



Compensation for Stolen Generation Survivors	
Party:	Australian Greens
Summary of proposal: This proposal would establish a compensation scheme for all surviving members of the Stolen Generations irrespective of whether they have previously accessed a state or territory-based compensation scheme. All members would receive a \$200,000 ex gratia payment per survivor plus a separate \$7,000 payment per survivor for funeral expenses. The proposal would commence from 1 July 2023.	

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$6,390 million over the 2022-23 Budget forward estimates period. This reflects an increase in administered expenses of \$6,376 million and an increase in departmental expenses of \$11.3 million.

The proposal would have a single year impact in 2023-24 and no further impact beyond the 2022-23 Budget forward estimates period. A breakdown of the financial implications (including separate Public Debt Interest (PDI) tables) is provided at Attachment A.

The financial implications of this proposal are sensitive to the number of surviving members of the Stolen Generations at the proposal's start date.

Table 1: Financial implications (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	-	-6,387.3	-	-	-6,387.3
Underlying cash balance	-	-6,387.3	-	-	-6,387.3

(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.

Key assumptions

The Parliamentary Budget Office has made the following assumptions in costing this proposal.

- All survivors would opt in to the scheme in the first year of the proposal.
- The separate \$7,000 payments per survivor for funeral expenses will be added to the one-off ex gratia payments.
 - The PBO does not have sufficient expertise, or information on the characteristics of survivors, to project when they will pass away. As such, we cannot provide a reliable estimate of making the \$7,000 payment at the time of the funeral.

- Departmental costs have been assumed to be equivalent to the number of survivors multiplied by the per person processing cost of the ABSTUDY payment.

Methodology

The projected number of surviving members of the Stolen Generations was based on the information released by the Australian Institute of Health and Welfare on the estimated number of survivors in 2018-19 as at June 2021. We applied the age distribution and mortality rates of Indigenous people to these numbers to estimate the number of survivors in 2023-24.

The administered expenses were estimated by multiplying the estimated number of survivors by the proposed payments.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.¹

Data sources

Australian Institute of Health and Welfare, *Aboriginal and Torres Strait Islander Stolen Generations aged 50 and over: updated analyses for 2018–19*. Available at: [Aboriginal and Torres Strait Islander Stolen Generations aged 50 and over: updated analyses for 2018–19, Summary - Australian Institute of Health and Welfare \(aihw.gov.au\)](https://www.aihw.gov.au/reports/aboriginal-and-torres-strait-islander-stolen-generations-aged-50-and-over/updated-analyses-for-2018-19-summary) [Accessed 4 April 2022].

Australian Institute of Health and Welfare, *Indigenous life expectancy and deaths*. [Online] Available at: <https://www.aihw.gov.au/reports/australias-health/indigenous-life-expectancy-and-deaths> [Accessed 4 April 2022].

Australian Institute of Health and Welfare, *Profile of Indigenous Australians*. [Online] Available at: <https://www.aihw.gov.au/reports/australias-welfare/profile-of-indigenous-australians> [Accessed 4 April 2022].

Services Australia provided the unit prices for social services payments as at the 2022-23 Budget.

¹ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information

Attachment A – Compensation for Stolen Generation Survivors – financial implications

Table A1: Compensation for Stolen Generation Survivors – Fiscal and underlying cash balances (\$m)^(a)

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Expenses													
Administered													
<i>\$200,000 ex-gratia payments</i>	-	-6,160.0	-	-	-	-	-	-	-	-	-	-6,160.0	-6,160.0
<i>\$7,000 funeral payments</i>	-	-216.0	-	-	-	-	-	-	-	-	-	-216.0	-216.0
Total – administered	-	-6,376.0	-	-	-	-	-	-	-	-	-	-6,376.0	-6,376.0
Departmental													
<i>Departmental expenses</i>	-	-11.3	-	-	-	-	-	-	-	-	-	-11.3	-11.3
Total – departmental	-	-11.3	-	-	-	-	-	-	-	-	-	-11.3	-11.3
Total (excluding PDI)	-	-6,387.3	-	-	-	-	-	-	-	-	-	-6,387.3	-6,387.3

(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: Compensation for Stolen Generation Survivors – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
Fiscal balance	-	-72.0	-147.0	-150.0	-154.0	-158.0	-162.0	-167.0	-173.0	-178.0	-185.0	-369.0	-1,546.0
Underlying cash balance	-	-64.0	-138.0	-149.0	-153.0	-157.0	-162.0	-167.0	-172.0	-178.0	-184.0	-351.0	-1,524.0

- (a) As this table is presented as a memorandum item, these figures are not reflected in the total in the table 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 glossary².
- (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.
- Indicates nil.

² [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)