

Request for Costing an Election Commitment

Name of policy proposal:	Business development strategy
Person requesting costing:	Andrew Barr, ACT Labor
Date of request:	04/10/2016
Summary of proposal:	Increase funding for programs to boost jobs, diversification, growth, and innovation in the local economy.
Issue the proposal will address:	Helping to boost and attract business and investment in Canberra.

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

This commitment provides a capped level of funding for implementation of the Business Development Strategy.

CMTEDD currently oversees the ACT Government's Business Development Strategy; this proposal will allow for the continued implementation of the Strategy.

Areas this commitment will fund include:

- a contribution by the ACT Government to the CBR Innovation Network and Screen ACT;
- focus by CMTEDD on supporting key capability areas, such as education and research, defence and cyber security, and ICT and e-government;
- Specific activities of Trade and Invest Canberra, such as investment and export facilitation;
- the Canberra Innovation Development Fund;
- the Brand Canberra project.

The ACT Labor policy funds this proposal over four years from 2017-18 – representing the full four-year term of the next Assembly. This request for costing only includes funding out to 2019-20 as per the Treasury costing guidelines.

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

	2016-17	2017-18	2018-19	2019-20	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)					
Expenses^(a)		-3,550	-2,800	-2,550	-8,900
Capital					
Depreciation					

(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.

Has any specific information or data been utilised in generating the proposal?

No.
Where relevant, is funding for the proposal to be demand driven or a capped amount?
Capped.
Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements (for example, does an education proposal add to or redirect NERA funding)?
Some funding will be provided to third parties, such as the CBR Innovation Network and Screen ACT, in continuation of current practices of providing funding support to these organisations.
Will funding/the cost require indexation?
No.
Who will administer the proposal?
CMTEDD
How will the proposal be administered?
By CMTEDD, which already administers the Business Development Strategy
Is the proposal part of a broader package?
No.
Has an allowance been made for expenses necessary to support the implementation of this proposal? <ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
CMTEDD will administer this funding through internal resources.
Will the proposal generate savings or offsets?
No.
Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?
No.
What are the community impacts associated with the proposal? Who and how many people will be affected?
This funding will boost research, innovation, investment and job creation in the ACT economy.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
N/A
What is the intended implementation date of the proposal?
1 July 2017.
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc?

1 July 2017. The amount of funding provided each year is detailed in the costing table above.

Will the proposal cease, and if so, when?

The ACT Labor policy funds this proposal over four years, from 2017-18 to 2020-21 – representing the full four-year term of the next Assembly. This request for costing only includes funding out to 2019-20 as per the Treasury costing guidelines.

Is there any additional information relevant to this proposal?

N/A