Parliamentary Budget Officer Bill 2018

EXPLANATORY MEMORANDUM (E106)

(Introduced by Dr Mike Nahan, MLA)

This Bill establishes the role of the Parliamentary Budget Officer, an independent officer of the Parliament of Western Australia that oversees the Parliamentary Budget Office.

The Parliamentary Budget Office has responsibility for:

- preparing election policy costings
- preparing costings of other policies or proposed policies at the request of a Member of Parliament
- providing advisory services to Members of Parliament on financial, fiscal or economic matters (including in relation to the costing of proposals included in the State Budget).

A Parliamentary Budget Office was first established in NSW in 2010, a Commonwealth Parliamentary Budget Office was established in 2012 and Victoria established their Parliamentary Budget Office in 2017.

According to the Commonwealth Parliamentary Budget Office, 26 out of 35 Organisation of Economic Co-operation and Development countries have an independent fiscal institution with the objective of increasing transparency around budgets. The increased transparency around election policy costings and budgets is consistent with the expectations of the people of Western Australia, especially in the lead up to elections.

This Bill also fulfils a key recommendation of the Langoulant Special Inquiry into Government Programs and Projects.

Based on the Victorian model, an effective and independent Parliamentary Budget Office supports open and democratic government by:

- Strengthening public debate throughout the parliamentary term
- Levelling the playing field in relation to financial expertise between government and the opposition, minor parties and independent MPs
- Facilitating iterative policy development by parties and MPs
- Encouraging parties and MPs to release independently costed policies earlier to gain credibility with the electorate; and
- Providing the community with credible, independent and timely information to help inform their voting decision.