



PARLIAMENTARY BUDGET OFFICE

NSW Parliament • Parliament House, Macquarie Street Sydney 2000

Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Fair victims' compensation
Date of request:	10 December 2014

Description of policy	
Summary of policy (please attach copies of relevant policy documents):	Reverse the impact of retrospectivity in the 2013 Victims' Compensation Scheme (see <u>Attachment 1</u>).
What is the purpose or intention of the policy?	As above.
Has the policy been publicly released yet?	

Your estimated costing of the policy ¹						
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	Other years ² \$'000	Total \$'000
Impact on General Government Sector (GGS) net operating result ³						
Impact on GGS capital expenditure ⁴						
If different from above, impact on total State Sector net financial liabilities ⁵						

¹ Amounts should be expressed in nominal dollars. GGS - General Government Sector.

² Please provide information on other years if spending occurs outside the forward estimate years and will be required to cost the policy.

³ Negative for a saving that reduces expenditure

⁴ Negative for a reduction in capital expenditure.

⁵ Only required if proposal is outside GGS. Negative for a reduction in net financial liabilities.

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	No.
What assumptions have been made in deriving the financial impacts in your estimated costing? <i>(See checklist)</i>	<p>It is assumed that the policy would be announced immediately after the election and the additional liability booked at this time.</p> <p>It is assumed that administrative costs associated with these changes can be absorbed within the agency's existing budget.</p>
Is there a range for the costing or any sensitivity analysis that you have undertaken?	No.
Are there associated savings, offsets or expenses? If yes, please provide details.	..

Administration of policy	
Intended date of implementation:	As early as possible upon election.
Intended duration of policy:	Until pre-2013 claims are finalised.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Department of Justice.
Are there any specific administrative arrangements for the policy that need to be taken into account?	The current assessment system will have to be modestly increased to deal with extra assessments. This can be absorbed within existing budgets.
Are there transitional arrangements associated with policy implementation?	No.

If the policy is mainly an expenditure ⁶ commitment N/A	
Demand driven or a capped amount:	Based on existing arrangements.
Eligibility criteria or thresholds:	..

Attachment 1 Fair Victims' Compensation

The previous Labor Government introduced and from time to time amended the *Victims' support and rehabilitation Act 1996*. In 2011 victims of violent crime could receive up to \$50,000 in compensation for criminal acts of violence (plus limited legal costs).

The O'Farrell Government introduced the *Victims' Rights and Support Act 2013*. This legislation subsequently reduced the possible payments and subdivided them into discrete categories. This was a completely retrospective piece of legislation which applied to all claims, including claims that had already been lodged and were awaiting final determination. It included claims that had been decided but were subject to appeal. It included claims that had been determined but the appeal period had not expired. It reduced their value, in some cases quite significantly.

Under s26 (1) (c) of the Act and Clause 8 of the Victims' Rights and Support Regulation up to \$30,000 can be awarded for medical and dental expenses.

However Clause 5 of Schedule 2 of the Act restricts payments in this class to claimants who lodged applications under the old Scheme to \$5,000 (the same provision as applies to AB). They are thus substantially out of pocket.

Under Labor's policy, all claims arising up until the introduction of the 2013 legislation would be dealt with under the pre 2013 legislative scheme. This simply removes the retrospective nature of the 2013 Act.