Senator Richard Di Natale

Leader of the Australian Greens

Parliament House

CANBERRA ACT 2600

Dear Richard Di Natale

Please find attached a response to your costing request, *A Royal Commission into Children in Detention* (letter of 29 June 2016).

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

If you have any queries about this costing, please contact Colin Brown on (02) 6277 9530.

Yours sincerely

Phil Bowen

30 June 2016

# Policy costing—during the caretaker period for the 2016 general election

|  |  |
| --- | --- |
| Name of proposal: | A Royal Commission into Children in Detention |
| Summary of proposal: | The proposal would establish a Royal Commission into the mandatory detention of children seeking asylum in Australia  The Royal Commission would commence on 1 July 2017 and run for 12 months. |
| Person/party requesting costing: | Senator Richard Di Natale, Australian Greens |
| Date of public release of policy: | 20 June 2016  <http://greens.org.au/news/sa/world-refugee-day-greens-push-royal-commission-children-detention> |
| Date costing request received: | 30 June 2016 |
| Date costing completed: | 30 June 2016 |
| Expiry date for the costing: | Release of the next economic and fiscal outlook report |

## Costing overview

The proposal would be expected to decrease both the fiscal and underlying cash balances by $61.2 million over the 2016‑17 Budget forward estimates period. This reflects an increase in administered expenses of $58.0 million and an increase in departmental expenses of $3.2 million.

This costing is considered to be of low reliability. Given that the terms of reference for the proposed Royal Commission are yet to be determined, the size and scope of the proposed commission relative to those used to inform the costing is uncertain.

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Impact on ($m) | 2016–17 | 2017–18 | 2018–19 | 2019–20 | **Total** |
| Fiscal balance | - | -61.2 | - | - | **-61.2** |
| Underlying cash balance | - | -61.2 | - | - | **-61.2** |

1. A positive number represents an increase in the relevant budget balance, a negative number represents a decrease.
2. Figures may not sum to totals due to rounding.

## Methodology

Estimates for the administered and departmental expenses associated with the proposal were estimated by averaging the highest full year operating costs of each of the Royal Commission into Trade Union Governance and Corruption and the Royal Commission into Institutional Responses to Child Sexual Abuse.

## Data sources

The Attorney-General’s Department provided actual expenditure and expenditure estimates for the Royal Commission into Trade Union Governance and Corruption over 2013‑14 to 2015‑16 and the Royal Commission into Institutional Responses to Child Sexual Abuse over 2012‑13 to 2017‑18.