

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Supplementary Budget Estimates 15-18 October 2012

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1.1 Domestic Policy

Topic: COAG/NDIS Funding

Senator: Senator Fifield

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Date set by the committee for the return of answer: 30 November 2012

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Question:

Senator FIFIELD: When in writing was a concrete funding apportionment proposal for launch sites given to the states, whether that be via PM&C, via a letter from Minister Macklin or via a letter from the Prime Minister to the Premiers?

Ms Cross: We would have to take that on notice, but it would have been very soon after the budget. Each state would have been given an indication of what they were expected to contribute. Senator FIFIELD: What I am trying to get at is whether what was put to the states on the day of the COAG was different to that which had previously been conveyed or if indeed what was put to the states at the COAG was the first time the states had actually had a concrete proposal put to them.

Ms Cross: The concrete proposal that was in front of the states for several months was that they needed, with existing and new money, to provide \$20,779 per client in the launch site. On the day of COAG, there may have been discussions between the Prime Minister and the premiers about whether that might be a different amount, but that concrete proposal of \$20,779 had been on the table since the budget.

Senator FIFIELD: It occurs to me to say, taking Tasmania and South Australia, that, if there was a concrete proposal back in May that was formally conveyed, a lot had changed since then, because the launch sites in Tasmania and South Australia are not the sorts of launch sites which were envisaged by the Productivity Commission. They are not geographically specific. They are not covering all cohorts. I am just trying to follow through how things happened.

Ms Cross: The average cost per package will still be around \$35,000 per person. In South Australia, because it is a child cohort, the PC had included estimates that the average cost for a child would be 30 per cent of the full package costs, so South Australia, using the PC estimates, could make that adjustment. Tasmania, because they are not in that child cohort, would be working on an average cost of around

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\$35,000, of which we were asking the states to contribute the \$20,779 of new and existing funding.

Senator FIFIELD: If you could take the matters I have raised on notice, that would be appreciated. Just from the outside, it looks like maybe some states were dealt with more intensively and more closely and were taken into greater confidence than other jurisdictions, as evidenced by the fact that some states on the day itself were able to say, "Yes, we have agreement."

Answer:

The Commonwealth discussed the States' contribution to the launch of \$20,779 per eligible participant in multilateral forums on 9, 16 and 17 May, in bilateral forums on 18, 21, 22 and 23 May, and followed this up in writing with a funding fact sheet emailed to all jurisdictions on 29 May.