

Evaluating Conflict Resolution in Central Australia

A Cost Benefit Analysis
of the
Yuendumu Mediation and Justice Committee

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Outline

- Background
 - Rhiân Williams
- Technique
 - Greg Barrett
- Conclusion
 - Anne Daly
- Discussion
 - you



Background

- Location
 - 350 km NW of Alice Springs on the Tanami Track
- History
 - 1946 ration depot
 - Central Desert Regional Council
- Community
 - Around 800 residents
 - Warlpiri
 - Yalpari (east), Waneiga (north), Walmalla (west) & Ngalia (south)
- Mediation
 - 2006-2012 community violence
 - Indigenous-led agreement making approach
 - 2010: Yuendumu Mediation and Justice Committee
 - Commissioning the evaluation



CBA track record

- Third Sydney runway
 - Teaching CBA at University of Canberra
- Public Housing in Australia
 - Productivity Commission inquiry
 - for National Shelter
- Kadavu Rural Health Project in Fiji
 - AusAID
- Right People for Country Project
 - Office of Aboriginal Affairs Victoria
- Yuendumu Mediation and Justice Committee
 - Central Desert Regional Council
- Accident Compensation Conciliation Service
 - Victorian statutory agency
- Mornington Island Restorative Justice Project
 - Junkuri Laka Wellesley Islands Aboriginal Law, Justice and Governance Association
- Galambany Court
 - Justice and Community Safety Directorate, ACT Government



Relevance of CBA

- Framework for comparing projects
 - Answers questions about value
- Widely used
 - Not just bridges
- Broad scope of analysis
 - Includes non-monetary benefits & costs
- Politically persuasive

So Why do a CBA of YM&JP?

A CBA offers a comparison point

State of society

Society with YM&JP vs Society without YM&JP

Measurement

What is YM&JP impact on society?

Aggregation – economic value

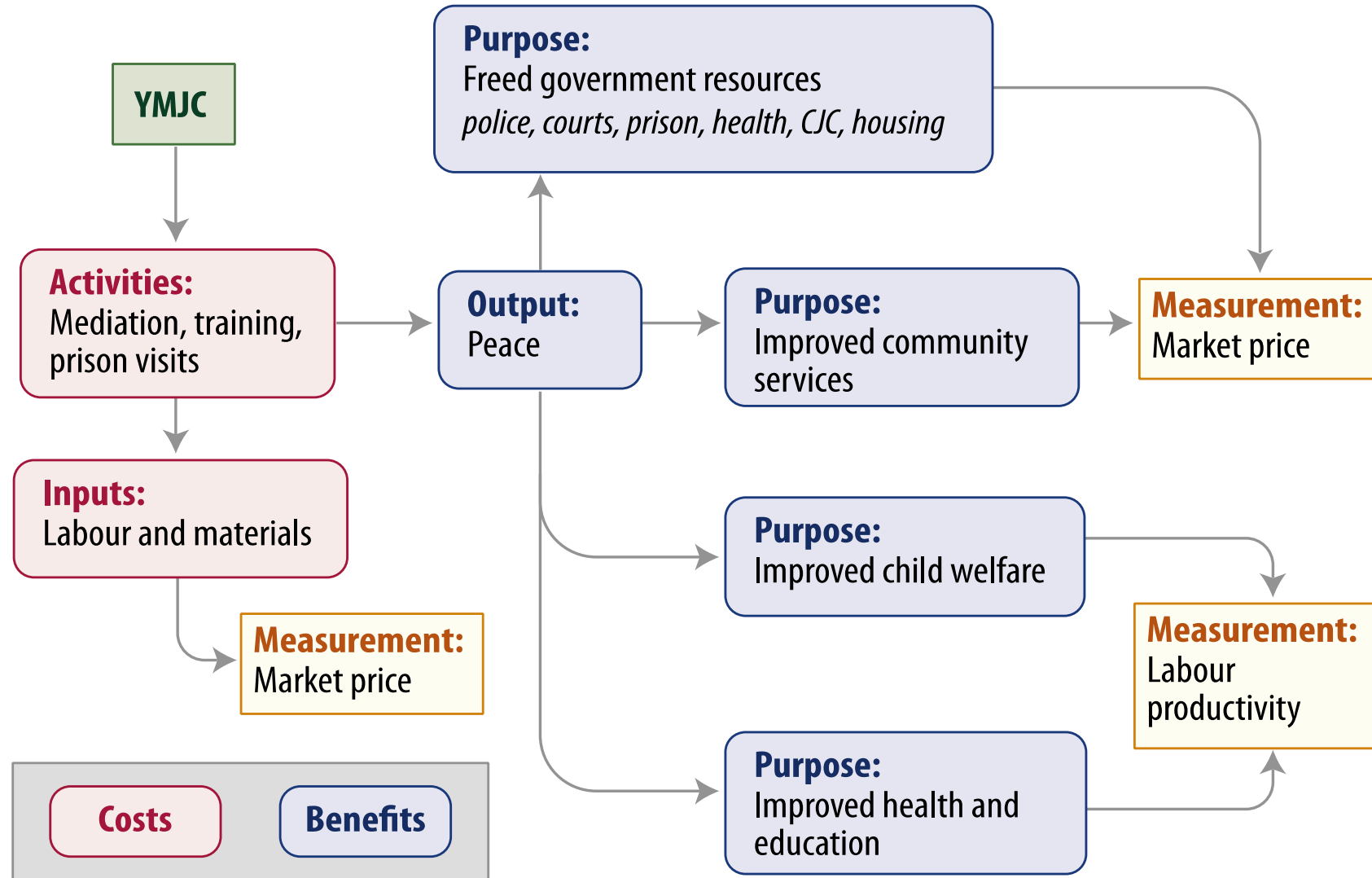
Money is not value: money measures value

Economic vs financial value

Technique: Project Impacts

- Identification
 - Literature, Stakeholders, Logframe
- Valuation
 - Markets, direct & indirect, expressed & actual
- Time
 - Discounting: 2% over ten years
- Comparison
 - Decision criteria: NPV, B/C, IRR
- Uncertainty
 - Sensitivity analysis
- Distribution
 - Incidence table

YM&JC Impact Chart



YM&JP Impacts

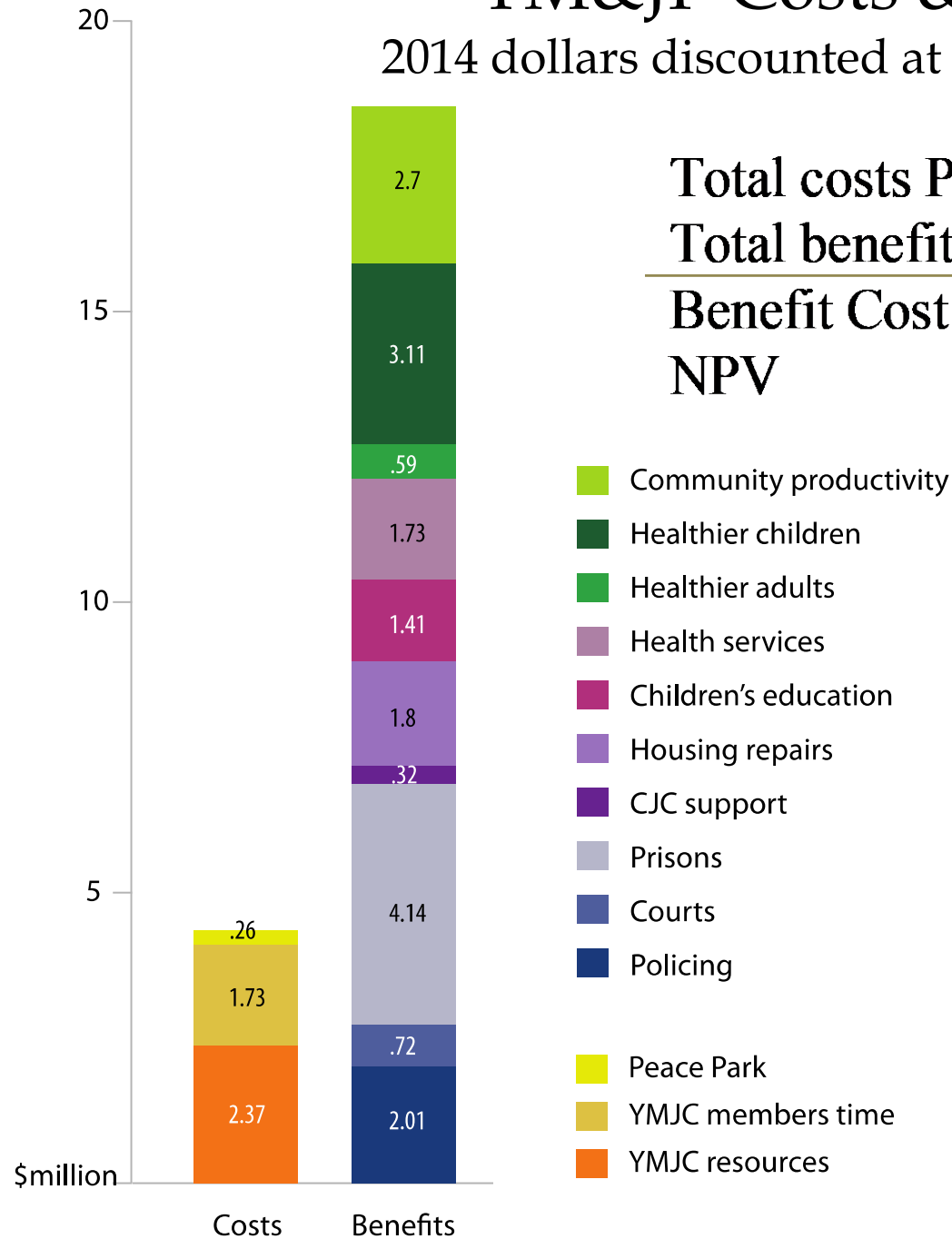
Participant	Cost	Benefit
YM&JC	member's time	nil
PM&C	grant money	fulfilling govt. policy, indirectly reducing welfare spending
CDRC	administration	more effective program delivery
NT Corrections	nil	cost savings
NT Dept. of Housing	nil	cost savings
NT CP&FS	nil	cost savings
NT CJC	training, mentoring	cost savings
NT Police	nil	cost savings
NT Courts	nil	cost savings
Yuendumu School	nil	better attendance & retention
NT Dept. of Health	nil	cost savings
Central Land Council	nil	access to clients
Community services	nil	cost savings, access to clients
Yuendumu residents	nil	better health & welfare increasing productivity

Technique: Project Impacts

- Identification
 - Literature, Stakeholders, Logframe
- Valuation
 - Economic values have a limited ethical basis
 - Market prices, labour productivity (wages)
- Time
 - Discounting: 2% over ten years
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 - Decision criteria: NPV, B/C, IRR
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YM&JP Costs & Benefits

2014 dollars discounted at 2% over ten years



Total costs PV

\$4,359,000

Total benefits PV

\$18,522,000

Benefit Cost Ratio

4.3

NPV

\$14,163,000



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Conclusions

- YM&JP adds to Australia's total welfare
 - Government support is justified
- Community mediation works
 - YM&JP won a Certificate of Merit
 - 2014 Australian Crime & Violence Prevention Awards
 - New community store opened in June 2016
 - More fresh fruit & vegetables
- CBA supports expansion to other communities
 - Amata in South Australia's APY Lands
 - Adopting Yuendumu mediation approach
- Economic & social justice objectives align

Thank you



Robert Robertson, Team Leader Yuendumu Mediation and Justice Program

CBA is available at

<http://www.centraldesert.nt.gov.au/yuendumu-justice-and-mediation-committee-independent-cost-benefit-analysis>

Benefit Cost Table

[illegible]