



19 August 2010

Our Ref: GOV40

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*:

Science for Australia's future 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 establish the *Science for Australia's Future* program. The program includes four elements:

- plan strategically and long-term to meet Australia's science future;
- establish a new *Inspiring Australia* program;
- continue to lift Australia's profile in international science networks; and
- continue to pursue the Australia-New Zealand bid to host the Square Kilometre Array (SKA) radio-telescope.

Person making the request: Prime Minister

Date of request: 12 August 2010

Name of policy to be costed: Science for Australia's future

Date of public release of policy: 10 August 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)	0.0	0.0	0.0	0.0
Fiscal Balance (\$m)	0.0	0.0	0.0	0.0

(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 *Inspiring Australia* element of the proposal has been costed as a defined amount of \$21.0 million over three years from 2011-12 to 2013-14.

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.

Consistent with the costing request, any departmental costs would 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:

There are four elements to the proposed *Science for Australia's Future* program.

The costing for the second element, the new *Inspiring Australia* program, has been calculated using the defined amounts specified in the costing request. These costs are to be offset from savings from the Cooperative Research Centres program (\$2.5 million in 2011-12, \$2.5 million in 2012-13, and \$2.5 million in 2013-14), the Enterprise Connect program (\$2.0 million in 2011-12, \$2.0 million in 2012-13 and \$2.0 million in 2013-14) and the Collaborative Research Networks program (\$7.5 million in 2013-14), as specified in the costing request. Savings from these programs are available.

Given that the costing request makes it clear that only the *Inspiring Australia* element involves new funding, in costing the remaining three elements (strategic planning, strengthening international networks, and pursuing the SKA bid) Finance considers that the scope of activities proposed is sufficiently limited that they can be absorbed within the existing resourcing of the Innovation, Industry, Science and Research portfolio as stated in the costing request.

Behavioural assumptions used (as appropriate).

Not applicable.