

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

Sub Program 1.2.1

Question No. 170

Senator Barnett asked the following question at the hearing on 27 May 2009:

Commonwealth legal spending increased from \$408 million in 06/07 to \$510 million in 07/08. Legal expenditure by the Attorney –General's Department rose 17% from \$8.2 million in 06/07 to \$9.7 million 07/08. Can you provide an explanation as to why the jump in legal costs is so large and detail of costs to date? Please provide a breakdown of the total costs including the \$56 million allocated to other agencies in the 2007/08 period.

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

A significant increase in reported legal services expenditure in 2007-08 was due to the inclusion of ASIC coming under the *Financial Management and Accountability Act 1997* (Cth) and therefore having to report on its legal services expenditure.

Agencies that reported an increase in legal services expenditure noted that the increase was due to factors including machinery of government changes resulting in an increase in functions; significant litigation such as that related to the Northern Territory intervention; the Equine Influenza Inquiry; large projects such as the National Broadband Network and the takeover of the Mersey Hospital; increases in regulatory activity by agencies such as the Office of the Workplace Ombudsman and the ACCC and improved data collection by agencies.

The increase in the Attorney-General's Department legal services expenditure in 2007-08 related primarily to the handling of complex Constitutional and extradition related litigation and new Departmental responsibility for the administration of the Territories (after a change to the Administrative Arrangements Order which took effect on 3 December 2007).

Agencies report legal services expenditure on a financial year basis within 60 days after the end of each financial year. The Attorney-General's Department does not have details of costs to date.

A breakdown of total legal services expenditure in the 2007-08 period is attached.