

NSW GOVERNMENT RESPONSE TO THE INQUIRY INTO
THE PARLIAMENTARY BUDGET OFFICE

Recommendation 1: That parliamentary leaders be required to submit all of their publicly announced election policies for costing by the Parliamentary Budget Office.

Response

The Government proposes that the Act require the Leader of the Government and the Leader of the Opposition to submit policies for costing. Parliamentary leaders will be required to formally advise that all policies that will impact the budget estimates have been submitted to the Parliamentary Budget Office.

Other elected parties may also access the PBO to cost their policies, but not so as to compromise the costing of Government and Opposition policies. The expected scope of the costing activity is to be covered in the operational plan (Recommendation 4).

Recommendation 2: That the period of appointment for the Parliamentary Budget Officer commence on 1 October of the year prior to a State Election and conclude when the Officer's report is tabled in Parliament.

Response

The Government proposes to amend the Act to provide that the appointment will commence on 1 October and cease by 30 June, after the Parliamentary Budget Officer has reported to and appeared before the relevant Parliamentary Committee (per Recommendation 6).

Recommendation 3: That the sole function of the Parliamentary Budget Officer be to prepare election policy costings.

Response

The Government proposes to implement this recommendation.

Recommendation 4: That the operational plan of the Parliamentary Budget Office be provided as soon as practicable after the establishment of the Office.

Response

The Government proposes to implement this recommendation.

Recommendation 5: That the Parliamentary Budget Officer be required to furnish a report on the activities of the PBO at the completion of his or her appointment, rather than an annual report.

Response

The Government proposes to amend the Act to require a report on the activities of the PBO, rather than an annual report, to be released within one month of the State election. This timing will allow the single joint committee (per Recommendation 6) time to consider the report during the term of the PBO.

Recommendation 6: That a single joint committee be appointed at the beginning of each Parliament to review the report and the activities of the Parliamentary Budget Office during the previous election period.

Response

The Government proposes to implement this recommendation.

Recommendation 7: That the Parliamentary Budget Officer Act 2010 be amended to permit the Parliamentary Budget Officer to release more than one budget impact statement during the pre-election period.

Response

The Government proposes to implement this recommendation.

Recommendation 8: That the Parliamentary Budget Officer Act 2010 be amended to provide greater clarity regarding the content of budget impact statements, and to provide resources to facilitate that clarity.

Response

The Government proposes to amend the Act to specify a core set of financial indicators of budget impact, which are consistent with how the budget is monitored and presented currently.

Recommendation 9: That legislative provisions be considered to ensure that information or documents relating to costing requests and PBO costings of unannounced or withdrawn election policies remain confidential to the PBO and the parliamentary leader that has requested the costing. Such confidentiality provisions must extend to an order for papers by either House of Parliament.

Response

The Government agrees that the confidentiality of the papers provided by the parliamentary leaders is vital to ensuring confidence in the costing process.

The Government considers that the existing confidentiality provisions contained in section 17 of the *Parliamentary Budget Officer Act 2010* are sufficient to ensure that documents relating to election policy costings will remain confidential, including in circumstances where an order for papers has been issued by Parliament. Accordingly, no amendments are proposed.