



## Policy costing request—during the caretaker period for a general election

<b>Name of policy:</b>	Close offshore detention and build safer pathways
Person requesting costing:	Senator Di Natale
Parliamentary party:	Australian Greens
Date of request to cost the policy:	27 June 2016
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (ie from the Treasury or the Department of Finance)?	No
Details of the public release of this policy (Date, by whom and a reference to that release):	<a href="http://greens.org.au/sites/greens.org.au/files/20160607_A%20Better%20Way%20for%20People%20Seeking%20Asylum_1.pdf">http://greens.org.au/sites/greens.org.au/files/20160607_A%20Better%20Way%20for%20People%20Seeking%20Asylum_1.pdf</a>

Description of policy	
<p>Summary of policy (as applicable, please attach copies of relevant policy documents):</p>	<p><b>Component 1</b></p> <p>Abolish Australian-funded offshore detention centres, honouring all contractual commitments in place at 1 January 2017</p> <p>Establish a 30-day time limit on onshore immigration detention on Christmas Island and the Australian mainland; and</p> <p>Accommodate the majority of asylum seekers in community detention or general society while claims are processed</p> <p><b>Component 2</b></p> <p>Increase Australia's annual humanitarian program to 40,000 places per year. This intake would occur by increasing the intake per year as follows:</p> <ul style="list-style-type: none"> <li>(i) 2016-2017: 30,000</li> <li>(ii) 2017 – 2018: 35,000</li> <li>(iii) 2018-2019: 40,000</li> <li>(iv) 2019-2020: 40,000</li> </ul> <p><b>Component 3</b></p> <p>Reserve 10,000 places for refugees within the existing skilled migration visa program;</p> <p><b>Component 4</b></p> <p>Establish Australia's funding to United Nations High Commissioner for Refugees (UNHCR) and other support organisations Indonesia and Malaysia at \$500 million over forward estimates.</p> <p><b>Component 5</b></p> <p>Abolish Australian Border Force and restore immigration to administration to the Department of Immigration and Border Protection and abolish temporary protection visas (TPVs)</p>
<p>What is the purpose or intention of the policy?</p>	<p>This initiative is aimed at:</p> <p>Saving money by closing offshore detention camps and reinvesting it into establishing a safe way for people in our region to seek asylum in Australia while also increasing the number of refugees we take overall.</p>

What are the key assumptions that have been made in the policy, including:	
<p>Is the policy part of a package? If yes, list the components and interactions with proposed or existing policies.</p>	No
<p>Where relevant, is funding for the policy to be demand driven or a capped amount? If a capped amount, are the costs of administering the policy to be included within the capped amount or additional to the capped amount?</p>	Capped
<p>Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?</p>	No
<p>Are there associated savings, offsets or expenses? If yes, please provide details.</p>	Yes, the closing of Australia’s immigration detention network.

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Does the policy relate to a previous budget measure? If yes, which measure?	No			
If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?	Yes			
Will the funding/program cost require indexation? If yes, list factors to be used.	No			
<b>Expected impacts of the proposal</b>				
If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?				
<b>Estimated financial implications (outturn prices)<sup>(a)</sup></b>				
	2016–17	2017–18	2018–19	2019–20
Underlying cash balance (\$m)	123.5	156.1	-228.6	-593.5
Fiscal balance (\$m)	123.5	156.1	-228.6	-593.5
(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 positive number in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.				
<b>Expected impacts of the proposal</b>				
What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?	It is assumed that the reservation of 10,000 places for refugees within the existing skilled migration visa program will be cost natural based on previous advice from the Parliamentary Budget Office			

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<p>Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?</p>	<p>No</p>
<p>What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?</p>	<p>Benefits to our economy from closing detention centres causing mental and physical harm and providing the opportunities for people fleeing persecution to contribute to our society into the future.</p>
<p><b>Administration of policy:</b></p>	
<p>Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?</p>	<p>The Department of Immigration and Border Protection</p>
<p>Please specify whether any special administrative arrangements are proposed for the policy and whether these are expected to involve additional transactions/processing (by service delivery agencies).</p>	<p>No</p>
<p>Intended date of implementation:</p>	<p>1 January 2017</p>
<p>Intended duration of policy:</p>	<p>Ongoing</p>

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Are there transitional arrangements associated with policy implementation?	The people currently held on Nauru and Manus Island would be brought to Australia to have their claims for asylum assessed while they reside in the community.
List major data sources utilised to develop policy (for example, ABS catalogue number 3201.0).	
Are there any other assumptions that need to be considered?	
<p><b>NOTE:</b></p> <p><i>Please note that:</i></p> <p><i>The costing will be on the basis of information provided in this costing request.</i></p> <p><i>The PBO is not bound to accept the assumptions provided by the requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.</i></p>	