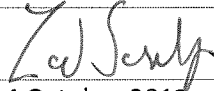


Request for Costing an Election Commitment

Name of election commitment:	<i>Conserving Canberra's Nature for the Future</i>
Person and party requesting costing:	Zed Seselja MLA, Leader of the Opposition
Date of public release of election commitment, including source:	13 October 2012, media release 'Liberals announce \$6m for reserves, tracks and rangers'
Summary of election commitment:	Inject \$6 million into Canberra's nature parks, hire extra rangers and improve management by consolidating nature conservation functions
Intention of election commitment:	Improve access and trails in existing nature parks, build the William Farrer Trail, develop pack-based campgrounds, provide resources for additional rangers, review the Nature Conservation Act and consolidate nature conservation functions
Signature of person requesting costing:	
Date of request for costing:	14 October 2012

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

- The transfer of the Land Management function from TAMS to ESDD will be cost neutral as all staff, resources and programs will be transferred
- Reviewing the Nature Conservation Act is considered business and the review will be undertaken internally by the Directorate
- An additional 5 ranger positions will be funded over 3 years. That is 1.5 FTE positions in 2013-14, 3 FTE positions in 2014-15 and 5 FTE positions in 2015-16
- The calculation for rangers salary and on-costs is based on the top pay point of a Ranger level 2 as per the 2011-13 Enterprise Agreement (attached)
- The \$6 million will be prioritised by greatest need and popularity of trails and camping spots
- The capital funding for the new trail and upgrades will be met from within the existing unallocated capital provision in the budget, therefore there should be no impact on the budget bottom line
- The cost of capital is calculated at 4.25% as per Treasury advice
- See attached documents for further information

Where relevant, is the funding for the policy 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 election commitment?
n/a

Will funding/the cost require indexation?
Staff costs are indexed at 3% as per Treasury advice

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)					
Expenses ^(a)	0	-220	-445	-725	-1,390
Capital	0	2,000	2,000	2,000	6,000

(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 costing is requested to be undertaken for 2016-17, in line with the Canberra Liberals stated approach to use the standard of the current published budget and forward estimates period of 2012-13 to 2015-16.

<i>Administration of the election commitment</i>
How will the election commitment be administered? The upgrades and improvements will be informed by the existing park rangers and prioritised by utilisation and current condition
Who will administer the election commitment? ESDD once the transfer of Land Management has been completed
Has an allowance been made for expenses necessary to support the implementation of this election commitment? This policy commitment is considered business as usual
What is the intended implementation date of the election commitment? 1 July 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 July 2013
Will the election commitment cease and if so when? The recurrent expenditure for the rangers is ongoing

Nature Conservation – Costing Justification

Rangers Cost

The salary of the ranges is based off the top pay point of a Ranger Level 2 as per the 2011 – 2013 Act CMD Enterprise Agreement (attached).

On costs are calculated as 9% for superannuation, 4% for long service leave, workers compensation at a rate of 7% as per the TAMS non-clerical rate and an administrative overhead of \$17,027.

The rangers are being phased in over 3 years with 1.5 positions funded in 2013-14, 3 positions in 2014-15 and 5 positions in 2015-16. The costs for rangers salary have been indexed by 3% over the forward estimates as per Treasury advice.

The cost of capital has been calculated at 4.25% as per Treasury advice.

Nature Conservation	2012-13	2013-14	2014-15	2015-16
Increase in ranger positions	0	131,988	271,896	466,755
Cost of Capital	0	85,000	170,000	255,000
Capital Funding	0	2,000,000	2,000,000	2,000,000
Total Recurrent	0	216,988	441,896	721,755
Costing Recurrent	0	220	445	725

Park Ranger (mid range)	57,002			
		2012-13	2013-14	2014-15
Salary	57,002			2015-16
Superannuation	5,130			
Long Service Leave	2,280			
Workers compensation	3,990			
Administrative Overhead	17,027			
Total Cost	85,429	87,992	90,632	93,351

Superannuation = 9% of salary
 Long Service Leave = 4% of salary
 Workers Comp = 7%

1.5 rangers @ \$94,562	131,988
3 rangers @ \$97,398	271,896
5 rangers @ \$100,320	466,755
	870,640

CLASSIFICATION	Rates as at 1.7.10	3.5% from 18.8.11	3.5% from 1.7.12
Ranger 1	\$43,289	\$44,804	\$46,372
	\$44,477	\$46,034	\$47,645
	\$45,643	\$47,241	\$48,894
	\$46,831	\$48,470	\$50,166
	\$48,001	\$49,681	\$51,420
Ranger 2	\$49,306	\$51,032	\$52,818
	\$50,587	\$52,358	\$54,191
	\$51,867	\$53,682	\$55,561
	\$53,212	\$55,074	\$57,002
Ranger 3	\$54,956	\$56,879	\$58,870
	\$56,700	\$58,685	\$60,739
	\$58,174	\$60,210	\$62,317
	\$59,667	\$61,755	\$63,916
Sportsground Ranger 1 (base salary)	\$43,289	\$44,804	\$46,372
	\$44,477	\$46,034	\$47,645
	\$45,643	\$47,241	\$48,894
	\$46,831	\$48,470	\$50,166
	\$48,001	\$49,681	\$51,420
Park Ranger 1	\$49,306	\$51,032	\$52,818
	\$50,588	\$52,359	\$54,192
	\$51,867	\$53,682	\$55,561
	\$53,214	\$55,076	\$57,004
Park Ranger 2	\$54,956	\$56,879	\$58,870
	\$56,700	\$58,685	\$60,739
	\$58,174	\$60,210	\$62,317
	\$59,668	\$61,756	\$63,917
Senior Park Ranger 3	\$61,295	\$63,440	\$65,660
	\$63,211	\$65,423	\$67,713
	\$64,994	\$67,269	\$69,623