Queensland Government

Queensland Treasury

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Dear Mr Alford

Consultation RIS — Growing child safe organisations in Queensland

Thank you for your enquiry of 24 May 2023 regarding the adequacy of the Consultation Regulatory Impact Statement (RIS) 'Growing child safe organisations in Queensland'.

Background

The Royal Commission into Institutional Responses to Child Sexual Abuse (Royal Commission) found that tens of thousands of Australian children have been sexually abused in almost every type of institution providing services to children. The Royal Commission heard that many organisations failed to protect children, and recommended state and territory governments mandate 10 child safe standards (CSS) and a harmonised reportable conduct scheme (RCS).

The Department of Child Safety, Seniors and Disability Services (the department), together with the Department of Justice and Attorney-General, began targeted consultation in 2021 with sectors identified for regulation by the Royal Commission. A consultation paper, *Growing Child Safe Organisations in Queensland*, was sent to more than 170 stakeholders in March 2021 with 29 written submissions received. Further consultation was undertaken via a cross-government working group, with the New South Wales Office of the Children's Guardian and Victoria's Commission for Children and Young People, and with the Truth, Healing and Reconciliation Taskforce. The outcomes of these processes were used, together with the Royal Commission reports, to inform the drafting of the Consultation RIS.

Proposal

While the Royal Commission was focused on sexual abuse, the Consultation RIS considers the CSS and RCS as suitable for addressing all forms of child maltreatment in institutions and organisations (physical, sexual, and emotional abuse, and neglect).

The Consultation RIS notes that it is estimated that, on average, each incident of child maltreatment has a cost to the child of about $400,000 from loss of quality of life, reduced lifespan due to poor mental health, suicide and self-harm, as well as premature mortality directly from maltreatment. Each incident also incurs costs to the State, and thus the broader community, of approximately $200,000 through increased demands on the health, criminal justice, housing and homelessness, and child protection systems. The annual prevalence of child abuse in institutional settings in Queensland is estimated to be 12,148 cases per year, equalling gross social costs of at least $7.46 billion.

The Consultation RIS presents four CSS options for stakeholder consideration:

- Option 1: Status quo
- Option 2: Non-legislative implementation with no new oversight mechanisms
- Option 3a: Legal obligation to implement CSS, with an independent authority providing centralised oversight of all organisations' compliance
- Option 3b: Legal obligation to implement CSS, with an independent authority providing oversight of compliance in sectors without existing regulators.

The Consultation RIS presents two RCS options for stakeholder consideration:

- Option 1: Status quo
- Option 2: Mandatory, nationally consistent RCS with an independent authority providing oversight.

The department's analysis identifies Option 3a as the preferred approach for CSS, and Option 2 as preferred for the RCS. Oversight for both the CSS and the RCS would be co-located within the same independent authority, resulting in total direct costs of $482.52 million over 10 years. It is estimated that to be cost effective, this model will need to reduce the annual prevalence of child maltreatment in Queensland institutions by approximately 129 cases (1.06 per cent). The department considers that:

- while this is the highest cost option, it is likely to be the most effective
- it is highly probable that harms will be reduced by the level necessary to result in a net benefit.

Assessment

In making its assessment of a Consultation RIS, the Office of Best Practice Regulation (the OBPR) has regard to the adequacy criteria specified in *The Queensland Government Guide to Better Regulation* (the guidelines).

The OBPR recognises that the Consultation RIS seeks to address a significant social problem by improving child protections and identifies a range of feasible options and outlines why others are not considered feasible. The impact analysis quantifies the potential impacts on stakeholders to the degree possible, while acknowledging where assumptions have been made and how they influence the results. Given these points, the OBPR considers the Consultation RIS is adequate for the purposes of consultation. The Decision RIS will need to estimate the costs of changes to organisations' operations from complying with the CSS and assemble any further evidence on likely effectiveness in reducing harm, informed by stakeholder feedback on the Consultation RIS.

Please contact Tim Elliott, Senior Economist, on (07) 3035 3488 if you require additional information or guidance concerning the above comments or the guidelines in general. Please note that in accordance with Cabinet Handbook requirements, this letter of advice should be attached to relevant Cabinet submissions.

Yours sincerely



Dr Karen Hooper
Head — Office of Productivity and Red Tape Reduction

8 June 2023