



2 August 2010

Our Ref: GOV15

RELEASE OF COSTING OF ELECTION COMMITMENT

The Secretary to the Department of Finance and Deregulation today released the following election commitment costing under the *Charter of Budget Honesty Act 1998*:

Encouraging Visitors to Australia to Stay Longer and Spend More as announced by the Government.

This costing was completed consistent with the *Charter of Budget Honesty: Costing Election Commitments* guidelines which are available on www.electioncostings.gov.au. A copy of the completed costing is attached.

A handwritten signature in black ink, appearing to read 'D. Tune'.

David Tune
Secretary
Department of Finance and Deregulation

Contact: Clive Hawkins
Telephone: 02 6215 3929

PUBLIC RELEASE OF 2010 ELECTION COMMITMENT COSTING

Summary of costing: The Australian Labor Party would provide additional administered funding of \$10.0 million per annum to the TQUAL Grant program and additional departmental funding of \$1.5 million per annum to the National Long Term Tourism Strategy. This funding would be provided for four years from 2010-11.

Person making the request: Prime Minister

Date of request: 28 July 2010

Name of policy to be costed: Encouraging visitors to Australia to stay longer and spend more

Date of public release of policy: 23 July 2010

Costing request provided by the Prime Minister/Leader of the Opposition: Prime Minister

Additional information requested (including date): Not applicable

Additional information received (including date): Not applicable

Financial implications (outturn prices)^(a)

Impact on	2010-11	2011-12	2012-13	2013-14
Underlying Cash Balance (\$m)	-11.5	-11.5	-11.5	-11.5
Fiscal Balance (\$m)	-11.5	-11.5	-11.5	-11.5

(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 capped amount in line with the election costing request of 28 July 2010.

Where relevant, include separate identification of revenue and expense components.

Not applicable

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).

Not applicable

Where relevant, explain effects of departmental expenses.

The costing request specifies that the National Long Term Tourism Strategy will receive an increase in departmental funding of \$1.5 million per annum for four years from 2010-11, and that any additional departmental expenses for the TQUAL Grants program will be absorbed.

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).

Not applicable

Background information

Costing methodology used:

The costing request specifies that the funding is capped at \$11.5 million per annum for four years from 2010-11, and that the TQUAL Grants program will receive an increase in administered funding of \$10.0 million per annum and the National Long Term Tourism Strategy will receive an increase in departmental funding of \$1.5 million per annum.