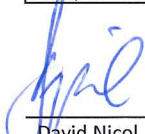


Name of Commitment:	Mr Fluffy Board of Inquiry	Reference Number: LIB046
Request Submitted by:	Jeremy Hanson MLA, Canberra Liberals	
Date Request Received:	12-Oct-16	
Additional Information Requested (details and date)	N/A	
Additional Information Received (details and date)	N/A	

Financial Implications					
Impact On:	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	TOTAL \$'000
Revenues ^(a)	0.0	0.0	0.0	0.0	0.0
Expenses ^{(a) (b)}	0.0	-4,872.7	-4,996.1	0.0	-9,868.8
- Employee Expenses	0.0	-1,872.7	-1,921.1	0.0	-3,793.8
- Other Expenses	0.0	-3,000.0	-3,075.0	0.0	-6,075.0
- Cost of Financing	0.0	0.0	0.0	0.0	0.0
Expenses - Depreciation	0.0	0.0	0.0	0.0	0.0
Net Operating Balance	0.0	-4,872.7	-4,996.1	0.0	-9,868.8
Capital Requirement	0.0	0.0	0.0	0.0	0.0
Cash Surplus/Deficit	0.0	-4,872.7	-4,996.1	0.0	-9,868.8

(a) A negative number indicates a decrease in revenue or an increase in expenses.
 (b) Excludes depreciation expenses.

Other Information
<p>Costing Methodology Used:</p> <p>- Costing Technique: The costing has been completed using a price by quantity methodology, based on similar initiatives undertaken by the ACT Government. The scope of the inquiry would need to be designed to fit within the proposed costs.</p>
<p>- Proposal Parameters: The inquiry would commence in 2017-18 and cease in 2018-19. Support and office equipment for the Commissioner and counsel has been costed at \$1.5 million per year. Any additional support expenses would be met from existing directorate resources. It has been assumed that the Board of Inquiry would be accommodated in existing facilities. The costing assumes that administrative expenses associated with the program would be absorbed by the Justice and Community Safety Directorate (JACS). Indexation of 2.5 per cent has been applied.</p>
<p>Caveats or qualifications to the costing: The inquiry would require a number of administrative support staff to be provided by JACS. There is a risk that this would impact on the Directorate's ability to conduct its normal business. The costing does not take into account the potential impact on some of the operations of the Asbestos Response Taskforce. The costing does not include the future costs of responding to any recommendations of the inquiry. Witness expenses have been costed at \$1.5 million per year. The terms of reference and the scope of the evidence the inquiry could consider would be constrained by this level of funding and the duration of the inquiry. The costing request states that expenses for witnesses would be demand driven. There is a risk that this element of the costing may not be sufficient. The costing does not include potential costs of legal representation for the Territory.</p>
<p>Other Comments: An inquiry of this magnitude would not be sufficient to take evidence in person from all affected persons. Alternative mechanisms would need to be arranged for the collection of evidence. No consideration has been given to the impact on the court system of the use of court rooms for the duration of the inquiry.</p>
<p>- Statistical Data Used: Salary costs have been calculated using the 2016-17 Average Salary Costing Template, plus standard salary on-cost rates, where applicable, and Treasury estimates.</p>


 David Nicol
 Under Treasurer
 13 October 2016