



Parliament of Australia
Parliamentary Budget Office

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Parliamentary Budget Officer

Senator Richard Di Natale
Leader of the Australian Greens
Parliament House
CANBERRA ACT 2600

Dear Senator Di Natale

Please find attached a response to your costing request, *Digital Rights: Abolish Data Retention* (letter of 1 July 2016).

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

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

Yours sincerely

Phil Bowen

/ July 2016



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

Name of proposal:	Digital Rights: Abolish Data Retention
Summary of proposal:	<p>This proposal has two components:</p> <p><u>Component 1: Abolish Data Retention</u></p> <ul style="list-style-type: none">The proposal would abolish the Mandatory Data Retention Scheme announced in the 2015-16 Budget. <p><u>Component 2: Commissioner for digital rights</u></p> <ul style="list-style-type: none">The proposal would create an additional commissioner position at the Human Rights Commission that would be responsible for digital rights. <p>The proposal would have effect from 1 September 2016.</p>
Person/party requesting costing:	Senator Richard Di Natale, Australian Greens
Date of public release of policy:	30 June 2016 http://greens.org.au/digital-rights-commissioner
Date costing request received:	1 July 2016
Date costing completed:	1 July 2016
Expiry date for the costing:	Release of the next economic and fiscal outlook report

Costing overview

This proposal would be expected to increase both the fiscal and underlying cash balances by \$54 million over the 2016-17 Budget forward estimates period. These financial implications are due to a net decrease in expenses and reflect a decrease in administered expenses of \$56 million and a net increase in departmental expenses of \$2 million over the 2016-17 Budget forward estimates period.

Detailed financial implications are provided at [Attachment A](#).

This proposal would be expected to have an ongoing impact beyond the 2016-17 Budget forward estimates period at a similar level to the 2019-20 estimates. The ongoing impact relates only to the proposed commissioner for digital rights (Component 2).

Component 1 of this costing is considered to be of high reliability as it is based on estimates provided by the Attorney-General’s Department.

Component 2 of this costing is considered to be of high reliability as it is based on the financial implications of removing the previous Disability Commissioner in the 2014-15 Budget.

Table 1: Financial implications (outturn prices)^{(a)(b)}

Impact on (\$m)	2016–17	2017–18	2018–19	2019–20	Total
Fiscal balance	43.2	12.9	-1.0	-1.0	54.0
Underlying cash balance	43.2	12.9	-1.0	-1.0	54.0

(a) A positive number represents an increase in the relevant budget balance, a negative number a decrease.

(b) Figures may not sum to totals due to rounding.

Key assumptions

The Parliamentary Budget Office has made the following assumptions regarding this proposal:

- For Component 1, it was assumed that funding for the 2016-17 Budget year would be spread evenly throughout the year to account for the 1 September 2016 start date.
- For component 2, it has been assumed that the introduction of a commissioner responsible for digital rights would be consistent with costs associated with the removal of the previous Disability Commissioner. Support staff costs are assumed to be consistent with the National Wind Farm Commissioner.

Methodology

Estimates for Component 1 of the proposal are based on estimates provided by the Attorney-General’s Department relating to the implementation of mandatory telecommunications data retention. The estimates provided by the Attorney-General’s Department were adjusted to allow for the proposal’s 1 September 2016 start date.

Data sources

- The Attorney-General's Department provided cost estimates for the National Security Implementation of mandatory telecommunications data retention measure.
- 2015-16 Budget Paper No. 2, page 63.
- 2014-15 Budget Paper No. 2, page 57.

Attachment A: Digital Rights: Abolish Data Retention— financial implications

Table A1: Digital Rights: Abolish Data Retention—Financial implications (outturn prices)^{(a)(b)}

(\$m)	2016–17	2017–18	2018–19	2019–20	Total to 2019–20
Fiscal and underlying cash balances – expenses/outlays					
Administered	43.1	13.2	-	-	56.2
<i>Abolish Data Retention</i>	43.1	13.2	-	-	56.2
Departmental	0.1	-0.3	-1.0	-1.0	-2.2
<i>Abolish Data Retention</i>	0.7	0.6	-	-	1.3
<i>Commissioner for digital rights</i>	-0.6	-0.9	-1.0	-1.0	-3.5
Total	43.2	12.9	-1.0	-1.0	54.0

(a) A positive number indicates an increase in revenue or decrease in expenses or net capital investment in accrual and cash terms. A negative number indicates a decrease in revenue or an increase in expenses or net capital investment in accrual and cash terms.

(b) Figures may not sum to totals due to rounding.

- Indicates nil.