



Australian Government

Department of Finance

The Treasury

PUBLIC RELEASE OF 2016 ELECTION COMMITMENT COSTING

Name of proposal costed: Mobile Black Spot Programme – Round 3	
Costing Identifier:	COA 008
Summary of costing:	Round 3 of the Mobile Black Spot Programme will seek to provide an additional \$60.0 million in funding over three years, commencing in 2017-18, towards the Government's commitment to improve mobile phone coverage and competition in regional Australia.
Person making the request:	Prime Minister
Date costing request received:	17/06/2016
Date of public release of policy:	24/05/2016
Date costing completed:	24/06/2016
Additional information requested (including date):	Not applicable.
Additional information received (including date):	Not applicable.

Financial implications (outturn prices)^(a)

Impact on	2016-17	2017-18	2018-19	2019-20
Underlying Cash Balance (\$m)	0.0	-20.0	-20.0	-20.0
Fiscal Balance (\$m)	0.0	-20.0	-20.0	-20.0

(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 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.



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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).

This costing assumes a pro-rata funding profile of \$20.0 million per annum over the three years from 2017-18.

Where relevant, explain effects of departmental expenses.

As specified in the costing request, any departmental costs, including Average Staffing Levels (ASL), associated with administering this policy will be met from within the existing resources of the Department of Communications and the Arts.

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).

As specified in the costing request, all departmental costs, including those associated with running the programme, will be absorbed by the Department of Communications and the Arts.

Background information

Costing methodology used:

- **Costing techniques.**
 - This costing assumes a pro-rata funding profile of \$20.0 million per annum over the three years from 2017-18.
- **Policy parameters.**
 - Round 3 will build on Rounds 1 and 2 of the programme. It is anticipated that each of the black spots targeted in Round 3 would most likely be more expensive to address than those in prior rounds. This is because the locations to be upgraded in Round 3 are likely to be in more remote and difficult to reach locations.

Behavioural assumptions used (as appropriate).

Not applicable.



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