



Royal Commission into sexual abuse in Indigenous communities	
Party:	The Coalition
<p>Summary of proposal:</p> <p>The proposal would establish a Royal Commission into sexual abuse in Indigenous communities, to implement reforms to address these crimes and ensure all Australian children are safe and their childhoods protected.</p> <p>The proposal would start from 1 July 2025.</p>	
<p>Additional information (based on further advice provided):</p> <p>The Royal Commission would be funded for 2 years, with further funding to be provided if it were assessed that the Royal Commission should continue for an additional period.</p> <p>The scope and level of consultation for the Royal Commission would reflect rapid investigation of the issues and identification of necessary responses. They would also reflect undertaking the necessary activities, such as information gathering through submissions, private sessions, public hearings, research and community engagement, within the 2-year window.</p>	

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$141.6 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in departmental expenses.

The proposal would not be expected to have an impact beyond the 2025-26 Budget forward estimates period, other than for public debt interest (PDI) costs. A breakdown of the financial implications (including separate PDI tables) over the period to 2035-36 is provided at Attachment A.

The financial implications of this proposal are highly uncertain and sensitive to a range of assumptions. In particular, while allowance has been made for the additional expense of consultation in regional and remote communities, these costs difficult to predict. Cultural differences, the sensitivity of the subject matter and the physical remoteness of the communities to be consulted could all contribute to additional consultation costs that exceed those estimated in this costing.

Furthermore, the costs of Royal Commissions are inherently uncertain as they depend on the degree to which the commissioners choose to exercise their extensive powers, which can in turn depend on the amount of evidence that is gathered throughout the inquiry. Cost outcomes for previous Royal Commissions have frequently deviated from their initial funding allocations.

Table 1: Royal Commission into sexual abuse in Indigenous communities – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-46.4	-95.2	-	-	-141.6
Underlying cash balance	-46.4	-95.2	-	-	-141.6

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

(b) PDI impacts are not included in the totals.

- Indicates nil.

Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing the proposal.

- The cost and range of activities to be undertaken by the Royal Commission would be similar to that of the Royal Commission into Institutional Responses to Child Sexual Abuse (Institutional Abuse Commission), which was funded for 4 years in the 2013-14 Budget measure *Royal Commission into the Institutional Responses to Child Sexual Abuse – Establishment*¹.
 - Activities would include information gathering through submissions, private sessions, public hearings, research and community engagement, as well as policy deliberation, legal services and media and communication.
 - The largest costs would be staff costs, IT and communications costs, office accommodation, general administration, legal fees and counselling services.
 - Capital costs would be increased in line with the Consumer Price Index growth, while other operating costs would be increased in line with average weekly ordinary time earnings.
- The Royal Commission would initially run for 2 years per the policy specification. Due to the timeframe there would be less extensive consultation than occurred through the Institutional Abuse Commission, whether in the form of less time spent in individual communities or fewer people in each community consulted, which would narrow the scope of the Commission and reduce its other outlays commensurately.
 - A decision to extend the Royal Commission or increase the level of consultation would increase the cost of the policy.
- Additional consultation costs of 5% of the total Commission cost would be incurred due to the increased complexity of consulting remote indigenous communities.

Methodology

The financial implications of the proposal were modelled on the budgeted costs of the Institutional Abuse Commission as published in the *2013-14 Budget*. The costs of the Institutional Abuse Commission were escalated in line with the relevant price indices, which were then scaled down as per *Key assumptions* to reflect rapid investigation of the issues and the 2-year window.

¹ *Royal Commission into the Institutional Responses to Child Sexual Abuse – Establishment* provided \$434.1 million over four years (including \$66.8 million in 2012-13 and \$43.2 million in capital funding) to fund the Royal Commission into Institutional Responses to Child Sexual Abuse. [2013-14 Budget Paper 2](#), page 96.

Financial implications were rounded consistent with the PBO's rounding rules.²

Data sources

Commonwealth of Australia, 2023. *2023-24 Mid-Year Economic and Fiscal Outlook*, Canberra: Commonwealth of Australia.

Commonwealth of Australia, 2024. *2024-25 Budget*, Canberra: Commonwealth of Australia.

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025*, Commonwealth of Australia.

Haslam D, Mathews B, Pacella R et al (2023) [*The prevalence and impact of child maltreatment in Australia: Findings from the Australian Child Maltreatment Study*](#), Queensland University of Technology, accessed 22 May 2025.

Royal Commission into Institutional Responses to Child Sexual Abuse (2017) [*Final Report – Volume 1: Our inquiry*](#), accessed 22 May 2025.

² <https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules>

Attachment A – Royal Commission into sexual abuse in Indigenous communities – Financial implications

Table A1: Royal Commission into sexual abuse in Indigenous communities – Fiscal and underlying cash balances (\$m)^(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Departmental													
<i>Attorney-General's Department</i>	-41.1	-85.8	-	-	-	-	-	-	-	-	-	-126.9	-126.9
<i>National Indigenous Australians Agency</i>	-5.3	-9.4	-	-	-	-	-	-	-	-	-	-14.7	-14.7
Total (excluding PDI)	-46.4	-95.2	-	-	-	-	-	-	-	-	-	-141.6	-141.6

(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

- Indicates nil.

Table A2: Royal Commission into sexual abuse in Indigenous communities – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-1.0	-4.2	-6.5	-6.8	-7.1	-7.4	-7.7	-8.1	-8.5	-8.8	-9.3	-18.5	-75.4
Underlying cash balance	-0.8	-3.4	-5.9	-6.7	-7.0	-7.3	-7.7	-8.0	-8.4	-8.7	-9.2	-16.8	-73.1

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary³.

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

³ [Online budget glossary – Parliamentary Budget Office \(pbo.gov.au\)](https://pbo.gov.au/online-budget-glossary)