



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, *National Anti-Corruption Commission* (letter of 5 September 2013).

The response to this request will be released on the PBO website (<http://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

5 September 2013



COSTING – ELECTION CARETAKER PERIOD

Name of proposal to be costed:	National Anti-Corruption Commission
Summary of proposal:	<p>The proposal would:</p> <ul style="list-style-type: none">• establish a federal Anti-Corruption Commission at a cost of \$90 million over three years. It would absorb the existing Australian Commission for Law Enforcement Integrity (ACLEI)• create a legally enforceable Lobbyist Code of Conduct and prohibit Ministers becoming lobbyists within five years• establish the Independent Commissioner of Lobbying at a cost of \$15 million over three years with auditing and investigating powers• impose a two year ban on Ministers being involved in private enterprise which is related to their Ministerial connections, and• extend whistleblower protection laws to cover the offices of Members of Parliament and employees in the private sector. <p>The intention of the proposal is to improve the integrity of politics.</p> <p>The proposal would have effect from 1 July 2014.</p>
Person/party requesting costing:	Senator Christine Milne, Australian Greens
Date costing request received:	5 September 2013
Date costing completed:	5 September 2013
Date of public release of policy:	1 September 2013
Additional information requested (including date):	On 5 September 2013, clarification was sought from Senator Milne’s Office on whether the capped funding amounts already include funding currently appropriated to the relevant agencies being absorbed by the proposed agencies.
Additional information received (including date):	On 5 September 2013, Senator Milne’s Office confirmed that the capped funding amounts should be reduced by existing appropriations of any related agencies.

POLICY COSTING – ELECTION CARETAKER PERIOD

Agencies from which information was obtained:	Department of Prime Minister and Cabinet (PM&C)
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Costing overview

This proposal is expected to decrease both the underlying cash and fiscal balances by \$86.1 million over the 2013-14 Budget forward estimates period. This is due to a net increase in expenses.

This proposal would have an ongoing impact that extends beyond the forward estimates period with the ongoing impact per year of around \$28.9 million.

All costs associated with this proposal are of a departmental nature. A breakdown of the impact of each component of the proposal is included at [Attachment A](#).

The PBO has not included any additional departmental funding for potential amendments to legislation, as the cost for such activities would be minimal and could be met from existing departmental resourcing of relevant agencies.

The costing differs from the costing request because the capped amounts have been reduced by the existing appropriations for ACLEI and PM&C as per advice from the requestor.

This costing is considered to be of high reliability as it is based on capped amounts profiled as specified in the costing request and taking into account further information provided.

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

Impact on	2013-14	2014-15	2015-16	2016-17
Underlying cash balance (\$m)	-	-28.3	-29.0	-28.9
Fiscal balance (\$m)	-	-28.3	-29.0	-28.9

(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.

Methodology

The total capped amounts of \$35 million per year have been reduced by the existing departmental resourcing for relevant agencies.

Data sources

Australian Commission for Law Enforcement Integrity

- 2013-14 Portfolio Budget Statements

POLICY COSTING – ELECTION CARETAKER PERIOD

ATTACHMENT A: BREAKDOWN OF COSTS BY COMPONENT

Table A1: Financial implications (outturn prices)^{(a) (b)}

Underlying cash and fiscal balance impacts	2014-15 (\$m)	2015-16 (\$m)	2016-17 (\$m)	Total (\$m)
National Anti-Corruption Commission departmental funding	-30.0	-30.0	-30.0	-90.0
Independent Commissioner of Lobbying departmental funding	-5.0	-5.0	-5.0	-15.0
Offset – existing ACLEI departmental funding	6.6	5.9	6.0	18.4
Offset – existing related PM&C departmental funding	0.2	0.1	0.1	0.4
Total	-28.3	-29.0	-28.9	-86.1

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

(b) Totals may not sum due to rounding.