

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE
ATTORNEY-GENERAL'S DEPARTMENT

Output 1.7

Question No. 45

Senator McLucas asked the following question at the hearing on 24 May 2006:

Funding allocation models: Can a laypersons explanation of how the arithmetic turns into the final allocation be provided?

The answer to the honourable senator's question is as follows:

Since 1 July 2005, funding for Indigenous legal aid services has been allocated nationally according to a new, needs-based Funding Allocation Model (FAM). The funding allocated to a particular geographical area is a product of the amount of funding available nationally to which four main factors relevant to that geographical area are applied: demography, regional dispersion, removal from family and prison locations.

The two most significant factors are demography, particularly the Indigenous population and the age/sex distribution within that population, and regional dispersion. Due to the importance of these two factors they have a higher weighting in the model.

Two special purpose factors for residents removed from their families as children and for prison locations are included in the model. These factors take into account issues, other than the usual crime-related issues, which place additional burdens on legal service providers. The former results in additional civil and family law matters, particularly for women, while regions containing prisons experience significant additional demand from non-residents, due to their remand in custody at the prisons located in their region.

The FAM will be reviewed prior to the commencement of the next contractual cycle and it has the capacity to incorporate additional factors as empirical data becomes available to support the accurate weighting of those factors. The following factors have been identified as requiring future research: the costs imposed by geographic isolation, low population density, and costs associated with Indigenous language and the use of interpreters. The ability to revise the FAM will ensure that the model remains up-to-date and flexible.