

APPENDIX C – PRO-FORMA REQUEST FOR COSTING AN ELECTION COMMITMENT¹

Name of policy	Yellow Crazy Ants Eradication Fund
Person requesting costing (Prime Minister/Leader of the Opposition/Leader of a minority party):	Prime Minister
Date of public release of policy:	18/05/2016
Date of request to cost the policy:	17/06/2016
Summary of policy (please attach copies of relevant policy documents):	The policy would provide \$8.8 million over three years from 2016-17 to assist in resourcing pest technicians to detect and eradicate ants through baiting and building farmer capacity. Example activities would include detection, mapping, ground-baiting and aerial treatments by helicopter. This policy will be funded expenditure from the <i>National Landcare Program – Emerging priorities</i> measure in the 2016-17 Budget and the <i>Established Pest and Weeds</i> program.
Intention of policy:	To detect and eradicate ants through baiting.
Certification that this, or a substantially similar costing request, has not been submitted to the Parliamentary Budget Office	This costing has not been submitted to the Parliamentary Budget Office.
Description of policy (please note that, 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:	
Is the policy part of a package? If yes, list and outline components and interactions with proposed or existing policies.	No.
Where relevant, is funding for the policy to be demand driven or a capped amount?	Capped amount.
Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?	No.
Are there associated savings, offsets or expenses? If yes, please provide details.	Yes. Redirections of existing spending of \$7.5 million will be taken from the <i>National Landcare Program – emerging priorities</i> measure of the 2016-17 Budget and \$1.3 million will be redirected from the <i>Established Pests and Weeds</i>

¹ An electronic version of this pro-forma can be found at www.electioncostings.gov.au/templates.

	program in the Treasury portfolio.
Description of policy (please note that, 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)	
Does the policy relate to a previous budget measure? If yes, which measure?	No.
If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the programme? Will funding/cost require indexation? If yes, list factors used.	No.
What are the estimated costs each year? Are these provided on a cash or fiscal basis?	<p>The policy will have nil impact overall. \$8.8 million to be provided for the policy will be offset by a redirection of \$7.5 million from the National Landcare Program – Emerging Priorities and \$1.3 million from the Established Pests and Weeds program.</p> <p>The profile of funding going towards the Yellow Crazy Ants Eradication Fund in each year is:</p> <p>2016-17: \$3.3 million 2017-18: \$4.0 million 2018-19: \$1.5 million</p>
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)?	See attached.
Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?	No.
What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?	Detecting and eradicating yellow crazy ants.
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.	

Administration of policy	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	Natural Heritage Trust with Department of Environment and Department of Agriculture and Water Resources.
Should departmental expenses associated with this policy be included in this costing? If no, will the Department be expected to absorb expenses associated with this policy? If yes, please specify the key assumptions, including whether departmental costs are expected with respect to programme management (by policy agencies) and additional transactions/processing (by service delivery agencies).	No.
Intended date of implementation.	As soon as practicable in the 2016-17 fiscal year.
Intended duration of policy.	Measure ceasing on 30 June 2019
Are there transitional arrangements associated with policy implementation?	No.
List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0).	N/A
Are there any other assumptions that need to be considered?	No.

Costing Assumptions

This costing assumes that funding of \$8.8 million over three years from 2016-17 would be provided to pest technicians through a grants program.

The costing notes that the NHT component of the program would be administered through the NHT, with funding decisions made by the Minister for the Environment. Further funding may be available from the Queensland Government, and any payments to be made to Queensland Government agencies would be administered through existing governance channels under the NHT. The Established Pests and Weeds program would be managed by the Department of Agriculture and Water Resources.

This costing also assumes that departmental costs associated with administering funding and implementing associated regulatory changes would be managed within the existing departmental funding for the Department of the Environment and Department of Agriculture and Water Resources.

This policy will be funded by redirected funding of \$7.5 million from the *National Landcare Program – emerging priorities* measure (from the Environment portfolio) and a redirection of \$1.3 million from the Established Pests and Weeds program (from the Treasury portfolio).