# Policy costing request—during the caretaker period for a general election

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| **Name of policy:** | Protecting Our Precious Places |
| Person requesting costing: | Sen Di Natale |
| Parliamentary party:  | Australian Greens |
| Date of request to cost the policy: | 30 June 2016 |
| *Note: This policy costing request and the response to this request will be made publicly available.* |
| Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (ie from the Treasury or the Department of Finance)? | No |
| Details of the public release of this policy (Date, by whom and a reference to that release): | 5 June 2016 <http://greens.org.au/wildlife> 7 June 2016 <http://greens.org.au/wildlife> Senator Waters 23 June 2016 <http://greens.org.au/news/qld/greens-commit-full-funding-eradicate-yellow-crazy-ants-while-other-parties-make-half> |
| **Description of policy** |
| Summary of policy (as applicable, please attach copies of relevant policy documents): | * Establish an Expert Taskforce with $2 million in funding which will design a new *Environment Act*:
* To create a new independent *National* *Environment Protection Authority (NEPA)* with $130 million per year of funding.
	+ All funds from Dept of Envt program 1.5 will be transferred to the new EPA (2016-17 PBS here [http://www.environment.gov.au/system/files/resources/cf243495-d7df-4dc8-84fd-4411be7f4df7/files/environment-pbs-2016-17.pdf page 35](http://www.environment.gov.au/system/files/resources/cf243495-d7df-4dc8-84fd-4411be7f4df7/files/environment-pbs-2016-17.pdf%20page%2035)) - approx $55m per year – see cost table below.
	+ Shortfall between 130m pa and existing funding for prog 1.5 will be covered by new funding
* Provide funding to reform the Federal Court system to allow better access to justice - $2m over 4 years
* Restore the Biodiversity Fund axed under the Coalition, with $2 billion in funding over 6 years, with $1 billion to be injected immediately. To be administered by the Department of Environment. The next $1 billion will be invested in the first year beyond the forward estimates.
* Provide $30 million per annum for 3 years for comprehensive studies to identify and map important habitat, bioregional planning, and other matters
* Provide $10 million per annum to support the rapid listing of all species and ecological communities which belong on the threatened list; Develop and resource the implementation of recovery plans and threat abatement plans for listed species and ecological communities; and fund additional research
* Provide the new EPA with the following additional funding
	+ $3 million for a review of World Heritage Areas
	+ $20 million per year for three years to implement the results of the review to improve protection of heritage values.
* Funding for the Wet Tropics Management Authority to deliver Yellow Crazy Ant eradication programs over 10 years. Provide additional Federal funding of $17.5 million over 4 years comprised of:
* $5 million per year for 3 years 16/17 – 18/19
* $2.5 million per year for 7 years, to be matched by the Queensland State government.
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| What is the purpose or intention of the policy? | Improve environmental protection in Australia |
| **What are the key assumptions that have been made in the policy, including:** |
| Is the policy part of a package?If yes, list the components and interactions with proposed or existing policies. | No |
| Where relevant, is funding for the policy to be demand driven or a capped amount? If a capped amount, are the costs of administering the policy to be included within the capped amount or additional to the capped amount? | Capped |
| Will third parties (for instance the States/Territories) have a role in funding or delivering the policy?If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged? | New Agency, the NEPAFed contribution is capped |
| Are there associated savings, offsets or expenses?If yes, please provide details. | Yes, savings by moving funding from Dept of Envt Program 1.5 into the new EPA |
| Does the policy relate to a previous budget measure? If yes, which measure? | No |
| If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program? | No |
| Will the funding/program cost require indexation?If yes, list factors to be used. | Ongoing funding to the EPA will require CPI indexation  |
| **Expected impacts of the proposal** |
| If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis? |
| **Estimated financial implications (outturn prices)(a)** |
|  | 2016–17 | 2017–18 | 2018–19 | 2019–20 |
| Underlying cash balance ($m) |  |  |  |  |
| Fiscal balance ($m) | **-1116.5** | **-134.5** | **-135.5** | **-102.5** |
| 1. 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.
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| 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)? | Nil |
| 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? | Better protection of environment and access to justice |
| **Administration of policy:** |
| Who will administer the policy (for example, Australian Government entity, the States, non‑government organisation, etc)? | Department of Environment and the new National Environment Protection Agency |
| Please specify whether any special administrative arrangements are proposed for the policy and whether these are expected to involve additional transactions/processing (by service delivery agencies). | No |
| Intended date of implementation: | 1 September 2016 |
| 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 catalogue number 3201.0). | N/A |
| Are there any other assumptions that need to be considered? | No |
| **NOTE:***Please note that:**The costing will be on the basis of information provided in this costing request.**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.* |

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| **PROTECTING PRECIOUS PLACES** |  |  |  |  |  |
| **Measure ($m)** | **16-17** | **17-18** | **18-19** | **19-20** | **MEASURE TOTAL** |
| Taskforce to create a new Environment Act | 2 | 0 | 0 | 0 | **2** |
| Establish new independent EPA (additional new funding) | 71 | 74 | 75 | 72 | **292** |
| Biodiversity Fund - establishment ($2 billion over 6 years) | 1000 | 0 | 0 | 0 | **1000** |
| Threatened species - habitat mapping | 30 | 30 | 30 | 0 | **90** |
| Threatened species - listing, recovery plans and research | 10 | 10 | 10 | 10 | **40** |
| Costs changes in court | 0.5 | 0.5 | 0.5 | 0.5 | **2** |
| WHA and RAMSAR review and mgmt impovements | 3 | 20 | 20 | 20 | **63** |
| **TOTAL new spending (w/ yearly totals)** | **1116.5** | **134.5** | **135.5** | **102.5** | **1489** |
| Reduced funding to DoE program 1.5 | -59 | -56 | -55 | -58 | -228 |
| Extra funds to EPA from DoE prog 1.5 | 59 | 56 | 55 | 58 | 228 |
| Total spending on independent EPA | 130 | 130 | 130 | 130 | 520 |
| **TOTAL spending on policy package including existing spend on DoE prog 1.5 (w/ yearly totals)** | **1175.5** | **190.5** | **190.5** | **160.5** | **1717** |