

ECR-2025-3108

Women policy portfolio – Women's Health - Birthing on Country maternity hubs Party: Australian Greens

Summary of proposal:

The proposal would establish and fund 5 Birthing on Country maternity hubs for First Nations families.

The policy would be ongoing and start on 1 July 2026.

Additional information (based on further advice provided):

The scale of the centres would be similar to those proposed by the Congress of Aboriginal and Torres Strait Islander Nurses and Midwives (CATSINaM) in its submission to the Senate Select Committee on Stillbirth Research and Education in October 2018.

Ongoing funding would be provided for 3 midwives, 2 family support workers, a driver and an administration officer at each of the 5 Birthing on Country hubs.

Costing overview

The proposal would be expected to decrease the fiscal and underlying cash balances by around \$79.3 million over the 2025-26 Budget forward estimates period (see Table 1). This reflects an increase in administered expenses to fund the construction and operation of the Birthing on Country hubs.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Women policy portfolio – Women's Health - Birthing on Country maternity hubs – Financial implications (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-	-35.7	-35.7	-7.9	-79.3
Underlying cash balance	-	-35.7	-35.7	-7.9	-79.3

⁽a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

⁽b) PDI impacts are not included in the totals.

⁻ Indicates nil.

Uncertainties

This costing is highly uncertain and sensitive to assumptions on the cost and timing of hub construction, the recruitment of staff, and the operational costs of the hubs.

In addition, the following caveats apply:

- This costing only provides an estimate of the cost of planning, building, staffing and operating the specified hubs, if they were to proceed as specified.
 - The Parliamentary Budget Office (PBO) makes no assessment as to whether the specified staffing level would be sufficient to meet demand which is assumed to be consistent with other acute care settings.
 - Demand for services from each of the proposed hubs is highly uncertain, particularly regarding the number of people who may switch from existing birthing services. For context:
 - Birthing on country services provided by Nowra-based South Coast Women's Health and Wellbeing Aboriginal Corporation supported 59 births in 2023-24.¹
 - According to Australian Bureau of Statistics (ABS) data, there were 8,543 births to Aboriginal and Torres Strait Islander mothers in New South Wales in 2023, 7,284 in Queensland and 1,283 in the Northern Territory.²
 - In the 2022-23 (October) Budget measure *Strengthening First Nations Health*³, funding was provided for a dedicated Birthing on Country Centre of Excellence in Nowra. The Centre is expected to be operational in 2025-26.
 - The PBO also makes no assessment of the ability to attract and retain sufficient staff. The PBO
 has assumed that recruitment can proceed to the specified timeframe and attract the specified
 quantity of staff, which is highly uncertain.
- The costing does not consider broader impacts of the policy, such as diverted service volumes from hospitals or other sectors.

Key assumptions

The PBO has made the following assumptions in costing this proposal.

- Hub construction and fit out would have a lead time of approximately 2 years, commencing 1 July 2026.
- The costs to build and fit-out each hub would be similar to the CATSINaM estimation, uplifted for inflation. In 2026-27, the cost to construct the specified hubs would be approximately \$14 million per hub, reflecting inflation in construction prices since the CATSINaM estimation of \$10 million in 2018.
- Sufficient staff would be recruited in time to operate the hubs.

¹ Resources - Waminda

² Births, Australia, Australian Bureau of Statistics

³ Strengthening First Nations Health: The Government will provide \$314.8 million over 5 years from 2022–23 to support the Government's commitment to close the gap for First Nations peoples' health and wellbeing outcomes. Funding includes \$22.5 million over 3 years from 2022–23 to build a dedicated Birthing on Country Centre of Excellence in Nowra, New South Wales, page 140, 2022-23 (October) Budget Paper No. 2.

- The specified staff members would be paid at the national median income for their respective professions, adjusted for wage growth, additional hours, on call time, and payment of superannuation.
- Non-staffing costs would comprise around 40% of ongoing operational costs, in line with average operating costs of acute care clinics as per *National Hospital Cost Data Collection* from the Independent Health and Aged Care Pricing Authority in 2020-21.

Methodology

The cost of hub construction and setup was calculated as per *Key assumptions* above. The cost of hub staffing was calculated by multiplying the number of required staff by the average salary for that profession reported by the ABS plus superannuation. Other operating costs were calculated as a similar percentage of non-staffing costs in acute care settings.

Financial implications were rounded consistent with the PBO's rounding rules.⁴

Data sources

Australian Bureau of Statistics (2024) <u>Employee earnings and wages (May 2023, data cube 11)</u>, accessed 25 May 2025.

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025,* Commonwealth of Australia.

Congress of Aboriginal and Torres Strait Islander Nurses and Midwives (2018) <u>Submission to the</u> <u>Senate Select Committee on Stillbirth Research and Education</u>, accessed 25 May 2025.

Independent Health and Aged Care Pricing Authority (2023) <u>National Hospital Cost Data Collection:</u> <u>Public Sector Report, 2020-21 Financial Year — June 2023</u>, accessed 25 May 2025.

⁴ https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules

Attachment A – Women policy portfolio – Women's Health - Birthing on Country maternity hubs – Financial implications

Table A1: Women policy portfolio - Women's Health - Birthing on Country maternity hubs - Fiscal and underlying cash balances (\$m)(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Administered													
Hub construction costs	-	-35.7	-35.7	-	-	-	-	-	-	-	-	-71.4	-71.4
Hub operating costs	-	-	-	-7.9	-8.1	-8.4	-8.8	-9.1	-9.4	-9.8	-10.1	-7.9	-71.6
Total (excluding PDI)	-	-35.7	-35.7	-7.9	-8.1	-8.4	-8.8	-9.1	-9.4	-9.8	-10.1	-79.3	-143.0

⁽a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

Table A2: Women policy portfolio – Women's Health - Birthing on Country maternity hubs – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)^{(a)(b)}

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-	-0.8	-2.4	-3.5	-4.0	-4.5	-5.1	-5.8	-6.4	-7.2	-7.9	-6.7	-47.6
Underlying cash balance	-	-0.6	-2.0	-3.2	-3.9	-4.4	-5.0	-5.6	-6.3	-7.0	-7.8	-5.8	-45.8

⁽a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary⁵.

⁻ Indicates nil.

⁽b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

Indicates nil.

⁵ Online budget glossary – Parliamentary Budget Office (pbo.gov.au)