

## **PRIME MINISTER AND CABINET**

### **Establishment of the Federation Fund**

**Function: Contingency Reserve, Legislative and Executive Affairs**

#### **Financial Implications (\$m)**

| 1997-98 | 1998-99 | 1999-00 | 2000-01 |
|---------|---------|---------|---------|
| 0.0     | 100.0   | 200.0   | 300.0   |

#### **Explanation**

The purpose of the Federation Fund is to finance a number of major projects of national significance. The projects are to be well advanced but not necessarily completed by the Centenary of Federation in 2001 and will be selected on the basis that they will generate jobs in the construction phase and make a significant and ongoing contribution to Australia and the Australian economy. The Federation Fund will be established as a separate Trust Account within the Commonwealth Public Account with total funds of \$1 billion. The balance of the fund will be drawn down after 2000-01, with a large part of that expected to be in 2001-02.

The Federation Fund will as appropriate, fully fund projects, augment existing funding or contribute on a matching basis with other governments and the private sector. There will be a reasonable geographic spread of projects around Australia. Projects will be selected by the Commonwealth Government in consultation with State Governments. The Prime Minister will be writing to Premiers and Chief Ministers indicating the broad criteria that will apply for possible projects and seeking their views on possible projects that might be financed from the Federation Fund.

It has already been decided to draw on the Federation Fund from 1998-99 onwards to finance the cost of constructing the National Museum of Australia and the associated building for the Australian Institute of Aboriginal and Torres Strait Islander Studies. A separate appropriation of \$7 million has been made in the Budget so that construction of the Museum can begin promptly on the Acton Peninsula in the Australian Capital Territory.

## **PRIME MINISTER AND CABINET**

### **Improved integration of young offenders into mainstream community and economic life - Pilot projects**

**Function: Public Order and Safety**

#### **Financial Implications (\$m)**

| 1997-98 | 1998-99 | 1999-00 | 2000-01 |
|---------|---------|---------|---------|
| 1.0     | 0.0     | 0.0     | 0.0     |

#### **Explanation**

These pilots respond to community concern about the need for young offenders to be reintegrated, as far as possible, into economic and community life. The pilots recognise that young offenders are a disadvantaged group and that their lives are variously

characterised by unemployment, low levels of educational attainment, family breakdown, abuse, poor health and alcohol and substance abuse. While juvenile justice is primarily a State responsibility, the Commonwealth assists young offenders through income support, and employment, education and training assistance.

The pilots will involve a cooperative approach to service delivery by the Commonwealth and States.

The pilots will aim to improve the employment, education and training outcomes for young offenders and thereby reduce reliance on income support in the long-term. They will also identify initiatives which could, over time, reduce the over-representation of young indigenous people in the juvenile justice system. Initiatives to be piloted include:

- enhanced diversionary approaches for young indigenous offenders (including community based residential camps, placing young offenders with Community Development Employment Projects and community initiated night patrols);
- improved coordination of case management for young offenders and ex-offenders through a single case manager and Commonwealth/State protocols covering mutual roles and responsibilities; and
- better integration of various forms of support for young offenders.

The pilots will be established in consultation with the Aboriginal and Torres Strait Islander Commission, the Department of Employment, Education, Training and Youth Affairs and the States and will be operational before the end of 1997.

The Commonwealth has set aside \$1 million in 1997-98 to facilitate and evaluate the pilots.

## **PRIME MINISTER AND CABINET**

### **Operational funding for national women's non-government organisations**

**Function: Legislative and Executive Affairs**

#### **Financial Implications (\$m)**

| 1997-98 | 1998-99 | 1999-00 | 2000-01 |
|---------|---------|---------|---------|
| 0.5     | 0.5     | 0.5     | 0.5     |

#### **Explanation**

On 6 December 1996, the Minister Assisting the Prime Minister for the Status of Women announced that the National Agenda for Women grants programme will cease, and that from 1997-98 non-government women's organisations will be encouraged to apply for mainstream funding through programmes.

This measure replaces the National Agenda for Women grants programme and provides for a new grants programme limited to a number of key national women's organisations that are unlikely to be accommodated within mainstream portfolio programmes. The programme is part of a wider strategy which will reduce fragmentation of assistance and government administration costs while increasing accountability.

Organisations receiving these grants will have a demonstrated capacity to represent issues of concern to membership at the Federal and State Government and community levels.

## **PRIME MINISTER AND CABINET**

### **Organisation and conduct of the Constitutional Convention**

**Function: Legislative and Executive Affairs**

#### **Financial Implications (\$m)**

|                            | 1997-98    | 1998-99    | 1999-00    | 2000-01    |
|----------------------------|------------|------------|------------|------------|
| Administrative Services    | 0.1        | 0.0        | 0.0        | 0.0        |
| Parliament                 | 0.0        | 0.0        | 0.0        | 0.0        |
| Prime Minister and Cabinet | 3.8        | 0.0        | 0.0        | 0.0        |
| <b>TOTAL</b>               | <b>3.9</b> | <b>0.0</b> | <b>0.0</b> | <b>0.0</b> |

#### **Explanation**

The Constitutional Convention will meet in December 1997 in Canberra. It will be attended by 152 delegates, half of whom will be appointed by the Government and half of whom will be directly elected through a non-compulsory postal ballot to be conducted by the Australian Electoral Commission. The Convention will consider:

- whether or not Australia should become a republic;
- which republic model might be put to the electorate to consider against the status quo; and
- the timetable or circumstances in which any change might be considered.

The Convention will be preceded by a public information programme, involving the wide distribution of balanced and easily understood information on the key issues to be considered.

## **PRIME MINISTER AND CABINET**

### **Aboriginal and Torres Strait Islander Affairs Agencies funding arrangements - Guaranteed funding with an increased base**

**Function: Social Security and Welfare**

#### **Financial Implications (\$m)**

| 1997-98 | 1998-99 | 1999-00 | 2000-01 |
|---------|---------|---------|---------|
| 15.0    | 15.2    | 15.5    | 15.8    |

#### **Explanation**

The Government has agreed to guarantee funding for Aboriginal and Torres Strait Islander Affairs over the four years 1997-98 to 2000-01. Existing estimates are to be increased on the basis that new policy proposals over the period will be accommodated

within the agreed global allocations, except for any adjustments necessary as a result of transfers of functions or major new policy not anticipated at this time.

The provision of a four-year funding guarantee, together with the increase in the portfolio's allocations, will:

- provide the Aboriginal and Torres Strait Islander Commission Board with greater certainty about future funding levels;
- facilitate better planning and targeting of needs;
- provide greater flexibility in programme management; and
- enhance the Board's capacity to respond effectively to emerging needs and priorities.

Annual appropriations will continue to be subject to minor adjustment for indexation, across-the-board efficiency measures, and formula-based variations to Community Development Employment Projects (CDEPs) due to fluctuations in participant numbers.

#### **Further Information**

In 1996-97, the Government quarantined ATSIC's housing and infrastructure programme, native title claims assistance and the number of CDEP participants from the portfolio's contribution to Budget savings. Given the continuing priority attached to these areas by the Government, ATSIC's global funding arrangements will remain subject to the quarantining provisions implemented last year.