

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
ATTORNEY-GENERAL'S DEPARTMENT

Group 2

Question No. 9

Senator Carr and Ludwig asked the following question at the hearing on 24 February 2014:

Senator KIM CARR: We will come back to that. What is the cost of this royal commission?

Ms Glanville: The government has allocated \$20 million.

Senator KIM CARR: On what basis is that calculation made?

Ms Glanville: With any particular calculation, departments—and AGD is the coordinating department—prepare estimates of the costs of the commission. They would be provided to the government for consideration.

Senator KIM CARR: But the budget at this stage is \$20 million?

Ms Glanville: That is right.

Senator KIM CARR: How much of that will go to lawyers?

Mr Wilkins: It depends what you mean by lawyers. The royal commissioner is a lawyer, obviously.

Senator Brandis: Do you mean legal representatives or do you mean everybody involved in the royal commission who may happen to be a lawyer, Senator Carr?

Senator KIM CARR: I mean the actual legal costs associated with the royal commission.

Senator Brandis: With respect, that is a vague question. Arguably the entire royal commission is—

Senator KIM CARR: It is made up of lawyers.

Senator Brandis: an exercise of a legal power under the Royal Commissions Act.

Senator KIM CARR: How much will go to King & Wood Mallesons?

Senator LUDWIG: Perhaps it would be easier if we asked the department to break it down—to break it down into that which is—

Senator Brandis: It might be helpful if we took this on notice and we gave you a breakdown.

Senator LUDWIG: Break it down into how you will pay Mr Hanger QC, how you will then apportion costs for the solicitors Mallesons et al, how you will determine the rate for people assisting the commissioner's work and how much you have spent already. I think you understand what I am asking for.

Mr Wilkins: I think we need to be very careful not to pre-empt the commission itself—the way it deals with its budget. We can give you some rough estimates about what money may be spent on legal representation, but we do not want to pre-empt the commission in how it uses its budget.

Senator LUDWIG: I am not asking you to do that. I am simply saying that, to date, they would have expended money.

CHAIR: I think it has been indicated that it will be taken on notice, which seems to be the best—

Senator Brandis: We will take it on notice.

Chair: I am going to Senator Ludlam

Senator Brandis: Before you do, Chair, to paraphrase Senator Ludwig: what we will do, to the extent we can, is give you a breakdown of allocated costs as of today—historical costs as of today.

Senator LUDWIG: Yes, thank you.

Senator KIM CARR: If we could have the disbursements and the office's administrative services staff built into that—is that possible?

Mr Wilkins: We will see if we can do that. As I said, I am a bit wary of pre-empting the commission itself.

Senator KIM CARR: You might want to look at precedents here too. If my memory is correct, for the Cole commission this information was provided.

CHAIR: The witnesses will take that on notice. I am afraid we have to move on.

The answer to the honourable senator's question is as follows:

Budget allocations and expenditure for the Office of the Royal Commission into the Home Insulation Program as at the end of February 2014 are set out below.

Expense Item	Budget allocation (as at end of Feb 2014)	Expenditure (as at end of Feb 2014)
Commissioner	\$ 730 000	\$ 208 444
Counsel Assisting	\$1 120 000	\$ 232 835
Solicitors assisting (King & Wood Mallesons) including disbursements/e-court services/document management	\$4 040 000	\$ 977 054
Staff	\$1 350 000	\$ 388 650
Other administrative services	\$ 545 000	\$ 99 350
Total	\$7 785 000	\$1 906 333

As at the end of February 2014, the Office of the Royal Commission had allocated only \$7.785m to meet the Office's expected costs from a total budget of \$12.249m.

The funding budgeted and expended to Estimates (24 February 2014) for Commonwealth witnesses, non-Commonwealth witnesses and Commonwealth representation is as follows:

	Budget allocation (as at end of Feb 2014)	Expenditure (as at end of Feb 2014)
Commonwealth Representation	\$4 048 860	\$307 158.38
Witness Expenses		
Legal financial assistance for witnesses and former ministers*	\$3 422 000	\$Nil
Departmental staffing costs	\$ 176 311	\$ 25 915.62
TOTAL	\$7 647 171	\$333 074.00