



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

<b>Name of policy:</b>	Empowering and supporting Aboriginal and Torres Strait Islander peoples
Person requesting costing:	Senator Richard di Natale
Parliamentary party:	Australian Greens
Date of request to cost the policy:	29 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):	Announced by Australian Greens Senator Rachel Siewert 29 May 2016; <a href="http://rachel-siewert.greensmps.org.au/content/media-releases/greens-announce-package-create-better-future-australia%E2%80%99s-first-peoples">http://rachel-siewert.greensmps.org.au/content/media-releases/greens-announce-package-create-better-future-australia%E2%80%99s-first-peoples</a> ; <a href="http://greens.org.au/atsi">http://greens.org.au/atsi</a>

Description of policy	
<p>Summary of policy (as applicable, please attach copies of relevant policy documents):</p>	<p>The policy includes:</p> <ul style="list-style-type: none"> <li>• \$15m per year (not including PM&amp;C administration costs) over two years for grants to Aboriginal and Torres Strait Islander individuals, organisations and communities, for projects to advance the conversation on sovereignty and treaty.</li> <li>• Domestic implementation of the United Nations Declaration on the Rights of Indigenous Peoples, through: <ul style="list-style-type: none"> <li>○ A comprehensive National Action Plan to provide a roadmap for implementing the UNDRIP into Australian law and policy making.</li> <li>○ \$20m in grants over the forward estimates, for non-government organisations to facilitate participation in the National Action Plan, and help raise community awareness.</li> </ul> </li> <li>• Provide additional funding to offset Coalition cuts, including: <ul style="list-style-type: none"> <li>○ \$15m over four years for the National Congress of Australia’s First Peoples (excluding departmental costs)</li> <li>○ \$556m over four years (excluding departmental costs) in additional funding for the Indigenous Advancement Strategy.</li> </ul> </li> <li>• Implementing key recommendations from the Change the Record Campaign’s <i>Blueprint for Change</i>, specifically: <ul style="list-style-type: none"> <li>○ Funding the public service to develop a national, whole of government strategy to address imprisonment and violence rates</li> <li>○ A national target, based on a national agreement and sub-targets (to be agreed with states and territories, with funding as required for negotiations)</li> <li>○ Funding for the Department of the Prime Minister and Cabinet (PM&amp;C) to work with Commonwealth and state and territory agencies to improve data collection on Aboriginal and Torres Strait Islander incarceration.</li> <li>○ Funding for an independent review of laws, policies and strategies aimed at and related to Aboriginal and Torres Strait Islander improvement and violence rates, underpinned by a human rights approach.</li> <li>○ \$40m in grants funding over four years (capped, not including departmental costs) for projects to help reduce the rate of incarceration: \$10m a year starting in 2017-18.</li> </ul> </li> </ul>
<p>What is the purpose or intention of the policy?</p>	<p>To empower and support Aboriginal and Torres Strait Islander communities.</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>	-
<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>	<p>The following are capped funding amounts over the forward estimates:</p> <ul style="list-style-type: none"> <li>• \$15m per year for two years for projects to advance the national conversation on sovereignty and treaty</li> <li>• \$20m in grants for non-government organisations, to facilitate participation in the UNDRIP domestic implementation National Action Plan</li> <li>• \$15m for the National Congress of Australia’s First Peoples</li> <li>• \$556m over four years (excluding departmental costs) in additional funding for the Indigenous Advancement Strategy</li> <li>• \$40m in grants funding for projects to reduce the rate of incarceration.</li> </ul> <p>Additional funding for the Commonwealth public service will be needed for:</p> <ul style="list-style-type: none"> <li>• Developing a national, whole of government strategy to address imprisonment and violence rates.</li> <li>• A national target, based on a national agreement and sub-targets.</li> <li>• PM&amp;C to work with federal and state agencies to improve data collection on Aboriginal and Torres Strait Islander incarceration.</li> <li>• An independent review of laws, policies and strategies aimed at and related to Aboriginal and Torres Strait Islander imprisonment and violence rates are underpinned by a human-rights approach.</li> </ul>
<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>	PM&C (or other agencies as appropriate) to administer grants programs, which will involve projects by non-government organisations.
<p>Are there associated savings, offsets or expenses? If yes, please provide details.</p>	-
<p>Does the policy relate to a previous budget measure? If yes, which measure?</p>	\$556m in additional funding is to offset impacts of the reduction in funding in the 2014-15 Budget measure, <i>Indigenous Affairs Programme – rationalisation</i> , and the <i>Indigenous Advancement Strategy – indexation pause</i> .

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<p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?</p>	-			
<p>Will the funding/program cost require indexation? If yes, list factors to be used.</p>	-			
<p><b>Expected impacts of the proposal</b></p>				
<p>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?</p>				
<p><b>Estimated financial implications (outturn prices)<sup>(a)</sup></b></p>				
	2016–17	2017–18	2018–19	2019–20
Underlying cash balance (\$m)	157.6	179.9	164.4	161.2
Fiscal balance (\$m)	157.6	179.9	164.4	161.2
<p>(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.</p>				
<p>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)?</p>	-			
<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>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>	Improved support to empower Aboriginal and Torres Strait Islander peoples in multiple ways.			

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<b>Administration of policy:</b>	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	Department of Prime Minister and Cabinet to administer the majority of grant funding.
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).	-
Intended date of implementation:	Unless otherwise specified, 1 September 2016
Intended duration of policy:	Forward estimates
Are there transitional arrangements associated with policy implementation?	-
List major data sources utilised to develop policy (for example, ABS catalogue number 3201.0).	Change the Record – <a href="#">Blueprint for change</a>
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>	