

Northern Territory Submission – Proposed approach and work program for the 2025 Methodology Review

Introduction

This submission responds to the Commonwealth Grants Commission (CGC) Discussion paper – *Proposed approach and work program for the 2025 Methodology Review*, provided to states and territories on 14 February 2023.

Submission

The Territory is broadly supportive of the proposed work program. The timeframes, as set out in the Terms of Reference, will be challenging and require joint effort by states, territories and the CGC to accommodate.

The Territory notes that the timing for submissions to the Tranche 1 assessment consultation papers is particularly compressed. Tranche 1 currently comprises the majority of as well as the larger assessment categories compared with Tranche 2. Moving some categories from Tranche 1 to Tranche 2, or creating additional tranches, is supported.

The Territory observes the advice in the 2023 Update that revised 2021 Census sociodemographic indigenous population data is expected to be released in August 2023. As this data is a significant driver of need in most assessment categories, the Territory considers this information is a key threshold issue that must be available for states and territories to analyse, before the Tranche 1 submissions are due. This will be challenging to accommodate within current timeframes and the Territory requests an extension of Tranche 1 submission timeframes.

The Territory is broadly supportive of the framing question, of *'what is different since the 2020 Review'*. However, pragmatic consideration will be required as data and government expenditure since 2020 has been heavily influenced by COVID-19 issues, which may not have the same impact on assessments beyond 2025.

To assist states and territories, and to aid the CGC in considering state submissions, other matters for CGC consideration include:

- Early CGC guidance, prior to the Tranche 1 and 2 papers, on areas where it considers methods are more likely to warrant revision or benefit from detailed submissions, and where existing methods are robust and unlikely to change without significant cause. This will assist in targeting submission content and maximise time available to respond.
- Provision of CGC submission templates for responses to Tranche 1 and 2 issues may benefit states and territories to structure arguments and allow simpler comparison and collation of responses for the CGC and states and territories.

The Territory also welcomes the invitation to meet with the CGC outside the scheduled submission dates as necessary, and supports the views expressed by other jurisdictions that multilateral meetings following the release of Tranche papers would be beneficial.