



**POLICY COSTING REQUEST – DURING THE CARETAKER PERIOD FOR A
GENERAL ELECTION**

Name of policy:	Supporting Artists
Person requesting costing:	Senator Milne
Date of request to cost the policy:	4 September 2013
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (i.e. from the Treasury or the Department of Finance and Deregulation)?	No
Details of the public release of this policy (Date, by whom and a reference to that release)	26 August 2013. Senator Milne and Adam Bandt http://greensmps.org.au/emerging-artists 18 January 2013, Senator Milne, http://christine-milne.greensmps.org.au/content/media-releases/10-million-arts-would-enrich-our-lives
Description of policy:	
Summary of policy (as applicable, please attach copies of relevant policy documents):	Supporting Artists is comprised of two policies: Young and Emerging Artists. http://greensmps.org.au/sites/default/files/young-and-emerging-artists.pdf and State of the Arts. <ul style="list-style-type: none"> • Allow artistic activities that provide community benefits or are in pursuance of employment to be eligible for Centrelink mutual obligation requirements. Guidelines are to be developed to assist Centrelink officers with their assessments. • Establish a \$3 million per year fees scheme to enable payments for artists performing, exhibiting or speaking about their works. • Invest an additional \$1 million per year into the existing ArtStart program that provides business training and financial support to those just starting out in their artistic trade. • Restore the Parliament’s arts procurement policy to require preference for point of sale acquisitions from young and emerging Australian artists. This is a redirection of existing funds, so is not expected to have any additional budgetary impact.

**PBO POLICY COSTING REQUEST – DURING THE CARETAKER PERIOD FOR
A GENERAL ELECTION**

	<ul style="list-style-type: none"> • Increasing funding for <i>Playing Australia</i>, to administer a greater level of touring grants. We will lift the fund by \$2 million per year from 1 July 2014 until it reaches a threshold of \$10 million when it will be indexed annually. <i>Playing Australia</i> currently receives \$6.8 million. • \$5 million per year for three years from 1 July 2014 for a <i>Arts Research and Development Fund</i>. • Remove globally touring arts businesses from the ‘in Australia’ rule so that they will be come tax exempt entities. This has previously been costed at a negligible and unlisted cost to the budget.
<p>What is the purpose or intention of the policy?</p>	<p>To assist young and emerging artists to forge lifetime careers in the arts.</p>
<p>What are the key assumptions that have been made in the policy, including:</p>	
<p>Is the policy part of a package? If yes, list and outline components and interactions with proposed or existing policies.</p>	<p>No</p>
<p>Where relevant, is funding for the policy to be demand driven or a capped amount?</p>	<p>All proposals are capped except the mutual obligations requirement for centrelink, which is demand driven.</p>
<p>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?</p>	<p>The Australia Council is responsible for administering the ArtStart program.</p>
<p>Are there associated savings, offsets or expenses? If yes, please provide details.</p>	<p>No</p>
<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 program?</p>	<p>No</p>
<p>Will the funding/program cost require indexation?</p>	<p>No</p>

**PBO POLICY COSTING REQUEST – DURING THE CARETAKER PERIOD FOR
A GENERAL ELECTION**

If yes, list factors to be used.				
Expected impacts of the proposal				
If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?				
Estimated financial implications (outturn prices) ^(a)				
	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	-	18	18	19
Fiscal balance (\$m)	-	18	18	19
(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 in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.				
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)?	Based on previous PBO modelling and fixed expenditure funds.			
Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?	PBO costed: “In Australia Rule”: 25 June 2013 “Centrelink obligations and artists fund”: 25 June 2013			
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?	Greater investment in the arts support not just the artists but also the wider community.			

**PBO POLICY COSTING REQUEST – DURING THE CARETAKER PERIOD FOR
A GENERAL ELECTION**

Administration of policy:	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc.)?	The Australian government
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 program management (by policy agencies) and additional transactions/processing (by service delivery agencies).	No. Expected to absorb.
Intended date of implementation.	1 July 2014
Intended duration of policy.	Ongoing
Are there transitional arrangements associated with policy implementation?	No
List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0).	
Are there any other assumptions that need to be considered?	No
<p>NOTE:</p> <p><i>Please note that:</i></p> <ul style="list-style-type: none"> <i>The costing will be on the basis of information provided in this costing request.</i> <i>The PBO is not bound to accept the assumptions provided by the requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.</i> 	