

Request for Costing an Election Commitment

Name of election commitment:	
Person and party requesting costing:	Zed Seselja MLA, Leader of the Opposition
Date of public release of election commitment, including source:	21 October 2011, media release 'Zed announces support for local sports' and address at the National Press Club
Summary of election commitment:	Reduce sports ground fees by 50%
Intention of election commitment:	Reduce sports ground fees by 50%
Signature of person requesting costing:	
Date of request for costing:	10 October 2012

What are the key assumptions that have been made in the election commitment?

- The revenue foregone is considered a conservative approach as it is the upper end of the bracket as advised by the Minister in QoN 2414 who was unable to provide the exact number

Where relevant, is the funding for the policy to be demand driven or a capped amount?
n/a

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment?
n/a

Will funding/the cost require indexation?
No, in line with the Minister's response

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?

	2012-13	2013-14	2014-15	2015-16	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)	-400	-800	-800	-800	-2,800
Expenses ^(a)					
Capital					

(a) A negative number indicates a decrease in revenue or an increase in expenses.

What is the likely take up?
n/a

Any other assumptions?
No.

<i>Administration of the election commitment</i>
How will the election commitment be administered? In line with existing administrative arrangements by the EDD
Who will administer the election commitment? EDD
Has an allowance been made for expenses necessary to support the implementation of this election commitment? Administering this funding is considered business as usual
What is the intended implementation date of the election commitment? 1 January 2013
Are there transitional arrangements associated with election commitment implementation? n/a
Are there any other assumptions that need to be considered? n/a
When is the election commitment expected to be fully operational? 1 January 2013
Will the election commitment cease and if so when? This is commitment is ongoing

50% Reduction in Sports Fees – Costing Justification

Revenue

The revenue foregone from a 50% reduction in fees is calculated from the estimated revenue for sportsground fees, charges and revenue stated in QoN 2414 (attached).

The Minister was unable to provide a year by year breakdown and only provided an estimated range of revenue collection for each year. Therefore, in order to be conservative, the upper range of \$1.6 million was used as the estimated revenue for all years across the forward estimates.

$$\text{\$1,600,000} / 2 = \text{\$800,000}$$

The 2012-13 year is only a half year and therefore the reduction is only \$400,000.

50 Percent Reduction in Sports fees

	2012-13	2013-14	2014-15	2015-16	Total
Revenue	1,600	1,600	1,600	1,600	
50% reduction	800	800	800	800	
Total for costing	400	800	800	800	2,800

MINISTER FOR TOURISM, SPORT AND RECREATION
FOR THE AUSTRALIAN CAPITAL TERRITORY

LEGISLATIVE ASSEMBLY QUESTION

Notice Paper of Thursday 7 June 2011

Question No. 2414

MR DOSZPOT: To ask the Minister for Tourism, Sport and Recreation

- (1) What is the estimated revenue to be received from sportsground and oval fees in each year from 2012-13 to 2015-16.

MR BARR: The answer to the Member's question is as follows:

- (1) The estimated revenue from sportsgrounds fees and charges in each year from 2012-13 to 2015-16 is expected to be between \$1.2 million and \$1.6 million per year. ?

It should be noted that there are challenges with providing exact sportsground revenue figures due to the following:

- the amount of wet weather closures per season, which results in credits and/or refunds of hire fees, varies widely from season to season;
- decisions made by sport in structuring competition and the associated booking of sportsgrounds creates a variance in revenue, either positive or negative; and
- sports vary the way they operate from season to season in terms of how many teams they choose to assign to fields for training and this in turn impacts on revenue, either positive or negative.

It should also be noted that all revenue collected from the hire of sportsgrounds supports the maintenance of sportsgrounds.

Approved for circulation to the Member and incorporation into Hansard.



Andrew Barr M.L.A.

Minister for Tourism, Sport and Recreation

Date: 4.7.12