Regional Australia Impact Statements—Guidance for Drafters

July 2023

Purpose of the RAIS process

A Regional Australia Impact Statement (RAIS) provides supporting analysis for a New Policy Proposal (NPP) or Cabinet Submission to help policymakers understand how proposals affect individuals, organisations and communities in regional, rural and remote Australia (including Australian Government administered Territories) differently to those in metropolitan Australia, and ensures policy solutions remain effective in these locations. For example, proposals should consider the relevance of geographic distance, small markets, local governance arrangements and economies of scale that can contribute to differential impacts for regional Australia, or whether they require specific consideration as part of implementation.

In addition, a RAIS also demonstrates how an NPP or Submission aligns with the Government's Regional Investment Framework (RIF). The RIF sets out how the Government expects regional investment to be delivered – valuing local voices, informed by evidence, operating with integrity and coordinated across governments. A RAIS provides an opportunity to outline how a proposal aligns with this approach¹, including the RIF principles and priority focus areas of people, places, services, and industries and local economies.

Consideration for the unique contexts within and across regional areas in policy design results in improved equity, improved outcomes and the continued wellbeing of our regional communities and economies.

Determining whether to complete a RAIS

A RAIS may be recommended by the RAIS team at the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) if a policy is focused on or will be implemented solely in regional Australia. The RAIS provides an opportunity to provide supporting analysis and further relevant information to better understand the regional context in which the proposal will be delivered, including alignment with the approach and principles outlined in the RIF.

A RAIS may also be recommended where a policy is applicable to both regional and metropolitan Australia, but impacts, implementation or effectiveness differ in and across regional Australia. The RAIS

¹ Where proposals are based in or have a significant impact on Northern Australia, alignment with the Government's Northern Australia Agenda should also be considered. The <u>Northern Australia Agenda</u> is designed to deliver sustainable and resilient economic and social development in the north.

team will assist policy drafters in identifying relevant factors, such as demographic differences and market conditions, and developing further supporting analysis of regional impacts.

For example, a RAIS may be useful for policymakers where:

- A new grant program or funding arrangement is likely to include a large number of applicants,
 projects or beneficiaries located in regional Australia
- A proposal is being implemented nationwide, however specific regional implementation considerations are needed
- A grant program is intended to be open to applicants in the Australian Government administered
 Territories (Christmas Island, Cocos (Keeling) Islands, Norfolk Island and the Jervis Bay Territory),
 and implementation is dependent on the involvement of a State or Territory Government
- The proposal is targeted at a specific region/s
- The impact of the proposal will differ significantly between regional and metropolitan Australia or targets issues disproportionately affecting regional Australia, including consideration for secondary or unintended consequences
- A proposed **framework, strategy or significant policy statement** intends to inform future government investments that will affect regions.

The RAIS team are here to help you assess whether a separate RAIS would be beneficial, or whether the relevant regional impacts analysis has already been incorporated into the proposal and summarised within the relevant impacts table. You can send through your draft NPP or Submission, a summary of what your NPP or Submission will cover, or you can arrange to speak with a member of the RAIS team.

Where a separate RAIS may not be recommended, regional impacts and the proposals alignment with the RIF should still be addressed in:

- The appropriate sections in the submission and proposals, such as risks, sensitivities and implementation;
- The Impacts Table of submissions and proposals, where policy makers are asked to make a summary statement around key impacts.

A RAIS is **not** recommended for an NPP or Cabinet Submission that will have no or minimal impact on regional Australia, such as funding a facility in a capital city or seeking funding for departmental IT systems.

Alignment with the Regional Investment Framework

The assessment of potential regional impacts should align with the Government's <u>RIF</u>. The RIF outlines an approach on how investment is delivered that values local voices and priorities, is informed by and builds the evidence, operates with flexibility and transparency, and guides coordinated responses across government to make investments work better for regions. The RIF is guided by a set of principles that recognise investment is a shared responsibility, that adapts across regions and builds on the strengths of those regions to respond to challenges, informed by place- based and locally-informed decision-making.

Drafters can demonstrate alignment with the guiding principles of the RIF by showing how the proposal:

- supports the Government's ambition of 'no one held back and no one left behind'.
- has been developed or will be delivered in a collaborative way across the Commonwealth, and with State and Territory Governments, in a place-based way.
- demonstrates that local communities have been consulted or there are avenues for local people or regional organisations to inform the proposal further.
- recognises the unique features, strengths and opportunities of a region or regions, including where the proposal supports regions undergoing economic change or transition.

Drafters can also note whether their proposal falls into one or more of the four priority focus areas under the RIF to support key objectives of Government:

- Investing in people, including First Nations² policy and gender equality:
 - Listening to local voices and partnering with communities.
 - Targeted investment in skills, education, training and local leadership capacity.
- Investing in places
 - Supporting adaptive, accessible, sustainable and liveable regions.
 - Delivering infrastructure where and when it is needed
- Investing in services
 - Enhancing connectivity, accessibility and equity of services.
 - Investment including across communications, health, water, and transport.
- Investing in industries and local economies
 - Investment to help activate economic and industry growth.
 - Supporting the conditions needed for regional industries to diversify and grow.

Further guidance on applying the RIF when considering regional impacts can be found in the RAIS template.

RAIS for Classified Proposals

If you are drafting a proposal that has a classification higher than 'protected' and you consider a RAIS may be required, the RAIS team has some staff with the appropriate level of security clearance to provide assistance. In this first instance, please e-mail the RAIS team and provide a phone number so that a team member can contact you to discuss the best way to assess your proposal.

Assistance from DITRDCA

The RAIS team in DITRDCA supports Commonwealth agencies to consider the potential positive and negative regional impacts of any NPP, as well as any actions that could be taken to mitigate any potential unintended adverse consequences or implementation issues in regional Australia.

Early engagement with DITRDCA will support agencies to more effectively assess the regional impacts of an NPP. DITRDCA will provide advice on either NPPs or whole submissions, for which agencies may like to consider the regional impacts of an entire package in a single RAIS.

DITRDCA's holistic view of issues affecting regional Australia uniquely positions it to consider the impact of Australian Government policies on non-metropolitan areas, and allows it to link up policy makers with other relevant policies, programs or reviews. Where relevant, the RAIS team can engage with DITRDCA's local government team, Territories Division or the Office of Northern Australia on their respective policy areas.

In addition, DITRDCA can support policy drafters by providing insights garnered from Regional Development Australia Committees, and the data and evidence analysis and Regional Deputy Senior Officials Meetings conducted under the RIF. DITRDCA can also direct you to a range of data and resources to inform your consideration of the regional impacts of policies, including the Regional Data Hub. Publicly available resources are listed on the RAIS – Information Sources webpage.

Agencies can email rais@infrastructure.gov.au to get in touch.

² Where there are impacts on First Nations people, please contact the National Indigenous Australians Agency via FirstNationsImpacts@niaa.gov.au

Frequently Asked Questions

Is a RAIS recommended for part of an omnibus/PBS/one of many proposals in a submission?

If multiple NPPs in a submission require a RAIS, they may either be consolidated into one RAIS, or one RAIS could be included for each relevant NPP. Ultimately, the decision around approach (separate or consolidated RAIS) would be made by the lead agency. It is preferable to provide all NPPs in a submission for RAIS impact assessment at the same time to ensure a holistic assessment of regional impacts of the Submission can be made.

Is a RAIS recommended if the NPP is requesting an extension of an existing program?

If the extension of an existing program is expected to have a significant differential impact on regional, rural or remote communities, a RAIS may be recommended to draw these impacts out in further detail. If the regional impacts are minimal or can be sufficiently addressed in the proposal itself, then a RAIS is not likely to be required.

What if the proposal is too early in the process to identify impacts?

If the proposal is early in the policy development, a RAIS may not be required. It is critical to note any anticipated impacts, or note that any identified impacts will be managed through the design and implementation phases.

Is there a template?

Yes – please refer to our website for a simple template that can be used for your submission. As drafters are best placed to know the content of the submission, and determine the relevant impacts for a RAIS, this template is provided as guidance only.

What should be included in the Impacts Table?

The Impacts Table should include a summary statement of overall expected regional impacts and key regional considerations, including alignment with the Regional Investment Framework.

What is the recommended length of a RAIS?

The RAIS provides a succinct, evidence-based analysis of the significant regional impacts that are anticipated by this NPP to support Cabinet's decision-making process. The length will be dependent on the nature of the NPP and potential alignment with the RIF. Contact the RAIS team for assistance.

What kind of evidence should be used to demonstrate impact of a proposal on regional Australia?

Where a proposal has positive, negative, or unintended impacts on regional Australia, this is best demonstrated by using evidence in the form of data, facts or modelling where available. For example:

- The proposal may result in:
 - A reduction or gain of X number of jobs in a region
 - A reduction or growth of \$X in gross regional product
 - An impact on X% of employers in a regional industry.

- Regional Australia will be differently or more heavily impacted by a proposal because:
 - Regional Australia is home to a higher proportion of older (65+) citizens
 - People living in rural and remote areas generally have lower incomes but pay higher prices for goods and services
 - There are thin markets in childcare, aged and disability support in some areas.

What is the definition of regional?

The RAIS process does not prescribe a definition of 'regional'. Consistent with current practice, agencies should apply the most suitable definition from the suite of Commonwealth statistical boundaries that best achieves their policy and program objectives.

Where is the RAIS included within the Cabinet Submission?

The RAIS is an attachment to the Cabinet Submission, and typically sits immediately after the Regulatory Impact Statement in CabNet+.

Is there a reference number or approval ID?

No, the RAIS does not require a reference number for inclusion in the body of the submission. In the Impacts Table you may write "Refer to Regional Australia Impact Statement at Attachment [X]".

Where are the Northern Australia Boundaries?

The Australian Government <u>defines Northern Australia</u> as all of the Northern Territory and those parts of Queensland and Western Australia that intersect with the Tropic of Capricorn, as well as the Indian Ocean Territories of Christmas, Cocos and Keeling Islands.

How do the Australian Government-administered territories differ from other parts of regional Australia?

The non-self-governing territories of Christmas Island, Cocos (Keeling) Islands, Norfolk Island, the Jervis Bay Territory, the Ashmore and Cartier Islands, and the Coral Sea Islands are administered by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts on behalf of the Australian Government. There is no state-level government in these territories. Most state level services are delivered through Service Delivery Arrangements with a state or territory Government, directly by the private sector under contract, or by the department.

Policymakers should engage early with the Territories Division of DITRDCA to manage impacts and implementation issues.

The territories of Heard Island and McDonald Islands and the Australian Antarctic Territory are administered by the <u>Australian Antarctic Division</u> of the Department of Climate Change, Energy, the Environment and Water.