



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Referred by: Australian Labor Party **Proposal No:** C1597
Date Referred: 9/03/2023 **Date Published:** 20/03/2023
Proposal Title: Abolish the central allowance held for commercial transactions
Cluster: Treasury

General Government Sector Impacts

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	(620)	(620)	(620)	(1,860)
Depreciation					-
Less: Offsets					-
Revenue					-
Net Operating Balance:	-	620	620	620	1,860

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

Net Lending/(Borrowing):	-	620	620	620	1,860
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Total State Sector Impacts

Net Lending/(Borrowing):	-	620	620	620	1,860
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Notes and costing assumptions:

The proposal is to eliminate the central allowance held for commercial transactions. The policy will start upon the formation of government and be ongoing.

NSW Treasury has advised the PBO that the policy will result in budget savings of \$1.86 million over the forward estimates.

Assumptions

- The 2023 Pre-election Budget Update (PEBU) reduced the central allowance held for commercial transactions by \$39 million per year starting from 2023-24.
- Treasury advised the PBO that a residual balance remains within the provision following the PEBU decision. This is \$620,000 per annum.
- Current year costs do not form part of the provision.