

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

Name of policy	The Coalition's Policy to Develop Indigenous Business Opportunities
Person requesting costing (Prime Minister/Leader of the Opposition/Leader of a minority party):	Prime Minister
Date of public release of policy:	27/05/2016
Date of request to cost the policy:	17/06/2016
Summary of policy (please attach copies of relevant policy documents):	The Government would establish a \$115 million Indigenous Entrepreneurs package, including \$90 million for an Indigenous Entrepreneurs Fund; \$23.1 million for Indigenous Business Australia's Business Development and Assistance Programme and \$1.9 million for the development of the Indigenous business sector strategy.
Intention of policy:	To develop Indigenous business opportunities.
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, funding for these measures will be reallocated from within the Indigenous Advancement Strategy.

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

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)**

<p>Does the policy relate to a previous budget measure? If yes, which measure?</p>	<p>No.</p>
<p>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.</p>	<p>N/A</p>
<p>What are the estimated costs each year? Are these provided on a cash or fiscal basis?</p>	<p>Funds are to be redirected from within the Indigenous Advancement Strategy (Jobs, Land and the Economy Programme). \$90 million will be invested in a special account for the purposes of Indigenous Entrepreneurs Fund, \$23.1 million in a redirected Business Development and Assistance Programme and \$1.9 million to develop an Indigenous business sector strategy. There is nil net cash and fiscal impact for this policy.</p>
<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)?</p>	<p>It has been assumed that funding will be redirected from within the Indigenous Advancement Strategy.</p>
<p>Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?</p>	<p>No.</p>
<p>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?</p>	<p>Improving business opportunities for Indigenous Australians.</p>

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)?	Prime Minister and Cabinet. The \$23.1 million for the redirected Business Development and Assistance Programme will be administered by Indigenous Business Australia.
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).	Departmental expenses and ASL should be absorbed by the department.
Intended date of implementation.	As soon as practicable in the 2016-17 fiscal year.
Intended duration of policy.	Spending as a result of this measure would cease on 30 June 2020.
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.