

Ask me later, Senator: aid questioning draws a blank at Estimates

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Anybody interested in the immediate future of Australian aid might spend a couple of hours ploughing through the [transcript](#) of the Department of Foreign Affairs and Trade's November 21 appearance before the Senate Foreign Affairs, Defence and Trade Legislation Committee. Alternatively, they could not bother. That's probably the better course of action.

The questions asked of officials were on the whole not well made or deployed. The answers received were, while by no means evasive, simply placeholders.

Below are some representative quotes from various senators and DFAT's Acting Secretary Paul Grigson on four points of interest, namely the articulation of the aid program's [overall objective](#), the incidence of midstream [reductions in the 2013-14 aid budget](#), the likely outcome of the [AusAID-DFAT integration](#) process and the magnitude and management of departmental [staffing reductions](#). (Senator Brandis, the Attorney-General, represents the Minister for Foreign Affairs in the Senate.)

Objective

Senator Rhiannon: What does national interest mean in determining aid allocation?

Mr Grigson: Senator, I described before the first principle in [the principles that were distributed](#), in terms of integration, and it was: 'Australia's aid program will promote Australia's national interests through contributing to international economic growth'—so that is one national interest—and poverty reduction', which is the second. It will be designed to implement and support Australian foreign and trade policy.

Senator Rhiannon: Does national interest mean a commercial advantage for Australia?

Mr Grigson: Not necessarily. As I said ... poverty reduction is one of two national interests outlined.

Budget

Senator Rhiannon: With regard to the \$656 million that the government has identified will be reduced in this financial year, what specific country and global programs and projects will be affected and by how much?

Mr Grigson: The government is still considering the final shape of the aid program, so I cannot give you the details around that at this point.

Senator Rhiannon: When will it be released?

Mr Grigson: When the government has made a decision about it.

Senator Moore: ... in terms of the aid budget ... is there any area that is quarantined and that is actually, for whatever reason, not subject to review because of budget considerations?

Senator Brandis: I am unaware of any area that is not subject to review. That having been said, of course, there will no doubt be many areas in which there are no cuts.

Senator Rhiannon: Prior to the election your now Foreign Minister stated in an [interview on Sky News with David Lipson](#) ... 'We will not be raiding overseas development assistance to do onshore [asylum seeker] processing.' Does that remain your position?

Senator Brandis: Senator, I will take the question on notice. I am certainly not aware of any change in that position.

Structure

Mr Grigson: There are a number of models around the world on integration. Where I think we will end up is with a model that we would describe as 'fully integrated', where you find officers working on foreign policy, trade policy and aid policy and programming side by side particularly in what we call 'geographic divisions'. There will of course be a need for specialist advice around aid policy and aid programming. We are very keen to retain those skills that AusAID certainly had. So in our final structure, which we have not decided on yet, we will make sure that we do protect that specialist type of skill that simply did not exist in the Department of Foreign Affairs and Trade.

Staffing

Mr Grigson: ... over time we will need to look at our structure and how we staff it, and there may well be a reduction in staff numbers. As always, we hope to achieve that through natural attrition but we will see where we get to over time ... we have a couple of variables that we are not yet certain about. The first ... is our integration structure and the second is that the government is considering the make-up of the aid program—and its decision on that will determine the staff we need to run certain types of programs. ... We are not planning on involuntary redundancies at this stage.

So, little has been added to the sum of pre-existing knowledge on any of the four points above.

Aid recipient countries and organisations still don't know—almost half-way through the financial year—where the government plans to inflict the \$656 million in announced cuts to the 2013-14 aid budget. It is still unclear whether and if so to what extent a pre-Howard era commercial objective might find its way into the government's notion of 'national interest', notwithstanding that DFAT's Secretary, Peter Varghese, has previously [told DFAT staff](#) it will not. It is still unknown whether the Coalition will stand by its pre-election opposition to [spending aid on asylum seeker processing](#). More generally, it is unclear whether or when we might expect to see a new policy framework for Australian aid.

As for aid management, we already knew AusAID would be 'fully integrated' into DFAT. DFAT's commitment to the preservation of core AusAID functions and skills in this process was more strongly expressed than it has been to date, though the upshot of that commitment won't be known until mid-2014. DFAT seemed concerned to avoid any implication that the impact of staffing reductions would fall disproportionately on former AusAID personnel. However, the department's rationale for [cancelling the AusAID graduate intake](#), rather than reviewing the whole department's intake, continues to suggest that integration-related cuts—as opposed to those related to the government's efficiency dividend—will be applied asymmetrically.

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