



Parliament of Australia
Parliamentary Budget Office

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Parliamentary Budget Officer

Senator Christine Milne
Leader of the Australian Greens
Parliament House
CANBERRA ACT 2600

Dear Senator Milne

Please find attached a response to your costing request regarding *Rule of Law* (letter of 14 August 2013).

The response to this request will be released on the PBO website (www.aph.gov.au/pbo).

If you have any queries about this costing, please do not hesitate to contact Colin Brown on (02) 6277 9530.

Yours sincerely

Phil Bowen

15 August 2013



COSTING – ELECTION CARETAKER PERIOD

Name of proposal to be costed:	Rule of Law
Summary of proposal:	<p>The proposal aims to strengthen legal protections for human rights. It would:</p> <ul style="list-style-type: none">• ratify the Optional Protocol Against Torture• fund a National Preventative Mechanism• amend and harmonise anti-discrimination and human rights legislation, and• introduce a compensation framework for wrongful convictions. <p>The proposal will have effect from 1 July 2014.</p>
Party requesting costing:	Senator Christine Milne, Australian Greens.
Date costing request received:	14 August 2013
Date costing completed:	15 August 2013
Date of public release of policy:	23 July 2013
Agencies from which information was obtained:	Not applicable

Costing overview

This proposal is expected to decrease the underlying cash and fiscal balances by \$19.5 million over the 2013-14 Budget forward estimates period which reflects an increase in departmental expenses over the period. It will have an ongoing impact that extends beyond the forward estimates period of \$6.5 million.

The proposal is for departmental funding at a capped amount. It has been assumed, based on similar past measures, that the identified funding envelope would be sufficient.

This costing is considered to be of medium reliability. It has not quantified potential additional costs over the longer term that may result from the introduction of a compensation framework for wrongful conviction of federal offences. These costs would vary subject to the design of the framework and number of applicants seeking compensation over time.

POLICY COSTING – ELECTION CARETAKER PERIOD

Table 1: Financial implications (outturn prices)^(a)

Impact on	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	-	- 6.5	- 6.5	- 6.5
Fiscal balance (\$m)	-	- 6.5	- 6.5	- 6.5

(a) A negative number for the fiscal balance indicates an increase in expenses in accrual terms. A negative number for the underlying cash balance indicates an increase in expenses in cash terms.

Key assumptions

It has been assumed that this proposal relates to departmental funding. Similar initiatives considered were the *Western Australia Inspector of Custodial Services, Establishment of Discrimination Commonwealth Commissioners* and *National Health and Hospitals Network — Prevention — plain packaging of tobacco products*.

The PBO assumes that the workload involved in developing this proposal and quantifying compensation arrangements would be comparable to these measures.

It has been assumed that the Optional Protocol Against Torture would be ratified effective 1 July 2014 consistent with the commencement of funding for the National Preventative Mechanism.

Methodology

This costing has been based on resourcing for the development of legislation and supporting processes and establishment of a national monitoring body. No provision has been included for the cost of compensation arrangements which may involve additional costs within and beyond the forward estimates period.

Data sources

- Australian Institute of Criminology, 'Compensation for wrongful conviction', *Trends and Issues in Crime and Criminal Justice*, No. 356, May 2008.
- Australian Human Rights Commission, *Annual Report 2011-12*, AHRC, Canberra, 2012.
- Office of the Inspector of Custodial Services, *Annual Report 2011-12*, OICS, Western Australia, 2012.
- Australian Government, *Budget Papers 2010-11 to 2013-14*, Canberra.