Regional Australia Impact Statements—Guidance for Drafters

September 2024

Purpose of the Regional Impact Statement

A Regional Australia Impact Statement (RAIS) provides supporting analysis for a New Policy Proposal (NPP) or Cabinet submission (submission) to help policymakers understand how proposals affect individuals, organisations and communities in regional, rural and remote Australia (including Australian Government administered Territories), and ensures policy solutions remain effective in these locations. For example, proposals and submissions 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, as well as whether proposals require specific consideration during the implementation phase.

Regional Investment Framework

A RAIS should demonstrate how an NPP or Cabinet submission aligns with the Government's <u>Regional Investment Framework (RIF)</u>. The RIF sets out how the Government expects regional investment to be delivered – valuing local voices, being informed by evidence, operating with integrity and coordinated across governments.

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.

A RAIS provides an opportunity to outline how a proposal aligns with this approach, including the RIF principles and priority focus areas of people, places, services, and industries and local economies. Consideration of the unique contexts within and across regional areas in policy design improves the equity outcomes and wellbeing of our regional communities and economies.

Determining whether to complete a RAIS

If a policy is focused on, or will be implemented solely in, regional Australia, preparation of a RAIS assures the Government that the RIF principles, priorities and focus areas have been considered in the development of the NPP or submission.

This also applies where a policy applies to both regional and metropolitan Australia, and its impacts, implementation or effectiveness differs in and across regional Australia.

The RAIS team can assist you to identify relevant factors to be considered in the RAIS, such as demographic differences and market conditions, and to develop 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 in regional Australia.
- A proposal is being implemented nationwide, however specific consideration of regional implementation is 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, the proposal targets issues disproportionately affecting regional Australia, and/or the proposal may have significant secondary or unintended consequences on regional Australia.
- A proposed **framework, strategy or significant policy statement** intends to inform future government investments that will affect regions.
- There is a need to cover the wider implications of the policy for regional Australia, or a specific region. For example: tourism, employment opportunities, training, flow on benefits to other cohorts.

Note that where a proposal is based in, or likely to have a significant impact on, Northern Australia, alignment with the Government's Northern Australia Agenda should also be set out. The Northern Australia Agenda is designed to deliver sustainable and resilient economic and social development in the north.

The RAIS team at the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the department) are here to help you assess whether a separate RAIS would be beneficial, or whether as appropriate the relevant regional impacts analysis has been incorporated into the proposal, and summarised in the relevant impacts table. As appropriate, you can share relevant information relating to your proposal or submission, or arrange to speak with a member of the RAIS team.

When a separate RAIS is not completed the proposal's regional impacts and alignment with the RIF should be addressed in the appropriate sections in the submission and proposals such as:

- Risks, sensitivities and implementation
- The Impacts Table where you should provide a summary statement about key impacts.

A RAIS is not essential for an NPP of 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

You 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.

You can also articulate how the proposal falls into one or more of the four priority focus areas under the RIF to support key objectives of Government.

The priority focus areas are set out below.

- Investing in people
 - 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 how to demonstrate that your proposal is aligned with the RIF is contained in the RAIS template.

The RIF also considers cross-cutting issues such as meeting the needs of, and providing opportunities for, First Nations people, supporting the transformation to a net zero economy and decarbonisation and achieving gender equality. Your RAIS does not need to duplicate information contained within First Nations or Gender Impact statements but it should briefly acknowledge intersecting impacts where appropriate.

- For proposals which are relevant to First Nations people, please consult the National Indigenous Australians Agency via FirstNationsImpacts@niaa.gov.au
- For proposals which are relevant to the transition to net zero, please consult the Net Zero Economy Agency via NZEA-Strategic-Policy@pmc.gov.au
- If your proposal is anticipated to have a different or disproportionate impact based on gender, please consult the Office for Women via GIA@pmc.gov.au

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 staff with the appropriate level of security clearance to provide assistance. 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 the department supports Commonwealth agencies to consider the potential positive and negative regional impacts of any NPP or Cabinet submission, as well as any actions that could be taken to mitigate potential unintended adverse consequences or implementation issues in regional Australia.

Early engagement with the team will support agencies to more effectively assess the regional impacts of an NPP or submission. The team can provide advice on either individual NPPs or submissions, including whether a single RAIS covering a package of NPPs may be appropriate.

The department's s holistic view of issues affecting regional Australia uniquely positions us to consider the impact of Australian Government policies on non-metropolitan areas, and to assist you to incorporate relevant policies, programs or reviews into your NPP or submission. Where relevant, the team can engage with the department's local government team, Territories Division or the Office of Northern Australia.

The department can support you by providing insights garnered from <u>Regional Development Australia</u> Committees and Regional Deputy Senior Officials Meetings. The department can also direct you to a range of resources including the <u>Regional Data Hub</u> and the <u>RAIS – Information Sources webpage</u>.

Email rais@infrastructure.gov.au to get in touch.

Frequently Asked Questions

Does a RAIS cover 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 about the approach to take (separate or consolidated RAIS) is made by the lead agency. It is preferable to consider 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 essential 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 beneficial 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, the 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 length of your RAIS will be depend on the nature of the NPP and its alignment with the RIF. The RAIS should provide a succinct, evidence-based analysis of the significant regional impacts that are anticipated by your NPP in order to support Cabinet's decision-making process. 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 is anticipated to have positive negative, or potential 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, for example where:
 - Regional Australia is home to a higher proportion of older (65+) citizens.
 - People living in rural and remote areas may be affected by differences in median incomes, median house and rental prices, and prices for goods and services.
 - There may be thin markets in childcare, education, health care, aged and disability support in some areas.

What is the definition of 'regional'?

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

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 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 the department 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.

Where is the RAIS placed within a Cabinet submission?

The RAIS is an attachment to the Cabinet submission, and typically sits immediately after the Regulatory Impact Statement in CabNet+. As an attachment, a RAIS does not need to duplicate information already found in an NPP or submission.

Does my RAIS need a reference number or approval ID?

No, the RAIS does not need a reference number. In the Impacts Table you may write "Refer to Regional Australia Impact Statement at Attachment [X]".