

Submission: Australian Federal Budget 2019-20

CBM Australia
February 2019

Summary of recommendations

In order to strengthen Australia's foreign policy, affirm a national legacy of leadership in disability-inclusive development, and restore transparency to the Australian aid program, the Australian Government should:

1. Overall aid budget:
 - 1.1. Scale up its aid program to approximately 0.295% GNI by 2021-22, in order to return Australia to the top half of rich country aid donors by the end of the next parliamentary term.
 - 1.2. Increase funding allocated to the Australian NGO Cooperation Program (ANCP) by \$30 million in the 2019-20 financial year.
2. Disability-inclusive development:
 - 2.1. Increase the existing \$12.9 million annual investment in disability-specific funding by \$1 million in the 2019-20 financial year.
 - 2.2. Ensure the Department of Foreign Affairs and Trade has sufficient core departmental budget for staff and associated support costs to enable the effective implementation, monitoring and advocacy to support current and subsequent *Development for All* strategies, in Canberra and at Posts.
 - 2.3. Over the forward estimates, commit dedicated funds to support the implementation of the Pacific Framework for the Rights of Persons with Disabilities, and mobilise other donors to contribute resources for this purpose.
3. Budget monitoring and reporting:
 - 3.1. Strengthen visibility of investments and performance in disability-inclusive development by reinstating reporting on disability to the *Australian Aid Budget Summary and Performance of Australian Aid* documents.
 - 3.2. Introduce and report against an ambitious target to accelerate disability inclusion efforts in all areas of aid investment.

1. Overall aid budget

1.1 Scaling up Australian aid

In the year since the introduction of Australia's flagship Foreign Policy White Paper, designed to guide a decade of influence and investment, the Australian Government has strengthened and specified its particular commitments to the Pacific region. Deemed a 'step up' grounded in a 'clear understanding of the region's potential as well as its challenges',¹ this foreign policy focus builds upon the relationships developed through years of targeted, effective aid investments. Yet this step up remains unaccompanied by growth in the overall Australian aid budget.

Although intra-portfolio reallocations have seen increased funds directed to the Pacific, growth in the aid budget as a whole is necessary to sustain development outcomes and underpin closer engagement, without compromising aid effectiveness and relations elsewhere in our region and beyond. Such growth is feasible in the 2019-20 financial year; with the Treasurer having announced a projected budget surplus at December's Mid-Year Economic and Fiscal Outlook,² the time is right to reconsider the projected freeze to the aid budget articulated in the forward estimates.

At minimum, the 2019-20 federal budget should commit to indexation of the Australian aid budget, in order to keep pace with the Consumer Price Index rate. However, there is scope to be more aspirational; in 2018, Australia was also assessed as the world's wealthiest country by median income.³ This indicates that Australian values of fairness and egalitarianism are matched by the means to act upon them. However, Australia currently ranks 19th among comparably wealthy donor countries, when assessed by aid as a proportion of gross national income.

In the 2019-20 federal budget, the Australian Government should commit to increasing aid in order to reach the top half of the ranked 29 members of the Organisation of Economic Cooperation and Development Assistance Committee by the end of the next Parliamentary term. This could be achieved by scaling up the aid program to approximately 0.295% GNI by 2021-22. This is consistent with the Australian Council for International Development's call to rebuild the aid program to 0.33% of GNI in the next six years, starting with a minimum increase to the aid program of 10% per year.

1.2 Investing in effectiveness through ANCP

Australian aid not only reflects the character of most Australians; it is also an effective investment in reducing poverty and inequality, and contributing to mutual development outcomes. The Australian NGO Cooperation Program (ANCP) has, since its inception, proved itself to be among the Australian aid program's most effective investments. In reporting its progress against the

¹ Minister for Foreign Affairs Senator the Hon Marise Payne, 10 September 2018. *State of the Pacific Conference: Welcoming Remarks*. Available at foreignminister.gov.au/speeches/Pages/2018/mp_sp_180910.aspx.

² Treasurer the Hon Josh Frydenberg MP, 17 December 2018. *2018-19 Mid-Year Economic and Fiscal Outlook*. Available from jaf.ministers.treasury.gov.au/media-release/075-2018.

³ Credit Suisse Research Institute, 2018. *Global Wealth Report 2018*. p. 7.

Sustainable Development Goals, the Australian Government cited ANCP initiatives—including CBM Australia’s partnership with the NORFIL Foundation in the Philippines to establish groups of parents of children with disabilities to work with local councils—as evidence of Australia’s commitment and performance in prioritising equality and inclusion.⁴

With ANCP projects held up as examples of Australian best practice in achieving impact and implementing the 2030 Agenda for Sustainable Development, the Australian Government should increase its financial investment in the program. ANCP has rightly been shielded from some past budget cuts, and has even received small increases in funding, but the program continues to yield disproportionately high outcomes relative to financial size. In the 2019-20 federal budget, the Australian Government should therefore invest in performance, and increase funding to ANCP by \$30 million for the coming financial year.

2. Disability-inclusive development

2.1 Increasing disability-specific funding

In 2019, the Australian Government and global community of disability-inclusive development actors will mark ten years since the introduction of *Development for All*; Australia’s—and the world’s—first strategy for disability-inclusive international development.

In the decade since, consistent bipartisanship has driven real achievements, including embedding disability inclusion as a crosscutting theme of Australia’s aid program;⁵ establishing inclusive approaches to humanitarian response and disaster preparedness;⁶ and facilitating high-level policy discussions through co-chairing the Global Action on Disability Network.⁷ At the highest levels, a recent Office of Development Effectiveness (ODE) evaluation of implementation of *Development for All* found that the aid program has made good progress in strengthening disability inclusion. This was attributed, in part, to enablers including dedicated funding for disability-inclusive development, which was described by evaluation respondents as ‘catalytic’⁸ and a ‘key driver’⁹ for effective inclusion practice.

The same evaluation also found scope for improvement. In order for Australia to maintain and build upon its global leadership in disability-inclusive development, there is an identified need for the aid program to strengthen outcomes in lagging areas including regional programs; sectors such as infrastructure, agriculture, water and livelihoods; and the participation of Disabled People’s Organisations (DPOs) in humanitarian assistance.¹⁰ Without additional, dedicated funding, these priority action areas will continue to fall behind.

⁴ Australian Government, 2018. *Report on the Implementation of the Sustainable Development Goals*. DFAT, Canberra. p. 72.

⁵ Office of Development Effectiveness, 2018. *Development for All: Evaluation of progress made in strengthening disability inclusion in Australian aid*. DFAT, Canberra. p. 2.

⁶ Australian Government, 2017. *Fact sheet: Australian Humanitarian Partnership*. DFAT, Canberra.

⁷ GLAD Network. *The Network*. Available from gladnetwork.net/network.

⁸ Office of Development Effectiveness. p. 59.

⁹ Office of Development Effectiveness. p. 60.

¹⁰ Office of Development Effectiveness. p. 3.

Despite the abundant need and evidence for budgetary growth, funding for disability-inclusive development has remained stagnant at \$12.9 million per annum since the introduction of the current *Development for All* strategy in 2015; this amount has not even grown in line with the Consumer Price Index. In order to make up for lost funding and drive urgent action in the final year of the current strategy, the Australian Government should increase the existing \$12.9 million annual investment in disability-specific funding by \$1 million in the 2019-20 federal budget.

2.2 Equipping DFAT to deliver on DID commitments

The ODE evaluation also found that performance in disability-inclusive development was supported by access to expertise and technical assistance, both internal and external. The evaluation explicitly called for the Australian Government to '[build] DFAT's internal technical capacity to support disability inclusion by significantly increasing the number of staff positions in the Disability Section in Canberra',¹¹ among other measures. CBM Australia strongly supports this recommendation. While increased administered funds to support disability inclusion in the Australian aid program are critical, their correlation to outcomes in programs and policy depends on increased capacity to deliver targeted support, both in Canberra and at Posts.

In the 2019-20 federal budget, the Australian Government should ensure that DFAT has sufficient core departmental budget for staff and associated support costs to enable the effective implementation, monitoring and advocacy supporting the implementation of current and subsequent *Development for All* strategies on disability inclusion.

2.3 Supporting a regional approach to disability rights in the Pacific

The Australian Government's overarching and renewed commitment to the Pacific provides significant opportunities to support much-needed disability inclusion outcomes, while asserting continued leadership in the region. The Pacific is home to a number of highly capable Disabled People's Organisations, such as the regional Pacific Disability Forum; however, stretched capacity combined with complex needs has meant that progress in ensuring the inclusion of people with disabilities in development efforts has been historically mixed. At the expiry of the Millennium Development Goals, countries in the Pacific recorded notable achievements in improving early childhood education. But many children with disabilities were left behind: in Vanuatu, only 15 per cent of girls with disabilities were completing primary education, compared to 72 per cent without disabilities.¹²

In the years since, new rights-based development frameworks have been introduced to bolster inclusion in the era of the Sustainable Development Goals. The *Pacific Framework for the Rights of Persons with Disabilities: 2016-2025* (PFRPD) in particular exists to 'support Pacific governments to promote, protect and fulfil the rights of persons with disabilities as outlined in the [UN Convention

¹¹ *Ibid.*

¹² Vanuatu National Statistics Office and UNICEF, 2015. *Children, Women and Men with Disabilities in Vanuatu: What do the data say?* UNICEF, Suva. p. 33.

on the Rights of Persons with Disabilities] and provide a regional modality to strengthen coordination and collaboration in support of national initiatives.’¹³ To date, however, progress towards the PFRPD’s intended outcomes has stalled, due largely to limited funding available for its implementation.

As a significant Pacific donor, influential development partner, and good neighbour, the Australian Government should commit to making implementation of the PFRPD a priority as it ‘steps up’ Pacific engagement and moves towards the third iteration of the *Development for All* strategy. Over the forward estimates, the Australian Government should commit dedicated funds to supporting the implementation of the PFRPD, and mobilise other donors to contribute resources for this purpose.

The strategic direction, necessary governance mechanisms and regional buy-in for a cohesive approach to disability inclusion in the Pacific have been established; it is now up to those with the financial means, including the Australian Government, to invest in its success.

3. Budget monitoring and reporting

3.1 Restoring reporting on disability

In the 2018-19 federal budget, funding for disability-inclusive development remained stagnant at \$12.9 million; however, a glance at the publicly available budget papers would suggest that disability inclusion had vanished entirely as a priority from the Australian aid program. While disability historically appeared as a distinct line item in the *Australian Aid Budget Summary* produced by DFAT, no such line was included in the 2018-19 summary report.¹⁴

Similarly, reporting against disability inclusion performance has also declined in recent years; where the *Performance of Australian Aid* report once noted how Australian aid investments in varied sectors had performed in identifying barriers to inclusion and engaging with DPOs, such data was absent from the most recent report.¹⁵ The missing information was subsequently tabled through the 2018 Budget Estimates process, indicating that the performance data was available but had been actively excluded from public reporting.

Perhaps unsurprisingly, the data showed a substantial decline in disability-inclusive development performance. If the Australian Government is serious about maintaining its leadership, supporting disability rights, and leaving no one behind in Australian aid efforts, declines in performance cannot be obscured; they must be published, addressed and used to drive improvements.

In preparing to launch the 2019-20 federal budget, the Australian Government should strengthen the visibility of investments and performance in disability-inclusive development by returning

¹³ Pacific Islands Forum Secretariat, 2016. *Pacific Framework for the Rights of Persons with Disabilities: 2016 -2025*. PIFS, Suva. p. 5.

¹⁴ See Australian Government, 2017. *Australian Aid Budget Summary 2017-18*. DFAT, Canberra. p. 8 and Australian Government, 2018. *Australian Aid Budget Summary 2018-19*. DFAT, Canberra. p. 8.

¹⁵ See Australian Government, 2017. *Performance of Australian Aid 2015-16*. DFAT, Canberra. p. 93-94 and Australian Government, 2018. *Performance of Australian Aid 2016-17*. DFAT, Canberra. p. 66.

reporting on disability to *the Australian Aid Budget Summary and Performance of Australian Aid* documents.

3.2 Accelerating progress through a target for disability-inclusive development

In the context of marking a decade of achievement in including people with disabilities in Australian aid efforts, the introduction of an ambitious target to accelerate disability inclusion efforts in all areas of Australian aid investment would be timely.

In publicly available performance reports, action on disability inclusion has been variable across Australian aid initiatives. While thematic areas such as education and health have performed consistently strongly in identifying and addressing barriers to inclusion, as well as actively engaging DPOs, other sectors including agriculture, infrastructure and trade are falling increasingly further behind.¹⁶

In order to ensure that any increases to the disability-inclusive development budget are accompanied by improved performance, the Australian Government should introduce a target of a 15 per cent increase in the number of aid investments, in each investment priority area, rated 'satisfactory' on disability inclusion.

About CBM Australia

CBM Australia is a Christian international development agency, committed to improving the quality of life of people with disability in the poorest places in the world. In 2018, CBM Australia supported field projects in 11 countries and supported partners including governments, multilateral organisations, non-government organisations and DPOs in 18 countries.

CBM Australia is proud to have a partnership with the Department of Foreign Affairs and Trade (DFAT) as part of the Australian NGO Cooperation Program (ANCP), and is a member of the Australian Council for International Development.

¹⁶ See Australian Government, 2017. *Performance of Australian Aid 2015-16*. DFAT, Canberra. p. 94.