

## 2020 Election Commitment – ACT Labor

<b>Name of Commitment:</b>	Public School Infrastructure Renewal	<b>Reference Number:</b> LAB060
<b>Request Submitted by:</b>	Andrew Barr MLA, ACT Labor	
<b>Date Request Received:</b>	14-Oct-20	
<b>Additional Information Requested (details and date)</b>	N/A	
<b>Additional Information Received (details and date)</b>	N/A	

Financial Implications					
Impact On:	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	TOTAL \$'000
Revenues <sup>(a)</sup>	0.0	0.0	0.0	0.0	0.0
Expenses <sup>(a)(b)</sup>	0.0	-76.2	-147.1	-212.3	-435.7
- Employee Expenses	0.0	0.0	0.0	0.0	0.0
- Other Expenses	0.0	0.0	0.0	0.0	0.0
- Cost of Financing	0.0	-76.2	-147.1	-212.3	-435.7
Depreciation	0.0	0.0	-238.3	-455.9	-694.2
<b>Net Operating Balance</b>	<b>0.0</b>	<b>-76.2</b>	<b>-385.4</b>	<b>-668.2</b>	<b>-1,129.8</b>
<b>Capital Requirement</b>	<b>0.0</b>	<b>-4,765.0</b>	<b>-4,353.0</b>	<b>-3,930.0</b>	<b>-13,048.0</b>
<b>Cash Surplus/Deficit</b>	<b>0.0</b>	<b>-4,841.2</b>	<b>-4,500.1</b>	<b>-4,142.3</b>	<b>-13,483.7</b>

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

Other Information
<b>Costing Methodology Used:</b>
- <b>Costing Technique:</b>
The costing is for an additional fixed level of funding of \$16.7 million. As the costing is for a fixed amount, the scope of the proposed upgrades would need to be managed within this level of funding.
- <b>Proposal Parameters:</b>
<ul style="list-style-type: none"> <li>• This proposal is set to commence in 2021-22 financial year and will be funded to 2024-25.</li> <li>• The proposal requires additional capital of \$3.7 million in 2024-25, bringing the total capital required to \$16.7 million over four years. This funding is in addition to the \$68.3 million currently budgeted for the <i>Public School Infrastructure Upgrades</i> program.</li> <li>• Depreciation has been calculated using a straight-line method with an average useful life of 20 years. Treasury notes that there may be elements of this proposal with shorter or longer useful lives.</li> <li>• The cost of financing has been calculated at 1.6 per cent.</li> <li>• The costing request assumes that the Education Directorate would administer the proposal and absorb the associated administrative and procurement costs.</li> </ul>
<b>Caveats or qualifications to the costing:</b>
N/A
<b>Other Comments:</b>
This costing only includes the 'four year school infrastructure renewal program' element of ACT Labor's election announcement ' <i>Public School Infrastructure Renewal package</i> .'
- <b>Statistical Data Used:</b>
Treasury estimates.



David Nicol  
Under Treasurer  
15 October 2020