



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party

Proposal No: C1595

Date Referred: 9/03/2023

Date Published: 20/03/2023

Proposal Title: Transition Authorities

Cluster: Regional NSW

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4-year Total \$'000
Expenses (ex. depreciation)	-	1,200	1,270	1,340	3,810
Depreciation					-
Less: Offsets		1,200	1,270	1,340	3,810
Revenue					-
Net Operating Balance:	-	-	-	-	-

Capital Expenditure	-	-	-	-	-
Capital Offsets					
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	-	-	-	-
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Total State Sector Impacts

Net Lending/(Borrowing):	-	-	-	-	-
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Notes and costing assumptions:

The policy proposes to establish a local authority in coal affected regions to work in partnership with Regional Expert Panels to guide the transition from a coal-based economy toward other economic activity and employment. The four regions proposed in the policy are:

- Central West
- Hunter
- Illawarra
- Northwest

The policy proposes that each authority will be allocated \$1 million per year starting from 2023-24. Each region will be tasked with developing recommendations for the best local outcome to be considered by the Regional Expert Panels. The policy assumes that funding is to be repurposed from the Resources of the Rejuvenation Fund.

Notes and costing assumptions continued:

The policy also assumes that each authority will have between 3-7 full-time equivalents (FTE), and all required legislative and regulatory required would be implemented. Based on information received from Regional NSW, the PBO notes the total number of staff assumed in the policy is appropriate for early stages of proposed activities.

Given this, it is advised that the ideal structure for the proposed policy per Regional NSW is 6 FTEs per region consisting of the following:

- One Director (Grade SEB1)
- One Manager (Grade 11/12)
- Two Seniors (Grade 9/10)
- Two Juniors (Grade 7/8 and 5/6)

With the above proposed team structure, Regional NSW have advised that this is estimated to be approximately \$1.2 million per year in 2023-24 with slight increases to \$1.34 million through to 2025-26. This is estimated to be sufficient to support the Expert Panels in each region and their associated work.

Therefore, the PBO estimates the cost of this policy to have no budget impact across the forward estimates given the estimated cost can be reasonably absorbed under the current \$25 million allocation under the Rejuvenation Fund.