

## Request for Costing an Election Commitment

Name of policy proposal:	<b>ACT Greyhound Racing Transition Package – help support and re-skill workers.</b>
Person requesting costing:	Shane Rattenbury MLA
Date of request:	6 October 2016
Summary of proposal:	The creation of a transition package that provides funding for education/re-skilling, career/other counselling and an emergency stipend to help support workers in the ACT greyhound racing industry to re-skill for alternative employment opportunities.
Issue the proposal will address:	The orderly transition away from a greyhound racing industry in the ACT.

### **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.

The capped transition package includes:

#### An education stipend

Using current information available on the CIT Website, assumptions made that an Advance Diploma generally requires the completion of 16 units (or classes), and each unit can cost up to as much as \$200 per unit (\$3,200 for course costs). An additional allowance to the same value (\$3,200) has been allocated, assuming an unidentified value stationary and text book costs would also be incurred for each unit.

#### Counselling stipend

Using available information on various psychology/counselling service provider's websites, assumption made that each hour of counselling provided would cost approximately \$150 per hour, with a total number of counselling hours (20, or \$3,000) allocated per employee.

#### Emergency expense stipend

An additional, nominal amount of \$5,600 has also been allocated, per person, to cover emergency expenses (bills, transport costs, food etc) during the period of transition.

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 <sup>(a)</sup>	0	0	0	0	0
Expenses <sup>(a)</sup>	-237	-481	-117	0	-835
Capital	0	0	0	0	0
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?

The 2010-11 review into the ACT racing industry (conducted by the Independent Competition and Regulatory Commission (ICRC)) and information from the Animal Welfare Advisory Committee (AWAC) for the determination of likely number of stakeholders affected that may require transition supports (up to 50).

CIT Website (<https://cit.edu.au/>) to determine likely course costs, and determine the likely number of units required to complete (up to) an Advanced Diploma.

Various Psychology/Counselling Websites (<http://www.canberrapsychology.com.au/fees> and <http://www.davethecounsellor.com.au/fees-and-appointment-times/>) to determine approximate costs per 1hr consultation.

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

Funding is 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).

No.

Will funding/the cost require indexation?

No.

Who will administer the proposal?

Chief Minister, Treasury and Economic Development

How will the proposal be administered?

Administered by the ACT Government through the creation of a transition package to cover staff retraining, counselling and some emergency expenses.

Is the proposal part of a broader package?

Yes. There is an additional proposal to support the care and resettlement of greyhounds.

Has an allowance been made for expenses necessary to support the implementation of this proposal?

- If no, will the government agency be expected to absorb expenses associated with this proposal?
- If yes, please specify the key assumptions.

Yes. Staffing cost of 1 x ASO 6 Officer for two years, beginning 1 January 2017, terminating on 30 June 2018.

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?

The termination of the subsidy, and the related wind down of the greyhound racing industry, will have an impact on those currently employed in the industry (no more than 50), and a number of greyhounds (approximately 50) in the ACT.

Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?

Considerations to be assessed in the lead up to the termination of the MoU in July 2017. A proportion of the transition package (excl staff costs) has been allocated during 2016-17 to allow employees to at least partially retrain and re-skill in advance of any winding down of the industry.

What is the intended implementation date of the proposal?

2016-17

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?

2016-17

Will the proposal cease, and if so, when?

2018-19

Is there any additional information relevant to this proposal?

Directorate staff will need to assess proof of eligibility as part of the package.