

## Request for Costing an Election Commitment

<b>Name of election commitment:</b>	<b><i>Rewarding good drivers</i></b>
Person and party requesting costing:	Katy Gallagher, ACT Labor
Date of public release of election commitment, including source:	8/9/12 <a href="http://www.katygallagher.net/?p=2063">http://www.katygallagher.net/?p=2063</a>
Summary of election commitment:	\$4.6 million to reward good drivers, with discount on their licence renewals.
Intention of election commitment:	To give a discount of 20% on licence renewals for drivers who maintain a clean driving record for the period of their previous licence.
Signature of person requesting costing:	<i>Katy Gallagher</i>
Date of request for costing:	9.10.12

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

The fee for a full licence is \$157.00. The renewal fee for a P licence is also \$157.00. Twenty per cent of \$157.00 is \$31.40.

Assumes that one fifth of full licence holders who have no infringements in the last five years will renew their licence each year. The number of full licence holders has been held constant. Costing includes 2.5% annual indexation of the fees. The number of P plate licence holders has been held constant. Costing includes 2.5% annual indexations of the fees.

	2013-14	2014-15	2015-16	2016-17
Full licence renewals (revenue foregone)	-968	-992	-1,017	-1,042
P-Platers licence renewal (revenue foregone)	-154	-158	-162	-166

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

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment? No

Will funding/the cost require indexation? Has been indexed (as above)

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	2016-17	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Revenue <sup>(a)</sup>		-1,122	-1,150	-1,179	-1,208	-4,660
Expenses <sup>(a)</sup>						
Capital						

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

What is the likely take up?

See above

Any other assumptions?

*Administration of the election commitment*

How will the election commitment be administered? Through the Justice and Community Services Directorate and Territory and Municipal Services Directorate

Who will administer the election commitment? JACS

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

– No – if there are extra administration costs they will be absorbed by the directorates.

What is the intended implementation date of the election commitment? 2013-14

Are there transitional arrangements associated with election commitment implementation? No

Are there any other assumptions that need to be considered? No

When is the election commitment expected to be fully operational?  
2013-14

Will the election commitment cease and if so when? This is not intended to cease, but any renewal in addition to these four years will be a decision for the Government of the day.