

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

Name of policy	The Coalition's Policy to Support Innovative New Businesses and Jobs
Person requesting costing (Prime Minister/Leader of the Opposition/Leader of a minority party):	Prime Minister
Date of public release of policy:	1/6/2016
Date of request to cost the policy:	17/6/2016
Summary of policy (please attach copies of relevant policy documents):	The proposal is to provide \$15.0 million over four years from 2016-17 to 2019-20 to expand the incubator support element of the Entrepreneurs' Program.
Intention of policy:	The Incubator Support Programme, announced in December 2015 through the National Innovation and Science Agenda (the Agenda), is being implemented as a new element of the Entrepreneurs' Programme, Incubator Support, with a launch date of mid-2016. Incubator Support will provide grant funding for Incubators to foster innovative, globally-focused startups and develop Australia's innovation ecosystem.
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.
<b>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)</b>	
<b>What are the key assumptions that have been made in the policy including:</b>	
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?	Yes. The proposal provides grants of up to \$500,000 for new and existing incubators and up to \$25,000 for 'experts in residence'. Both grants require matched 1:1 funding.

<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).

Are there associated savings, offsets or expenses? If yes, please provide details.	No.
<b>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)</b> <b>What are the key assumptions that have been made in the policy including:</b> <b>(continued)</b>	
Does the policy relate to a previous budget measure? If yes, which measure?	Yes. This proposal expands on the Supporting Business Incubators measure announced in the 2015-16 Mid-Year Economic and Fiscal Outlook.
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?	The policy will have a negative impact on the UCB of \$15.0 million over the forward estimates.
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)?	
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?	The policy will foster innovative, globally focused startups and develop Australia's innovation ecosystem.
<b>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.</b>	

<b>Administration of policy</b>	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	Department of Industry, Innovation and Science.
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. Any departmental costs, including 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.	Funding is provided until 2019-20.
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.