future-through-rapidly-skilling-australias</a>  |
| Date of request to cost the policy:   | 12 May 2022.   |
| Summary of policy (please attach copies of<br>relevant policy documents):   | <p>The Coalition is investing \$5.0 million in seed funding to develop a technology skills passport in partnership with the Australian Technology Network of Universities, opening pathways to jobs in the fast-growing technology sector.</p> <p>The micro-credentials on offer will span the best of VET and higher education in digital skills, to enable choice in the technical, practical and transferable skills needed to succeed.</p> |
| Intention of policy:  | <p>This policy aligns with work already underway to achieve the longer-term vision of creating an integrated tertiary system, and provide a single entry point to ‘rack and stack’ credentials across the university and VET sectors.</p>  |
| Certification that this, or a substantially similar costing request, has not been submitted to the Parliamentary Budget Office: | No, this or a substantially similar costing request has not been submitted to the Parliamentary Budget Office.   |

<sup>1</sup> An electronic version of this pro-forma can be found at [www.electioncostings.gov.au/templates](http://www.electioncostings.gov.au/templates).

**Description of policy** (note: where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request)

**What are the key assumptions that have been made in the policy including:**

|   |   |
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| Is the policy part of a package?  | No.   |
| <i>If yes, list and outline components and interactions with proposed or existing policies.</i>   |   |
| Where relevant, is funding for the policy to be demand driven or a capped amount?   | Capped.   |
| Will third parties (for instance the States/Territories) have a role in funding or delivering the policy?   | Yes. The digital skills passport will be delivered in partnership with the Australian Technology Network of Universities. |
| <i>If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?</i> |   |
| Are there associated savings, offsets or expenses?  | No.   |
| <i>If yes, please provide details.</i>  |   |

**Description of policy** (note: where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request)

**What are the key assumptions that have been made in the policy including:**

**(continued)**

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| Does the policy relate to a previous budget measure?  | No.  |
| <i>If yes, which measure?</i>   |  |
| If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program? Will funding/cost require indexation? | Not applicable.                                |
| <i>If yes, list factors used.</i>   |  |
| What are the estimated costs each year? Are these provided on a cash or fiscal basis?   | 2022-23 \$2.5 million<br>2023-24 \$2.5 million |
|   | Cash basis.                                    |

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| Are the revenue and/or expense costs likely to be significantly different beyond the forward estimates period?<br><i>If yes, why?</i>   | Not applicable.  |
| What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?   | Not applicable.  |
| Has the policy been costed by a third party?<br><i>If yes, can you provide a copy of this costing and its assumptions?</i>  | Not applicable.  |
| What is the expected community impact of the policy?<br>How many people or businesses will be affected by the policy?<br>What is the likely take up?<br>What is the basis for these impact assessments/assumptions? | Demand for jobs with data and digital skills is expected to increase. The Digital Skills Organisation states Australia will need 156,000 to 300,000 digital technology workers by 2025. Making it easier for Australians to develop the skills and improve their job prospects in this sector will assist in this. |

*Note: it will be up to the professional judgment of the relevant Secretary as to whether these assumptions are adopted in a Treasury or Finance costing of the policy.*

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| <b>Administration of policy</b>   |   |
| Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc.)?  | Department of Education, Skills and Employment  |
| Should departmental expenses associated with this policy be included in this costing?<br><i>If no, will the Australian Government Entity be expected to absorb expenses associated with this policy?</i><br><i>If yes, please specify the key assumptions, including whether departmental costs are expected with respect to program management (by policy agencies) and additional transactions/processing (by service delivery agencies).</i> | Any Departmental costs related to the administration of the grant are to be absorbed. |
| Intended date of implementation.  | 1 July 2022.  |
| Are there transitional arrangements associated with policy implementation?  | No.   |

|  |                 |
|--|-----------------|
| Will the policy be ongoing or terminating*?  | Terminating.    |
| If terminating:  | 30 June 2024.   |
| What is the intended date of termination?  |                 |
| Are there any transitional arrangements associated with the conclusion of the policy?  |                 |
| List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0). | Not applicable. |
| Are there any other assumptions that need to be considered?                            | Not applicable. |

\* 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.