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COMMONWEALTH INDIGENOUS BUDGET BULLETIN

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The Commonwealth Indigenous Budget Bulletin – June 2009 is produced by *Macroeconomics* to engender discussion and debate on indigenous policy. Your feedback and suggestions for improving the Bulletin are appreciated.

Queries can be directed to the author:

Dr Lesley Russell*

T: 02 6161 3542

E: lesley.russell@macroeconomics.com.au

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The Indigenous Budget Bulletin is prepared by the Macroeconomics health team headed by Dr Lesley Russell (pictured below) to help engender public debate and scrutiny of indigenous budget policy. The bulletins are published at least twice a year (coinciding with the release of the Budget and the Mid Year Economic and Fiscal Outlook) along with supplementary features which are supplied as issues arise in relevant portfolios.



Dr Russell is a senior adviser to Macroeconomics on health economics and policy including program analysis. She is the inaugural Menzies Foundation Fellow at the Menzies Centre for Health Policy which is co-located at the University of Sydney and the Australian National University. She is actively involved in health policy research, analysis and commentary.

*To be included in the mailing distribution for future Macroeconomics policy releases please contact us during business hours on (02) 6161 3542 or by emailing [**office.manager@macroeconomics.com.au**](mailto:office.manager@macroeconomics.com.au)*



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In this Bulletin..

In its first year the Rudd Government recast the relationship between the Commonwealth Government and the Indigenous community by apologising for the stolen generation and making a bold commitment to 'close the gap' with respect to Indigenous life expectancy, child mortality, access to early childhood education, educational attainment and employment outcomes.

This Budget sees the Government taking its next steps to putting its stamp on Indigenous policy by outlining and funding further changes to the Northern Territory Emergency Response (NTER), detailing specific measures under its "closing the gap" commitment and, perhaps most importantly, setting out how funding for Indigenous policies and programs will be structured, in partnership with the States and Territories, through the National Partnership (NP) Agreements.

Over the past 12 months, through the Council of Australian Governments (COAG), the Australian Government and the States and Territories have committed a total of **\$4.6 billion** through NPs to initiatives to close the gap on Indigenous disadvantage. This includes \$1.9 billion / 10 years (\$834.6 million / 5 years) for remote Indigenous housing, \$1.6 billion / 4 years for Indigenous health and \$564 million / 6 years for Indigenous early childhood development. The 2009-10 Budget contains \$1.271 billion / 5 years in new spending for Indigenous initiatives. Of this new spending, \$807.4 million is allocated to initiatives in the Northern Territory.

The Rudd Government's own commitments to move beyond words to action have raised the bar in terms of delivering on Indigenous policies, making it imperative that there is both transparency and accountability in terms of measurable improvements in outcomes and real benefits delivered. The electorate and most importantly the Indigenous communities will measure the Rudd Government against this higher standard.

This and future budgets must deliver on this higher standard with additional resources for successful programs and new funding for new programs. We continue to make an allowance for the relatively early stages of implementation of new policies and frameworks. **However there are some concerning signs that commitments to transparency and evidence-based policy making are not eventuating.**



The highlight of the 2009-10 Indigenous Budget is the increasing evidence of cooperative efforts in tackling Indigenous disadvantage, across both levels of government and across portfolios. It is also pleasing to see, at long last, funding to eradicate trachoma in remote communities. We hope that trachoma teams are rolled out quickly to tackle this shameful **third-world** scourge.

The lowlight of the 2009-10 Indigenous Budget is the continuing lack of attention to the needs of urban Indigenous communities, whose needs, while different, are just as severe as those of remote communities. The ongoing focus on the NTER will ensure that the timeframe for 'closing the gap' is not met.

We stand by our call for the need for this important policy area to be included in future *Intergenerational* Reports and to be subject to review by the Productivity Commission because. **There is no short or medium term when it comes to successfully addressing Indigenous disadvantage.** Just broken more broken hearts and lives.

In this Bulletin we provide some overall Budget context and analysis and then focus on examining the impact of the Budget measures on policy and programs.

We hope that this Bulletin and future editions will help bring a higher profile to Indigenous policy and funding commitments over time, engender discussion and debate, and go some way towards holding the Government to account on its important commitments in this area.



1 Budget 2009-10: Overview & Commentary

The **Rudd Government's** performance on Indigenous policy in relation to the 2009-10 Budget must be judged against the promise to 'close the gap' on Indigenous disadvantage and its continuing commitment to the NT intervention.

1.1 The Budget

The 2009-10 Budget contains **\$1.271 billion / 5 years** in new spending for Indigenous initiatives. Of this new spending, **\$807.4 million** is allocated to initiatives in the Northern Territory. The Northern Territory Emergency Response (NTER) spending is allocated over three years (2009-10 to 2011-12), reflecting a commitment to review policies in 2011-12.

Only **\$232 million** of this new spending is in the health portfolio, virtually all of this for activities in the Northern Territory or rural and remote areas. The budget also takes savings of **\$25 million** from Indigenous health programs. This means that new health spending to help close the gap is less than **\$50 million / year**, and there is really no new spending for national programs. This spending allocation denies the fact that just over half the Indigenous population lives in major cities or inner regional areas and only one-quarter of the population lives in remote and very remote areas.

It is apparently the Government's intention to funnel new spending on health through the COAG National Partnerships (NPs). This is the best means of ensuring an integrated approach across both levels of government, but it does mean that, unless new reporting provisions are put in place, there is less transparency around the roll-out of funding commitments from governments and about the effectiveness of programs. There are some areas where it is unclear whether previous Commonwealth spending commitments are now included in the NPs.

An August 2008 Reconciliation Australia report concluded from an analysis of government budgets that if Indigenous disadvantage was alleviated, there would be an additional **\$8.3 billion** available to governments each year. The report finds there are sizeable economy-wide benefits to all Australians to be achieved from improving the quality of life and the health and educational attainment of Indigenous Australians. In today's economic climate, this is not a scenario that can be ignored.



1.2 COAG commitments

Over the past 12 months, through COAG, the Australian Government and the States and Territories have committed a total of \$4.6 billion through National Partnerships (NPs) to initiatives to close the gap on Indigenous disadvantage. This includes \$1.9 billion / 10 years (\$834.6 million / 5 years) for remote Indigenous housing, \$1.6 billion / 4 years for Indigenous health and \$564 million / 6 years for Indigenous early childhood development.

Table 1: Commonwealth funding contribution to Indigenous Reform National Partnerships 2008-09 to 2012-13

	2008-09 \$m	2009-10 \$m	2010-11 \$m	2011-12 \$m	2012-13 \$m	Total \$m
Indigenous Economic Development	\$15.0	\$39.8	\$39.8	\$38.9	\$39.2	\$172.7
Indigenous Health	-	\$82.7	\$157.2	\$247.6	\$318.0	\$805.5
Indigenous Remote Service Delivery	\$24.5	\$31.2	\$32.4	\$33.4	\$32.5	\$154.0
Indigenous Housing	\$400.0	\$60.0	\$15.8	\$174.2	\$184.5	\$834.6
Total	\$439.5	\$213.7	\$245.2	\$494.1	\$574.2	\$1,966.8

Source: COAG Communique, 29 November 2008

1.2.1 National Partnership for Indigenous Childhood Development

This NP, agreed in October 2008, provides for \$564 million / 6 years of joint funding to address the needs of Indigenous children in their early years. As part of the initiative, 35 Children and Family Centres will be established in areas of high Indigenous population and disadvantage to deliver integrated services for early learning, child care and family support programs. The funding will also provide increased access to ante-natal care, teenage reproductive and sexual health services, and child and maternal health services.



1.2.2 National Partnership on Remote Indigenous Housing

This 10-year NP, agreed in November 2008, will address overcrowding, homelessness, poor housing conditions and the severe housing shortage in remote Indigenous communities. Improving housing conditions will provide the foundation for lasting improvements in health, education and employment and make a major contribution towards closing the gap in Indigenous disadvantage. The total package of \$1.94 billion / 10 years will provide up to 4,200 new houses to be built in remote Indigenous communities and upgrades to around 4,800 existing houses with a program of major repairs commencing in 2008-09.

The NP also clarifies the responsibilities of the Commonwealth, the States and the Northern Territory, with the States the main deliverer of housing in remote Indigenous communities, providing standardised tenancy management and support consistent with public housing tenancy management.

1.2.3 National Partnership on Indigenous Economic Development

The 5-year NP on Indigenous Economic Development was agreed on November 2008. The Commonwealth and the States will invest \$228.8 million / 5 years (\$172.7 million Commonwealth funding and \$56.2 million State funding) to assist up to 13,000 Indigenous Australians into employment.

1.2.4 National Partnership on Indigenous Remote Service Delivery

The NP on Indigenous Remote Service Delivery, agreed in November 2008, has \$291.2 million / 6 years in joint funding to improve access to services by Indigenous Australians in remote areas. It will improve the delivery of services in 26 remote Indigenous locations comprised of 15 communities in the Northern Territory, four locations in the Cape York and Gulf regions in Queensland, three in Western Australia (at least two in the Kimberley), two in the Anangu Pitjantjatjara Yankunytjatjara Lands in South Australia and two remote locations in the Murdi Paaki region in western New South Wales. Benefits will include:

- improving outcomes through improved access to health, education, employment and other services in remote areas;
- revitalising Indigenous organisations with capacity to assist individuals and families to engage with all the opportunities associated with a better serviced region;



- greater economic opportunities (business investment and home ownership) as a result of resolution of land tenure and land administration issues; and
- over time, a reduced reliance on government transfer payments by individuals in remote communities.

1.2.5 National Partnership on Closing the Gap in Indigenous Health Outcomes

The NP on Closing the Gap in Indigenous Health Outcomes, announced by COAG on 29 November 2008, is funded at **\$1.6 billion / 4 years**, with the Commonwealth contributing \$806 million and the States \$772 million.

The proposal includes expanded primary health care and targeted prevention activities to reduce the burden of chronic disease in Indigenous people through:

- reduced smoking rates;
- increased uptake of Medicare Benefits Schedule-funded primary care services to Indigenous people with half of the adult population (15-65 years) receiving two adult health checks over the next four years;
- significantly improved coordination of care across the care continuum; and
- over time, a reduction in the average length of hospital stay and reduction in re-admissions.

Around \$470 million of the \$1.6 billion will be provided to improve chronic disease management and \$171 million will be provided to increase the capacity of the health workforce

The COAG commitment is that over a five-year period, around 55 per cent of the adult Indigenous population (around 155,000 people) will receive a health check with about 600,000 chronic disease services delivered. More than 90,000 Indigenous people with a chronic disease will be provided with a self-management program, while around 74,500 Indigenous people will receive financial assistance to improve access to Pharmaceutical Benefits Scheme medicines.



This NP is described as a 'down payment' on the significant investment needed by both levels of government to close the unacceptable gap in health and other outcomes between Indigenous and non-Indigenous Australians

Table 2: Commonwealth expenses in the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes, by subfunction

	Estimates		Projections	
	2009-10	2010-11	2011-12	2012-13
	\$m	\$m	\$m	\$m
Medical services and benefits	\$7	\$19	\$50	\$67
Pharmaceutical services and benefits	\$5	\$22	\$36	\$47
Aboriginal and Torres Strait Islander Health	\$26	\$39	\$27	\$27
Health services	\$6	\$28	\$50	\$65
General administration	\$33	\$51	\$87	\$112
<i>Total</i>	\$77	\$159	\$250	\$318

Source: Budget Paper 1

Table 1 shows a significant increase in Commonwealth spending on Indigenous health, with annual average real growth of 57.2 per cent across the forward estimates. This is due primarily to growth in MBS, PBS and health services. Spending in the Aboriginal and Torres Strait Islander sub-function grows in 2009-10 and 2010-11, but then plateaus. Budget Paper No 1 states that expenses in this sub-function are forecast to decline in 2012-13 as funding for the NTER in this year is yet to be determined.

It is worth noting that administrative expenses are high (43 per cent of expenditure in 2009-10, and an average of 36 per cent of expenditure each year over the forward estimates). If State and Territory administration costs are also of this level, then a significant part of the upfront investment in health care (as much as \$580 million / 4 years) is spent on bureaucracy, red tape, regulation and oversight.



1.2.6 National Indigenous Reform Agreement

The National Indigenous Reform Agreement (NIRA), agreed to by COAG in November 2008, is about the objectives, outcomes, outputs, performance measures and benchmarks that all governments have committed to achieving through their various National Agreements and NPs in order to close the gap in Indigenous disadvantage.

The NIRA will provide an overarching summary of action being taken against the closing the gap targets as well as the operation of the mainstream national agreements in health, schools, vocational education and training, disability services and housing and several NPs.



2 Health Budget and progress to date

2.1 Introduction

While the long term COAG National Partnerships framework reveal a substantial new investment in health spending to be done in partnership with the States and Territories the 2009-10 Budget, when taken in isolation, provides no sense that the Government is driving forward its commitments to improving Indigenous health.

A major concern continues to be the heavy focus on the NT, which has only 11 per cent of the Australia's Indigenous population. The Department of Health and Ageing (DoHA) Portfolio Budget Statement (PBS) for Outcome 8, Indigenous Health, clearly states that the Government is committed to increasing access to Indigenous-specific comprehensive primary health care services in the NT through the Expanding Health Services Delivery initiative.

However it is not clear what approaches the Government and DoHA are taking to ensuring that Indigenous people living outside the NT also have access to such services. Indeed one provision in the Budget cuts funding and will limit the number of urban brokerage sites that were proposed in 2006-07 as a means of improving Indigenous access to mainstream primary health care services. There is no publicly available information about how well the current brokerage services (there are three) are performing and there appears to be no other initiatives to help Indigenous people in metropolitan and regional areas better access mainstream services and to ensure that these are culturally sensitive.

While the forward estimates predict large increases in spending on medical services and the PBS for Indigenous patients, this is unlikely to occur without an expansion in the number of Aboriginal and Community Controlled Services and Aboriginal Medical Services. These services are used by at least 50 per cent of Indigenous Australians, particularly those with complex disease conditions. A large part of improving access to culturally sensitive health services is ensuring an increase in the number of Indigenous people working at all levels in the health workforce. There are no new initiatives to promote an increase in the Indigenous health workforce in this Budget.



The focus also needs to be beyond primary care services. There is growing evidence that Indigenous people do not get the same access as non-Indigenous people to acute care services, cancer screening and treatment, and rehabilitation services. Indigenous hospital patients are less likely to get diagnostic and therapeutic procedures such as angioplasty and bypass surgery and less likely to attend a cardiac rehabilitation program when they leave hospital.

Work is urgently needed to characterise and address the nature, level, sources and consequences of institutional and interpersonal discrimination in the health care system in order to reduce unfair treatment, ensure equitable care and improve outcomes for Indigenous patients.

The ability to do this is aggravated by the paucity of data that are available to measure the effectiveness of any interventions. The identification of Indigenous people in hospital and primary care records and in death registrations is a significant problem; reliable information about Indigenous hospital admittances and outcomes are not available in all states; and long-term national data on heart disease incidence and survival for Indigenous people are lacking.

The Australian Institute of Health and Welfare has for some time drawn attention to the relatively poor quality of the data on the health of Indigenous people, and the fact that comprehensive comparisons between states and territories are not possible. This situation cannot continue if the Government is serious about closing the mortality gap. It is therefore pleasing to see that funding has been provided (in the Contingency Reserve) to meet the COAG decision to invest in closing Indigenous data gaps.

This year's Health PBS provides quantitative deliverables, and having such targets, however vague, will enable some measurement of progress. However as pointed out in a recent paper in the Medical Journal of Australia¹, reaching these goals in the timeframe set by the Prime Minister's commitment, will be very difficult, if not impossible. To avoid failure

¹ Hoy W.E. "Closing the gap" by 2030: aspiration versus reality in Indigenous health. *MJA* 2009; 190 (10):542-544.



by specifying unattainable goals, emphasis should be given to shorter-term process measures that will lead to better outcomes.

It is self-evident that sustained changes in health status will also require better nutrition, public health initiatives such as safe, fluoridated drinking water, education, housing, economic and employment opportunities, and social justice and healing.

2.2 Budget Measures

2.2.1 Closing the Gap – expanding link-up services for the Stolen Generation

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	\$2.3m	\$5.5m	\$6.1m	-	\$13.8m

This funding provides an additional \$13.8 million / 3 years to address the recommendations of the Bringing Them Home report. This funding will provide an additional 11 Link-Up caseworkers and other support staff.

The 2008-09 Budget provided \$15.7 million / 4years in additional funds for the Bringing Them Home and Link-Up programs.

An independent evaluation of the Link-Up Program undertaken by Urbis Keys Young for the Office for Aboriginal and Torres Strait Islander Health (OATSIH) in 2007 found that there was a significant level of unmet demand for the services, services were under-resourced for the high workloads currently experienced, and the demand for services was likely to continue to be at least the same level for the foreseeable future. There is no information publicly available to show whether the increased resources in recent years have helped address these issues.

2.2.2 Closing the Gap – Indigenous dental services in rural and regional areas

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	\$1.3m	\$2.9m	\$3.4m	\$3.4m	\$11.0m



The Budget provides \$11.0 million / 4 years to deliver dental treatment and prevention services to Indigenous people in rural and regional areas. The Budget Papers state that this will be done using transportable dental facilities serviced by dental health professionals. The funding also provides for an evaluation of this initiative, including cost-effectiveness and equity.

Indigenous people experience significantly poorer oral health than the general population. Average rates of tooth decay in Indigenous children are twice as high as non-Indigenous children and have worsened in recent years. This is due to more dental disease, lack of timely access to dental services, and diets that are high in sugar. ABS data from 2004-05 showed that 11 per cent of Indigenous people aged 15 years and over had never visited a dentist or other health professional about their teeth.

Historically, the uptake of dental services by Indigenous children has been spasmodic due to staffing issues, low school attendance, difficulty in gaining consent to treatment, infrequent service to clinics, and no services to some of the more remote communities. Indigenous people currently have little or no access to the Medicare Enhanced Primary Care dental program, the Teen Dental Plan and the private health insurance rebate for dental services.

The dental checks by Australian Government Intervention (AGI) teams have been performed under much less than ideal examining conditions and have been carried out by non-dental health professionals who are likely to have considerably underestimated the prevalence of dental diseases. Furthermore, the AGI teams have not provided any details on the burden of oral and dental diseases.

In their submission to the National Health and Hospitals Reform Commission (NHHRC), the Australian Dental Association (ADA) stated that the only sure way to ensure that the burden of dental diseases is lifted from the child population is to institute a comprehensive examination followed by preventive and restorative services targeting all remote Indigenous children.

ADA recommended that mobile AGI Dental teams should comprise of a dentist, dental hygienist or dental therapist, dental assistant, an administrator and a local Indigenous



community liaison worker. Provision needs to be made for substantially increasing access to general anaesthetic procedures.

It is unfortunate that this new initiative does not come accompanied by any funding or incentives to improve the dental health workforce providing Indigenous dental services as this will surely prove to be a limiting factor in the successful implementation of this initiative.

2.2.3 Closing the Gap – Improving eye and ear health services for Indigenous Australians

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	\$6.2m	\$15.4m	\$18.3m	\$18.5m	\$58.3m

This funding, announced in February, will provide:

- At least 1,000 additional ear and eye surgical procedures ;
- At least 10 regional teams to treat and help prevent trachoma;
- Expansion of the Visiting Optometrist Scheme, to provide new and increased numbers of optometrist visits to remote and very remote communities;
- Increased ear health workforce training;
- Investments in hearing medical equipment including audiometers, tympanometers, and video-otoscopes; and
- Hearing-health promotion to reduce hearing loss in Indigenous communities.

Trachoma is an infectious eye disease now found only in the poorest countries and that, untreated, leads to blindness. It is our shame that Australia is the only developed country among the 57 trachoma-endemic countries listed by the World Health Organisation. Trachoma was eliminated from the non-indigenous population in northern Australia during the 1930s. It continues to be a threat to the indigenous communities in the remote desert areas of northern Australia because of their poor living conditions, poverty and lack of access to water.

Results published late last year highlight the continuing deplorable standards of eye health in trachoma-endemic areas of the Northern Territory, South Australia and Western Australia. The study found the overall rate of active and infectious trachoma in children



under 10 years of age in screened communities was nearly 20 per cent, well above the 10 per cent level at which the disease is deemed endemic.

The prevalence of corneal scarring in people aged 20 years and over was 32 per cent, with the youngest person to bear scars derived from the active stage of the disease being just seven years old. More than 2 per cent of adults aged 40 and over were identified with trichiasis (ingrown eyelashes) requiring urgent ophthalmological attention to prevent the onset of blindness.

More recent data highlight the facts that: only 65 per cent of communities with active trachoma are receiving antibiotic treatment; routine screening and reporting of the disease need to be strengthened; and adherence to the national treatment guidelines is very low. Increased resources from the Northern Territory Emergency Response has not improved prevention, treatment or reporting in the Territory.

Chronic middle ear infection is a major cause of hearing impairment among Australian Indigenous children living in remote communities. In 2007 90 per cent of Aboriginal children in the NT were found to have severe ear infections, and 25 per cent had perforated eardrums. At that time, the Royal Australian College of Surgeons said that \$10 million each year was needed in the NT to tackle this problem.

This funding represents a long-overdue response to the urgent problems of trachoma and ear infections in Indigenous populations, especially those in remote communities. The problems are so serious that it is imperative that this funding is rolled out quickly and effectively.

2.2.4 Closing the Gap – quality assurance for the Aboriginal and Torres Strait Islander Medical Services pathology program

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	\$0.8m	\$0.9m	\$1.0m	\$1.1m	\$3.8m

This funding will enable the extension and expansion of the Quality Assurance for Aboriginal Medical Services (QAAMS) program beyond the current expiry date of 31 July 2009.



The QAAMS program uses Point of Care Testing (POCT) technology to conduct pathology tests on Aboriginal and Torres Strait Islander people with diabetes in the offices of the medical practitioner at the time of consultation. Two tests are performed for patients in the QAAMS Program: glycosylated haemoglobin (HbA1c) and Albumin/Creatinine Ratio (ACR). The tests are generally performed by trained Indigenous health workers.

The QAAMS program has been funded since 1999. About 100 Aboriginal Medical Services / Aboriginal and Community Controlled Health Organisations in remote, rural and urban areas currently participate in the QAAMS program which is administered on behalf of DoHA by the Flinders University Rural Clinical School and the RCPA Quality Assurance Programs Pty Ltd.

There is published data to demonstrate that the QAAMS POCT model delivers a culturally sensitive and clinically effective service for diabetes management in Indigenous Australians.

2.3 Budget cuts in health

2.3.1 Indigenous access to health care services – further efficiency

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	-\$2.8m	-\$2.7m	-\$2.4m	-\$2.4m	-\$10.3m

This provision makes savings of \$10.3 million / 4 years by not proceeding with two further urban brokerage sites that were to be selected as part of the Improving Indigenous access to health care services measure included in the 2006-07 Budget.

Initially five brokerage services were to be set up to link up to 15,000 Indigenous people to GPs and other health professionals in urban and regional areas in Queensland, New South Wales, Victoria, and Western Australia. The brokerage services were to enlist, train and register GPs and allied health professionals who are interested in providing culturally and clinically appropriate care to Indigenous people.

There is little information available about this initiative. The DoHA Annual Report 2006-07 states that the Sydney South West Indigenous Community Health Brokerage Service was funded in June 2007 as the first urban brokerage service. The 2007-08 Annual Report



states that during the year, the Canning Division of General Practice Limited (in partnership with the Derbarl Yerrigan Health Service Incorporated), was funded to become the second urban brokerage service, and that another funding round would be undertaken in 2008–09 to select the three remaining brokerage services under this initiative. The Budget Papers refer to three operating brokerage services which will continue to be funded.

It appears that getting these services set up has been a slow process and there is no available information about how well these services are functioning. However arguably some mechanism is needed to help Indigenous patients interact better with mainstream services (and to help mainstream services become more attuned to the needs of Indigenous patients), and even if the current brokerage services are not working, a replacement is clearly needed.

2.3.2 Shared Responsibility and Regional Partnership Agreements

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	-\$2.0m	-\$2.3m	-\$2.6m	-\$3.1m	-\$10.0m

The Budget Papers are quite cryptic about why these funding cuts have been made and where the savings will be directed. Budget paper No.2 states:

*The Government will **redirect** [emphasis added] funding for the health components of Shared Responsibility Agreements and Regional Partnership Agreements. Following a **refocusing of priorities** [emphasis added], the Government will honour existing commitments, but will not make further investments in the health components of the initiatives.*

To date \$21.4 million has been committed to these agreements. It is not clear what future commitments in this regard will be.

2.3.3 Reduction of the business management training initiative – further efficiency

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	-\$1.0m	-\$1.2m	-\$1.3m	-\$1.3m	-\$4.7m



This provision was included in the 2007-08 Budget to provide for the up-skilling and training of 100 business managers in order to enhance the business management capacity of Aboriginal Community Controlled Health Organisations (ACCHOs) through higher education, training and on-line resources. It appears that this program is underway, as the Budget Papers state that existing commitments to train Aboriginal Medical Services (AMS) business managers will be maintained.

It is hard to believe that this type of training and support is not needed. The Budget Papers refer to the plan that “*successful aspects of this initiative will be incorporated into a broader program focused on continuous quality improvement and accreditation*”. It is not clear what program this is, or if it yet to be established.

2.4 Follow-up of health provisions in the 2008-09 Budget

2.4.1 Maternal and child health (funded at \$90.3 million / 5 years)

On 9 December 2008 the Minister for Health and Ageing announced \$43 million in grants to expand Indigenous child and maternal health services in 32 locations around Australia. The media release states that “this builds on the six sites funded earlier in 2008 that are now operational”. However these sites were funded under the Family Centred Primary Health Care initiative in the 2007-08 Budget (\$38.2 million / 4 years), so it seems that there has been a melding of these funds.

2.4.2 Reducing rheumatic fever (funded at \$11.2 million / 5 years)

No new information has been found about the roll-out of this initiative.

2.4.3 Expansion of drug and alcohol services (\$49.3 million / 4 years)

In March 2009 the Senate Standing Committee on Community Affairs released its report *Grasping the opportunity of Opal: Assessing the impact of the Petrol Sniffing Strategy*. However no specific information has been found about the roll-out of this initiative. It is likely that at least some of the activities proposed to be undertaken as part of this initiative are now part of the Indigenous Health NP.



2.4.4 Indigenous Tobacco Initiative (\$14.5 million / 4 years)

No information has been found about the roll-out of this initiative. However it is known that at least \$5 million of these funds have been allocated to work done in NSW under the auspices of the Poche Centre.

2.5 Media announcements on Indigenous health since May 2008

2.5.1 10 July 2008 Hon Nicola Roxon, Minister for Health and Ageing – Launch of the National Indigenous Health Equity Council

This Council will advise the Government on the development and monitoring of health-related goals and targets to support the commitment to 'closing the gap' on Indigenous health disadvantage. The Council is chaired by Professor Ian Anderson. It is not clear how the work of the Council will relate to that of other advisory bodies, for example the NHHRC which has set its own goals and targets for Indigenous health.

2.5.2 29 October 2008 Hon Nicola Roxon, Minister for Health and Ageing – Recruiting and deployment of doctors in the NT

This release announced the establishment of the Remote Area Health Corps (RAHC) to recruit and deploy doctors, nurses and allied health workers in remote NT Indigenous communities. A funding agreement (\$5million / 2 years) has been signed with Aspen Medical to operate the RHAC. The first deployments were expected by the end of 2008 – it is not known if these have occurred.

2.5.3 29 October 2008 Hon Nicola Roxon, Minister for Health and Ageing - \$11.5 million to assist NT Indigenous communities

A four-year funding agreement has been signed with the NT Government for \$5.7 million to extend the reach of NT sexual assault counselling services. This will be focused in remote communities, using Mobile Outreach service team. Funding of \$5.3 million / 5 years is provided to improve access to renal dialysis services for remote communities. This will include the development of renal facilities in these communities, renal health promotion and education and investigating the feasibility of mobile dialysis units. This announcement implements an election promise made in October 2007.



2.5.4 9 December 2008 Hon Nicola Roxon, Minister for Health and Ageing – Expansion of Indigenous child and maternal health services

This release announced \$43 million in grants to expand Indigenous child and maternal health services in 32 locations around Australia. The funding will be used to employ additional health professionals at each site.

2.5.5 10 December 2008 Hon Nicola Roxon, Minister for Health and Ageing – New Indigenous campaign to focus on healthy living

Tomorrow People Starts Today is the Indigenous component of the \$30 million Measure Up campaign, which is part of the COAG Australian Better Health Initiative. Its aim is to tackle obesity and promote healthy eating.

2.5.6 20 May 2009 Hon Nicola Roxon, Minister for Health and Ageing Jim Turnour, MP. Member for Leichhardt - More GPs, health workers for Far North Queensland Indigenous communities

This announces \$600,000 for Indigenous health services:

- \$307,000 / year to Apunipima Cape York Health Council to employ an additional community GP; and
- \$219,000 to assist the Council to implement a family-centred primary health care model in Mossman Gorge.

2.6 Indigenous Medicare Health Checks

There are currently four Medicare items under which GPs can provide health checks for Indigenous people. These health checks are intended to help improve health outcomes for Indigenous people through preventive measures and early intervention by providing a clinical framework to assess a person's physical, psychological and social function and identify treatment or services they may require.



Considerable emphasis has been placed on children's health checks as part of the NTER, and now the Indigenous Health National Partnership Agreement has a commitment to ensure that half the adult population (15-65 years) receives two adult health checks in the next four years. According to the COAG Communique from the November 2008 meeting, this would mean around 55 per cent of the adult Indigenous population (around 155,000 people) will receive a health check over five years.

In 2008, a total of 21,914 services were reimbursed under items 710, 704 and 706, so to reach the target set in the NP would require a 42 per cent increase in services over current levels.

However there is no evidence to show that problems uncovered as part of a health check are ever addressed, and indeed there is no requirement that they should be. A good model for Australia to use in this regard, at least for children and youth, is the US Medicaid Early and Periodic Screening, Diagnostic and Treatment (EPSDT) service.

The EPSDT service is Medicaid's comprehensive and preventive child health program for individuals under the age of 21. It includes periodic health screening, vision, dental, and hearing services. There is a requirement that any medically necessary health care service must be provided to an EPSDT recipient even if the service is not available under the State's Medicaid plan to the rest of the Medicaid population. The EPSDT program has two operational components: (1) assuring the availability and accessibility of required health care resources; and (2) helping Medicaid recipients and their parents or guardians effectively use these resources.

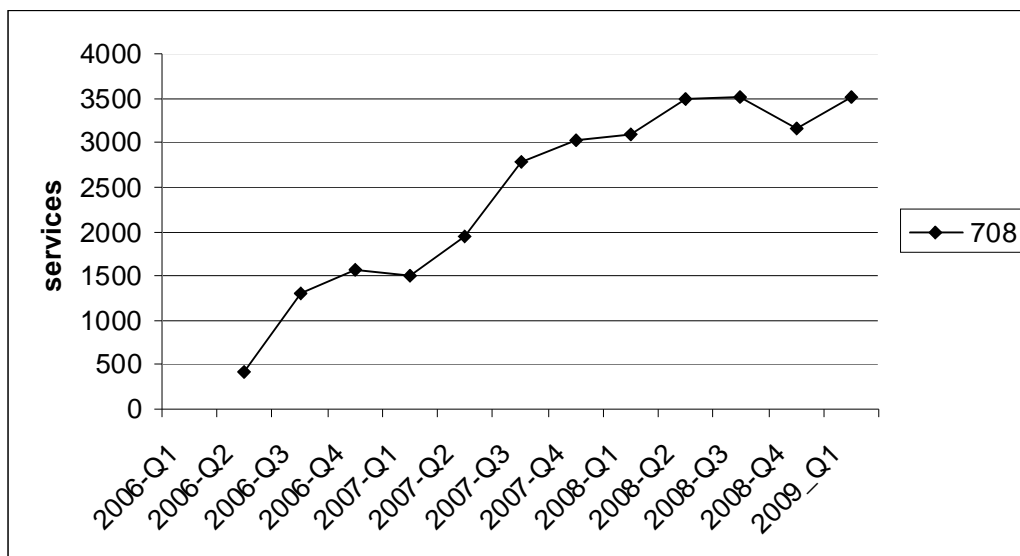
These components enable Medicaid agencies to manage a comprehensive child health program of prevention and treatment, to seek out eligible families, inform them of the benefits of prevention and the health services and assistance available and to help them use health resources effectively and efficiently. It also enables the Medicaid agencies to assess the child's health needs through initial and periodic examinations and evaluations, and also to assure that the health problems found are diagnosed and treated early, before they become more complex and their treatment more costly.



2.6.1 Child Health Check (Item 708)

An annual health assessment for children from 0 to 14 years of age (inclusive) is provided with a benefit at 100 per cent of \$175.10. While there has been a steady increase in the uptake of this item since its introduction in May 2006, this now seems to be flattening out. It is difficult to see any real increase that represents a response to the NTER, which began in June 2007.

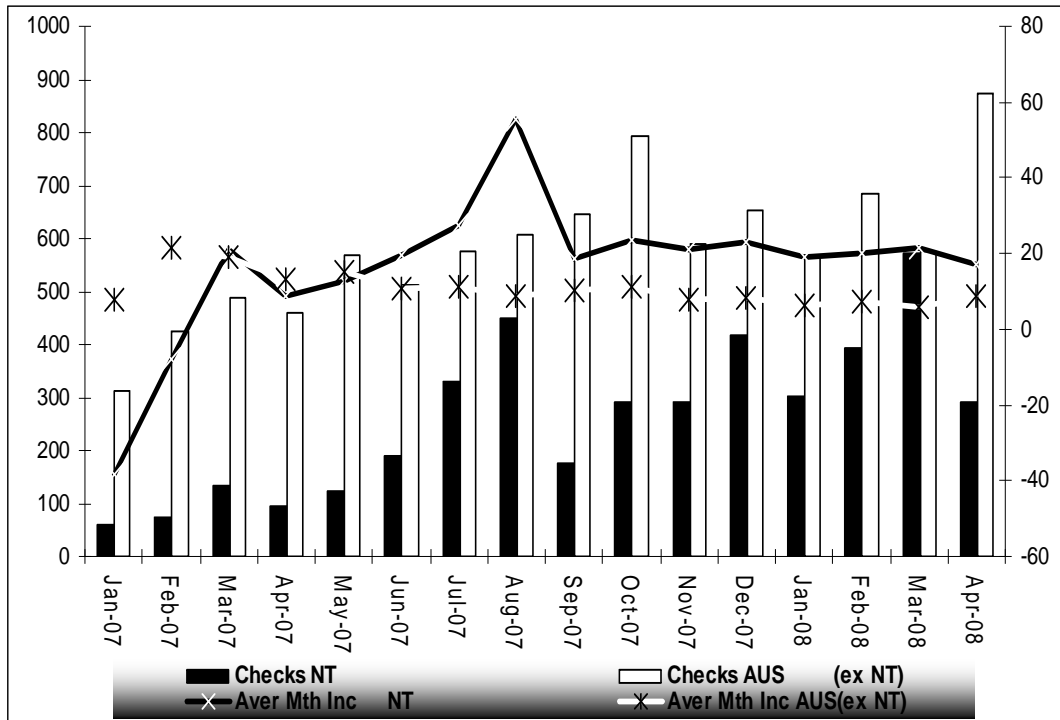
Figure 1: Uptake of MBS item 708 (0-14 yr health check)



An analysis of the number of services delivered under MBS item 208 for the NT and all the other States shows that there was an increase in the average monthly rate of increase for the use of these check in the NT in August 2007 that was not sustained in the following months. No similar increase was observed for the rest of Australia. (This data was provided in last years' budget analysis).



Figure 2: Average monthly increase in MBS Item 708



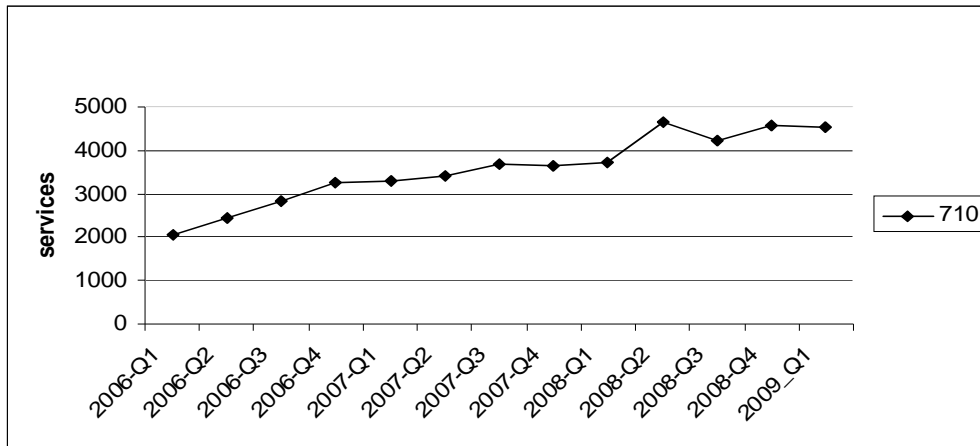
2.6.2 Adult Health Check (Item 710)

This is a bi-annual assessment for people aged between 15 and 54 years (inclusive) provided with a benefit at 100 per cent of \$208.70.

The uptake of this item has been very slow. In 2008 there were 17,058 of these checks done (5151 in Qld; 4057 in NT; 4004 in NSW; 2416 in WA; 734 in Vic; 515 in SA; 99 in ACT; 46 in Tas). The majority (9436) were for females.



Figure 3: Uptake of MBS item 710 (15-54 yr health check)

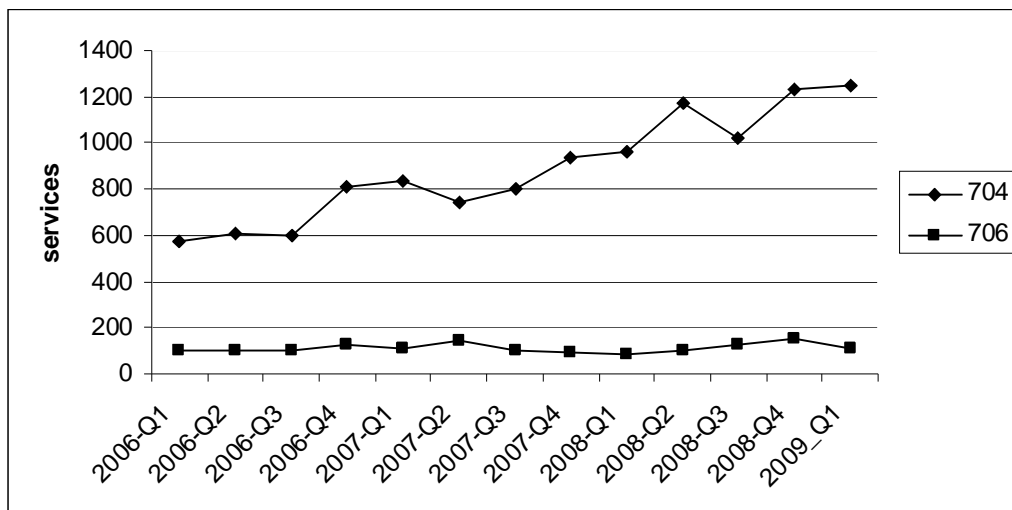


2.6.3 Older Person's Health Check (Items 704 and 706)

These items are an annual health assessment available to Aboriginal and Torres Strait Islander people over 55 years of age:

- Item 704 – Assessment done in GPs office with a Benefit of 100 per cent at \$175.10
- Item 706 – Assessment done in hospital or residential facility with a Benefit of 100 percent at \$247.60.

Figure 4: Uptake of MBS item 704 and 706





The uptake of this item has increased slowly since its introduction and is still at very low levels. It seems that Dr Puggy Hunter, an Indigenous doctor who was to die aged just 50, was right when he said about the 55+ Indigenous health assessments:

*"We've got major problems at a really early age ...to do these elderly health assessments, are they going to dig us up? We're dead and buried by then. We might as well set up a clinic next to the cemetery."*²

² Mayers NR & Couzos S. Towards equity through an adult health check for Aboriginal and Torres Strait Islander people. MJA 2004; 181(10): 531-532.
http://www.mja.com.au/public/issues/181_10_151104/may10471_fm.html



3 Northern Territory Emergency Response

3.1 Introduction

In March this year the Australian Government announced that it would continue the NTER for a further three years, promising that the results of the intervention would be monitored and that changes implemented would be 'evidence-based'.

It is therefore disconcerting that there have been no publicly available reports measuring activities and achievements of the NTER since June 2008. There have been a number of criticisms of the NTER, but there is little or no evidence to support or counter them:

- An article in Australian Doctor has the GP at Gunbalanya Community Health Centre in remote Oenpelli saying that the ENT problems identified in 40-50 per cent of the community's children remain untreated two years on.
- In an article published in Crikey, the CEO of the Sunshine Health Service Aboriginal Corporation says that she is concerned that income management is leading to poor nutrition with increasing rates of low-birthweight babies, increasing levels of anaemia in children and problems for diabetics.
- The Age has reported that "thousands of Aborigines living on their remote Northern Territory homelands will be forced to move to larger communities to receive key government services in a radical shake-up of indigenous policy". If true, this flies in the face of increasing evidence about the health benefits that accrue for Indigenous people who live in smaller, decentralised communities where they can care for their country.
- There are also reports that the collection of evidence under the child health check initiative will cease on 30 June.

The Government has set itself a major task with some difficult goals, even under the best of circumstances. It is therefore imperative that it does not undermine this effort through lack of consultancy and transparency.

On May 21, Indigenous Affairs Minister Jenny Macklin announced that in October the Government will introduce legislation into Parliament to reactivate the Racial Discrimination Act (controversially suspended by the Howard Government). She was quoted as saying:



“The Australian Government wants to bring the achievements of the Northern Territory Emergency Response into a framework that looks to the long term and respects human rights.”

This move could presage allowing exemptions to compulsory income management and the watering down of blanket alcohol and pornography prohibition rules.

3.2 Budget Analysis of the NTER

3.2.1 Closing the Gap – NTER – Indigenous health and related services

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Treasury	-	\$8.0m	\$5.0m	\$5.0m	-	\$18.0m
DoHA	-	\$6.5m	\$52.5m	\$54.1m	-	\$113.1m
<i>Total</i>	-	\$14.5m	\$57.5m	\$59.1m	-	\$131.1m

This funding includes:

- \$99.3 million for the continuation of expanded primary health care services in remote locations. This component also provides for the Remote Area Health Corps;
- \$15.7 million for dental, hearing and ENT specialist services arising from the child health checks;
- \$11.0 million for the continuation of the sexual assault mobile outreach services (note that when this was announced last year \$11.5 million was allocated);
- \$5.1 million for substance abuse rehabilitation and treatment services; and
- \$18 million to the NT to assist in the delivery of these services.

The funding for follow-ups to health checks seems to be woefully inadequate, given the available evidence about the need. In last year's budget \$13.6 million was provided for 2008-09, and the new funding is considerably less – around \$5 million / year.



3.2.2 Closing the Gap – NTER – Commonwealth Ombudsman support

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
OCO	\$0.8m	\$0.8m	\$0.8m	\$0.8m	-	\$3.3m

This builds on \$200,000 included in the 2008-09 Budget of the offices of the Commonwealth Ombudsman in the NT. Funds will be used for outreach visits and independent oversight of the NTER.

3.2.3 Closing the Gap – NTER – community engagement

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$9.6m	\$12.4m	\$12.6m	-	\$34.6m

This measure includes funding for Indigenous Engagement Officers and community leadership and governance development activities. \$3.8 million was provided for community engagement in the 2008-09 Budget. Support for widespread community engagement was one of the recommendations from the first meeting of the NT Emergency Response Taskforce in June 2007.

3.2.4 Closing the Gap – NTER – community stores

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$7.9m	\$5.3m	\$4.2m	-	\$17.4m
Treasury	-	\$0.3m	\$0.3m	\$0.3m	-	\$0.9m
<i>Total</i>	-	\$8.2m	\$5.6m	\$4.5m	-	\$18.3m

This funding includes \$0.9 million to the NT Government. The Report of the NTER Review Board recommended that the system for licensing community stores be continued with a requirement for there to be an audit of each licensed store every six months to ensure:

- high standards of governance and financial integrity;
- good quality and range of products;
- appropriate health standards; and



- a local employment strategy to increase the number of Aboriginal employees in community stores.

The House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs is currently conducting an inquiry into the operation of local community stores in remote Indigenous communities. They have heard evidence of poor quality food and unacceptably high prices in community stores in many remote communities, not just in the NT.

Meanwhile, the Remote Indigenous Stores and Takeaways (RIST) Project which was established in 2005 as a 3-year project by the SA, WA, NT, QLD, NSW and Australian Government Health Departments to improve access to a healthy food supply for Aboriginal and Torres Strait Islander People in remote communities has apparently been allowed to lapse.

3.2.5 Closing the Gap – NTER – crèches

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	-	\$4.4m	\$2.3m	\$2.3m	-	\$9.1m

This funding provides \$2.2 m in 2009-10 for construction of new crèches and upgrades to two existing crèches. The remaining funding is for operational purposes for a total of nine crèches.

This is the same annual level of funding as provided in last year's budget – although now it is for 9 rather than 8 creches.

3.2.6 Closing the Gap – NTER – early childhood

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$0.5m	\$0.5m	\$0.5m	-	\$1.5m

\$1.5 million / 3 years is provided to extend existing child and family support services. This is fractionally more than was provided in the 2008-09 Budget (\$0.4 million).



3.2.7 Closing the Gap – NTER – playgroups

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$0.3m	\$1.2m	\$1.2m	-	\$ 2.8m

This funding builds on the \$0.4 million provided in the 2008-09 Budget.

3.2.8 Closing the Gap – NTER – enhancing education – quality teaching and accelerated literacy

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Treasury	-	\$13.4m	\$13.8m	\$10.4m	-	\$37.6m
DEEWR	-	\$2.9m	\$2.9m	\$2.3m	-	\$7.8m
<i>Total</i>	-	\$16.2m	\$16.7m	\$12.7m	-	\$45.7m

This measure continues funding in last years's Budget (\$19.1 million) for enhancing education. Most of this money is provided through Treasury to the NT Government.

The funding includes \$23.0 million for the continuation of the Quality Teaching Initiative and \$22.7 million for accelerated literacy specialist teams.

The Budget papers also refer to a commitment made in February 2009 as part of the Updated Economic and Fiscal Outlook, for \$7 million for 15 additional classrooms in remote communities, adding to the 25 classrooms funded in 2007-08 and 2008-09.

3.2.9 Closing the Gap – NTER – enhancing education – school nutrition

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	-	\$12.3m	\$11.7m	\$11.5m	-	\$35.5m
Centrelink	-	\$1.4m	\$0.4m	\$0.3m	-	\$2.1m
<i>Total</i>	-	\$13.7m	\$12.1m	\$11.8m	-	\$37.5m



School nutrition programs (SNP) aim to improve school attendance, student performance and health, and provide employment opportunities for local Indigenous people. Providers of these programs for breakfast and lunch may include aged care centre, child care centres, NGOs, and private businesses.

At 30 June 2008, there were school nutrition programs established in 55 communities and 8 town camp areas, with programs scheduled to commence in six communities and one town camp from the beginning of Term 3. About 40 per cent of parents were involved and 69 employment places had resulted.

Parents and carers are expected to contribute to the cost of food for each child they support. Participation in the SNP is voluntary, though people on income management with school-aged children are encouraged to participate.

Last year the Department of Education, Employment and Workplace Relations (DEEWR) was said to be exploring a range of options for the future of the school nutrition program.

3.2.10 Closing the Gap – NTER – enhancing education – teacher housing

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	-	\$11.2m	-	-	-	\$11.2m

This funding is described as contribution to the construction of 22 additional houses for teachers. This funding is in addition to \$5 million announced in October 2008 for up to 10 additional teacher houses at Wadeye.

Funding for the construction of houses for teachers in government schools will be provided through the NT Government, while funding for non-government schools will be provided through the NT Block Grant Authority. Contributions will be sought from both sectors for the land, site development costs and ongoing housing maintenance.

The Government has committed to provide NT Indigenous communities with an additional 200 teachers over the four years from 2008.



3.2.11 Closing the Gap – NTER – language, literacy and numeracy training for Indigenous job seekers

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	-	\$1.0m	\$1.0m	\$1.0m	-	\$ 3.0m

This funding will be provided in nine Indigenous communities to provide over 160 training places. It is not clear why only nine communities have been selected, or which communities these will be.

3.2.12 Closing the Gap – NTER – family support package

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$5.5m	\$5.7m	\$5.9m	-	\$17.1m
Treasury	-	\$5.1m	\$5.3m	\$5.5m	-	\$15.9m
<i>Total</i>	-	\$10.6m	\$11.0m	\$11.4m		\$32.9m

This funding (including \$15.8 million to the NT Government) is to continue family support services in the NT. This provision was funded at \$9.8 million in the 2008-09 Budget. Services provided include a mobile child protection team, Indigenous family and community workers in remote areas and the operation of established safe houses.

However it was revealed in October 2008 Senate Estimates that no safe houses were open, despite the allocation in 2007-08 and 2008-09 of a total of \$21 million for this work. DFHCSIA officials blamed NT Government officials for the delay as they had yet to sign off on the safety of the 16 houses (these were in fact converted shipping containers) and conducted the necessary training for staff.



3.2.13 Closing the Gap – NTER – field operations

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	-	\$11.2m	-	-	-	\$311.2m
DFHCSIA	-	\$25.2m +\$2.4m*	\$25.3m +\$2.3m*	\$25.6m +\$2.3m*	-	\$76.0m
Treasury	-	\$0.9m	\$2.9m	\$4.3m	-	\$8.1m
<i>Total</i>	-	\$28.4m	\$30.5m	\$32.2m	-	\$84.1m

*Related capital costs

The funding for field operations includes support for the continued presence of Government Business Managers (GBMs) and interpreter services. These measures were funded at \$30.8 million and \$0.8 million in 2008-09.

The provision for GBMs seems underfunded given that in the last financial year the aim was to increase their numbers from 39 to 60. Anecdotal evidence suggests that some GBMs are operating on a fly in – fly out basis, due in part to a lack of housing, and others have little relevant experience for these jobs.

3.2.14 Closing the Gap – NTER – Local Priorities Fund

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$10.0	-	-	-	\$10.0m

The Local Priorities Fund is available to GBMs to meet local needs such as minor infrastructure enhancements for Indigenous communities.

3.2.15 Closing the Gap – NTER - policing

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$7.9m	\$9.3m	\$10.7m	-	\$27.9m
Treasury	-	\$31.4m	\$49.4m	\$47.8m	-	\$128.6m
<i>Total</i>	-	\$39.3m	\$58.7m	\$58.5m	-	\$156.6m



This measure includes funding for 60 NT police officers to replace AFP officers deployed as part of the NTER, 5 permanent and 10 temporary police stations, and activities supporting restrictions on alcohol and pornography.

3.2.16 Closing the Gap – NTER – law and order

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
AG	-	\$26.5m	\$26.7m	\$27.0m	-	\$80.2m

This funding is for the continuing operation of 81 night patrol services in the NT and to increase the number of legal assistance providers; continue the operation of the NT Welfare Rights Project and the NT Aboriginal Interpreter Service. \$32.1 million was provided for these services in 2008-09.

3.2.17 Closing the Gap – NTER – youth diversion

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$9.3m	\$9.5m	\$9.5m	-	\$28.4m

This funding is to offer a range of safe and healthy activities for Indigenous youth as an alternative to drinking and substance abuse. The funding provides for the continuation of the NT Youth Development Network and for the establishment of a Community Responsive Youth Support and Recreational Fund.

These initiatives were funded at \$9.5 million in 2008-09, so it appears that these services must now do more with less.



3.2.18 Closing the Gap – NTER – income management – additional funding

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
Centrelink	-	\$88.8m	\$0.9m	\$0.6m	\$0.6m	\$90.0m
DFHCSIA	-	\$7.7m	-	-	-	\$7.7m
DHS	-	\$7.5m	-	-	-	\$7.5m
DFR	-	\$0.4m	\$0.1m	-	-	\$0.5m
<i>Total</i>	-	\$103.8m	\$1.0m	\$0.6m	\$0.6m	\$105.9m

This funding is for the continuation of income management, to provide income management cards (the BasicsCard) to income support recipients, and for the provision of financial management services to these people.

Under this measure, 50 per cent of income support and family assistance payments are income managed for the purchase of items such as food and clothing. However it has been reported that income management has in fact led to poorer nutrition in some areas.

Funding is provided to Centrelink and DHS in 2009-10 to enable them to undertake a tender process for a BasicsCard provider and to cover the costs associated with the transition to the new contract in mid-2010. This seems to be an expensive process, costing around \$100 million.

In October 2008 the Minister for Indigenous Affairs, Jenny Macklin, announced that the Australian Government would continue comprehensive, compulsory income management as a key measure of the NTER because of its demonstrated benefits for women and children. She quoted women as saying that income management means they can buy essentials for their children such as food and clothes. Shopping habits in licensed stores have changed - more is being spent on fresh food, sales of cigarettes have halved and the incidence of 'humbugging' has fallen.



She also reported information from the NTER review that the BasicsCard was making it easier for customers to shop with their income managed funds. More than 4000 BasicsCards had been issued to June 2008.

The Government has committed to ensuring that the income management model is consistent with the Racial Discrimination Act 1975 (RDA). An RDA compliant model is to be implemented from July 2010, after consultation with affected communities.

3.2.19 Closing the Gap – NTER – coordination and policy advice

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$3.9m	\$3.8m	\$3.3m	-	\$11.0m

It is not clear if these funds are to reimburse DFHCSIA for the advice it provides or to pay for consultants. The Budget Papers state that this measure includes funding for monitoring and an evaluation in 2011-12 (although it should be noted that funds actually decline slightly in that year).



4 Other spending commitments in the Budget

4.1 Budget measures analysis – other portfolios

There are a range of budget measures which highlight the government's commitment to improving equity and opportunities for indigenous Australians which are long overdue. However, like many of the other areas receiving funding in this budget their progress must be closely monitored to ensure that effectiveness and efficiency is maintained.

4.1.1 Closing the Gap – APS Indigenous Employment Strategy

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
APSC	-	\$2.0m	\$2.0m	\$2.0m	-	\$6.0m

Funding of \$6.0 million / 3 years is provided to the Australian Public Service Commission to continue the APS Indigenous Employment Strategy. This funding level is less than that provided for 2008-09 (\$2.6 million). The APS Indigenous Employment Strategy aims to increase the employment and retention of Indigenous Australians across the public service. There are no recent data to show the success of this program. Data from 2006-07 found that the representation of Indigenous employees in the ongoing APS workforce had stabilised, after declining for a number of years, at 2.1. As noted in last year's analysis, clearly a long-term focus is needed to address this issue.

4.1.2 Closing the Gap – Business Action Agenda

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$0.7m	\$0.8m	\$0.8m	\$0.8m	\$3.1m

This new funding will provide for a Business Action Agenda to encourage and support business to provide employment opportunities for Indigenous Australians. The initiative will include the establishment of a National Indigenous Economic Participation advisory group to leverage corporate action and provide advice to the Government.



4.1.3 Closing the Gap – Clearinghouse

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	-	\$0.5m	\$0.5m	\$0.5m	\$1.5m

This funding adds to that included in the 2008-09 Budget, which provided \$1.1 million in 2008-09 and \$0.6 million in 2009-10 for an extension to the National Aboriginal and Torres Strait Islander Social Survey (NATSISS) to provide more data on the wellbeing of Indigenous children and for the establishment of a clearing house to gather and disseminate evidence on effective policy interventions for Indigenous children.

Information on the ABS website states that the 2008 NATSISS was conducted between August 2008 and April 2009. The survey will provide information about the Aboriginal and Torres Strait Islander populations of Australia for a wide range of areas of social concern including health, education, culture and labour force participation, and for the first time includes children aged under 15. Apparently this data has been collected but it is not yet available in summarised form on the ABS website.

The April 2007 COAG Meeting agreed to establish a national Clearinghouse on best practice and success factors for closing the gap on Indigenous disadvantage. The Clearinghouse will provide a central repository of rigorously assessed and catalogued evidence, conduct systematic reviews of the research and evaluation evidence, improve the coordination of research and identify priorities for future research and evaluation.

An open tender was released in January 2009 for the Clearinghouse services and tenders closed in March 2009. The Clearinghouse is expected to begin operation in the middle of 2009.

In the 2008-09 Budget, the Clearinghouse was presented as focusing on effective interventions for Indigenous children, although the purpose is clearly broader than this.



4.1.4 Closing the Gap – Community Development Employment Projects Program and the Indigenous Employment Program reform

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	\$10.1m	\$142.8m +\$0.3m*	\$165.4m	\$260.8m	\$280.1m	\$859.5m
Centrelink	\$3.2m	\$5.2m	\$5.7m	\$11.4m	\$11.2m	\$36.7m
DEWHA	-	\$4.0m	\$4.2m	\$4.2m	\$4.5m	\$16.9m
DoHA	-	-	-	-	\$0.6m	\$0.6m
DFR	\$0.4m	-	-	-	-	\$0.4m
DFHCSIA	\$7.7m +\$3.4m*	-\$109.5m +\$0.6m*	-\$98.9m	-\$243.5m	-\$271.3m	-\$711.5m
<i>Total</i>	\$24.8m	\$43.4m	\$76.3m	\$33.0m	\$25.0m	\$202.5m

* Related capital costs

This provides \$202.4 million / 5 years to reform the CDEP program. These reforms were announced in December 2008 and their implementation will begin 1 July 2009.

About 3,000 CDEP positions were lost in the NT as a consequence of the NTER which began in June 2007. In March 2008, FHCSIA Minister Jenny Macklin said that CDEP reforms would be rolled out as quickly as possible, but that these positions would not be reinstated.

Under these reforms, CDEP will cease in non-remote areas with established economies. In these areas Indigenous job seekers will be supported by the expanded IEP and the reformed universal employment services. A new Community Support program will be established in urban and regional locations with significant Indigenous populations to assist Indigenous people to better access the employment programs and other services in those areas.

In remote areas with emerging and limited economies, CDEP will be restructured into two streams. A Work Readiness Service will provide up to 3,000 on-the-job experience placements, with salaries paid by employers and incentives for employers through wage subsidies to provide these opportunities. A Community Development stream will fund community projects and build the capacity of local communities and service providers.



From 1 July 2009, new CDEP participants will be paid income support, with existing CDEP participants continuing to access CDEP wages until 30 June 2011 before transferring to income support.

4.1.5 Closing the Gap – funding for the Native Title system

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$7.0m	\$13.4m	\$20.1m	\$21.6m	\$62.1m
FCA	-	-	-	-\$0.1m	-\$0.1m	-\$0.2m
AG	-	-\$0.7m	-\$0.4m	-\$0.5m	-\$0.5m	-\$2.1m
NNTT	-	-\$2.3m	-\$2.4m	-\$2.4m	-\$2.5m	-\$9.6m
<i>Total</i>	-	\$4.0m	\$10.6m	\$17.1m	\$18.4m	\$50.1m

The Budget provides \$50.1 million / 4 years to facilitate the quicker resolution of Native Title claims. The additional funding includes \$45.8 million to improve the capacity of Native Title Representative Bodies to represent native title claimants and holders. A further \$4.3 million will be allocated to improving claims resolution by working with State and Territory Governments to develop new approaches to the settlement of claims through negotiated agreements

The Budget Papers say that these funds are in addition to the \$73.0 million / 4 years already included in the forward estimates although it is not clear when these funds were appropriated. This measure was implemented in response to the 2008 *Review of the Funding of the Native Title System*.

4.1.6 Closing the Gap – Indigenous electoral participation

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
AEC	-	\$1.2m +\$0.4m*	\$4.7m	\$3.1m	\$3.5m	\$13.0m

* Related capital costs

These funds are to provide electoral education and promote enrolment and voting in Indigenous communities.



4.1.7 Closing the Gap – Reconciliation Australia – continuation

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	-	\$3.6m	\$3.6m	\$3.6m	\$10.8m

This funding is for the ongoing operational costs of Reconciliation Australia (RA).

In the past Reconciliation Australia has received a total of \$20.6 million in Government funds (\$5.6 million in 2000-01 when RA was first established) and \$15 million in 2004-05. These funds have been invested to provide the needed operational costs. RA has also received government funds for specific initiatives and private funds through donations and partnerships.

The FHCSIA budget media releases state that the current Deed of Grant for RA will be replaced with a four-year funding agreement to enable RA program outcomes to be aligned with key Government agendas, including Closing the Gap.

4.1.8 Closing the Gap – Indigenous Healing Foundation

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSIA	-	\$5.9m	\$7.8m	\$8.0m	\$5.0m	\$26.6m

The announcement of the establishment of the Indigenous Healing Foundation, to address the impact of trauma and hurt experienced by Indigenous people, with a focus on the Stolen Generations, was made by the Prime Minister in the anniversary of his *Sorry* statement. The Foundation will be established to provide practical and innovative healing services, as well as training and research.

Professor Lowitja O'Donoghue, a senior Stolen Generations member and former Australian of the Year, and Mr Gregory Phillips, an academic with recognised expertise in healing and trauma, have been asked to establish the Foundation.

Funding for this initiative is reduced in 2012-13, which probably reflects the lower costs in later years following the foundation's establishment. It may also reflect an intention to engage the private sector in supporting the organisation.



4.1.9 Closing the Gap – National Indigenous Violence and Child Abuse Intelligence Task Force

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
ACC	-	\$5.5m	-	-	-	\$5.5m

\$5.5 million is provided to the Australian Crime Commission for the continuation of the work of the Task Force to provide a more complete picture of the nature of Indigenous family violence and abuse. Funding for this initiative in 2008-09 was \$4.2 million. In the last Budget this was part of the NTER package; given this measure's broader scope it appears the taskforce will now have a national scope which is long overdue.

4.1.10 Closing the Gap – Sporting Chance Program

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	\$1.0m	\$2.1m	\$3.3m	\$3.6m	-	\$10.0m

This funding will provide \$5.0 million to enlist former State of Origin players to establish school-based sports academies in states with a rugby league focus (Queensland and NSW). A further \$5.0 million will be provided to establish around 10 school-based sports academies for girls' sports.

This funding is in addition to the \$10.0 million announced in December 2008 to support 15 existing and new school-based sports academies. These academies are run by the Clontarf Foundation. The \$10 million from the Australian Government is matched by State and private funds to make this a \$22 million investment.

The Howard Government committed \$19.6 million over four years in the 2006-07 Budget for the Sporting Chance program, which included Clontarf academies.



4.1.11 Closing the Gap – strengthening Australia’s Indigenous visual arts industry – additional funding

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEWHA	-	\$2.5m	\$2.5m	\$2.5m	\$2.5m	\$9.9m

This funding is redirected from the Commonwealth Environment Research Facilities program. It includes \$0.6 million / 3 years to support the implementation and monitoring of a voluntary Indigenous Art Commercial Code of Conduct.

This is part of the Government’s response to the Senate Inquiry, *Indigenous Art – Securing the future*, into the Indigenous visual arts sector.

4.1.12 Coordinator General for remote Indigenous services

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DFHCSEA	-	\$2.2m	\$2.2m	\$2.3m	\$2.3m	\$9.0m

The Coordinator General will be responsible for the implementation of major reforms in remote housing, infrastructure and employment in remote communities, as determined in the Remote Service Delivery NP.

The position will be established as a Statutory Office, reporting directly to the Minister. The Coordinator will have the power to report on Commonwealth, State and Territory agencies which do not comply with requests to provide information.

4.1.13 Improving school enrolment and attendance trial - continuation

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DEEWR	-	\$0.7m	-	-	-	\$0.7m
Centrelink	-	\$3.1m	-	-	-	\$3.1m
<i>Total</i>	-	\$3.8m	-	-	-	-

Trials have commenced in six NT communities and in 2009 will be established in two further communities outside the NT. These trials are about getting parents to ensure their



children are enrolled and attend school regularly. Parents who fail to do so can have their income support payments temporarily suspended.

The 2008-09 budget had a provision *Getting remote Aboriginal children to enrol in school* (funded at \$98.8 million / 5 years), although the focus of this provision was more about providing additional teachers.

There is no data since the NTER report of June 2008 to show how this measure and other linked measures are improving school attendance.

4.1.14 COAG decision – Commonwealth investment in closing Indigenous data gaps.

	2008-09	2009-10	2010-11	2011-12	2012-13	Total
DoHA	-	nfp	nfp	nfp	nfp	

The ability to measure progress or otherwise in “Closing the Gap” is critically dependent on data collection and analyses. As previously noted, there is currently a paucity of data that are available to measure the effectiveness of any interventions. This is particularly true in health care.

The identification of Indigenous people in hospital and primary care records and in death registrations is a significant problem; reliable information about Indigenous hospital admittances and outcomes are not available in all states; and long-term national data on heart disease incidence and survival for Indigenous people are lacking.

The Australian Institute of Health and Welfare has for some time drawn attention to the relatively poor quality of the data on the health of Indigenous people, and the fact that comprehensive comparisons between states and territories are not possible. This situation cannot continue if the Government is serious about closing the mortality gap.

It is therefore pleasing to see a commitment to provide funding for this important activity. However the level of funding is not yet public and while some allowance is made in the Contingency Reserve final dollar amounts will be determined following consultation with the State and Territories.



It is hoped that this funding will not just focus on providing incentives and resourcing for governments but will also include resources for data linkage, analyses and public access to this work.



5 Cross – Portfolio Budget Overview

The following tables provide a summary of the measures in the 2009-10 Budget by responsible portfolio agency.

Table 3: Economic participation initiatives

Item	Responsible Department	Funding allocation					
		2008-09	2009-10	2010-11	2011-12	2012-13	Total
Additional funding Native Title	DFHCSIA FCA AG NNTT	-	\$4.0m	\$10.6m	\$17.1m	\$18.4m	\$50.1m
Business Action Agenda	DFHCSIA	-	\$0.7m	\$0.8m	\$0.8m	\$0.8m	\$3.0m
Infrastructure Stage 4	TSRA	-	\$14.2m	\$14.5m	\$0.2m	-	\$29.0m
Visual arts Industry	DEWHA	-	\$2.5m	\$2.5m	\$2.5m	\$2.5m	\$9.9m
CDEP and IEP reform	DEEWR Centrelink DEWHA DoHA DFR DFHCSIA	\$24.8m [\$66.4m]*	\$43.4m	\$76.3m	\$33.0m	\$25.0m	\$202.4m
APS Indigenous Employment Strategy	APSC	- [\$2.6m]*	\$2.0m	\$2.0m	\$2.0m	-	\$6.0m
Sporting Chance	DEEWR	\$1.0m	\$2.1m	\$3.3m	\$3.6m	-	\$10.0m
Total		\$25.8	\$68.9	\$110.0	\$59.2	\$46.7	\$310.4

* in 2008-09 budget

**Table 4: Initiatives focused on the Northern Territory**

Item	Responsible Department	Funding allocation					Total
		2008-09	2009-10	2010-11	2011-12	2012-13	
Community engagement	DFHCSIA	- [\$3.8]*	\$9.6m	\$12.4m	\$12.6m	-	\$36.3m
Policing	Treasury DFHCSIA	-	\$39.3m	\$58.7m	\$58.5m	-	\$156.6m
Law and order	AG	- [\$11.6m]*	\$26.5m	\$26.7m	\$27.0m	-	\$80.2m
Youth diversion	DFHCSIA	- [\$9.5m]*	\$9.3m	\$9.5m	\$9.7m	-	\$28.4m
Family support package	DFHCSIA Treasury	- [\$9.8m]*	\$10.5m	\$10.9m	\$11.4m	-	\$32.9m
Income management	Centrelink DFHCSIA DHS DFR	- [\$63.7m]*	\$103.8m	\$0.9m	\$0.6m	\$0.6m	\$105.9m
Community stores	DFHCSIA Treasury	-	\$8.2m	\$5.6m	\$4.5m	-	\$18.3m
Early childhood	DFHCSIA	- [\$0.4m]*	\$0.5m	\$0.5m	\$0.5m	-	\$1.5m
Playgroups	DFHCSIA	- [\$0.7m]*	\$0.3m	\$1.2m	\$1.2m	-	\$2.8m
Creches	DEEWR	- [\$2.3m]*	\$4.4m	\$2.3m	\$2.3m	-	
Quality teaching and accelerated literacy	Treasury DEEWR	- [\$19.1m]*	\$16.2m	\$16.7m	\$12.7m	-	\$45.7m
Teacher housing	DEEWR	-	\$11.2m	-	-	-	\$11.2m
School nutrition	DEEWR Centrelink	- [\$7.4m]*	\$13.7m	\$12.0m	\$11.8m	-	\$37.5m
Training for job seekers	DEEWR	-	\$1.0m	\$1.0m	\$1.0m	-	\$3.0m
Field operations	DFHCSIA Treasury	-	\$28.4m	\$30.5m	\$32.2m	-	\$84.1m
Local priorities	DFHCSIA	-	\$10.0m	-	-	-	\$10.0m
Health services	Treasury DoHA	- [\$13.6m]*	\$14.5m	\$57.5m	\$59.1m	-	\$131.1m
Coordination and policy support	DFHCSIA	- [\$32.4m]*	\$3.9m	\$3.8m	\$3.3m	-	\$11.0m
Cmwth Ombudsman	OCO	\$0.8m [\$0.2m]*	\$0.8m	\$0.8m	\$0.8m	-	\$3.3m
Total		\$0.8m					\$807.4m

* in 2008-09 Budget



Table 5: Other initiatives (in the FHCSIA Budget Papers these are described as focused on remote Australia, but the scope is clearly wider than that)

Item	Responsible Department	Funding allocation					
		2008-09	2009-10	2010-11	2011-12	2012-13	Total
Coordinator-General for remote services	DFHCSIA	-	\$2.2m	\$2.2m	\$2.3m	\$2.3m	\$9.0m
Clearinghouse	DFHCSIA	-	\$2.0m	\$2.0m	\$2.0m	-	\$1.5m
Indigenous data gaps	Treasury	-	^	^	^	^	^
National Indigenous Violence and Child Abuse Intelligence Task Force	ACC	- {\$4.2m}*	\$5.5m	-	-	-	\$5.5m
Dental services	DoHA	-	\$1.3m	\$2.9m	\$3.4m	\$3.4m	\$11.0m
Improving eye and ear health	DoHA	-	\$6.2m	\$15.4m	\$18.3m	\$18.5m	\$58.3m
Quality assurance for ATSI Medical Services Pathology Program	DoHA	-	\$0.8m	\$0.9m	\$1.0m	\$1.1m	\$3.8m
<i>Total</i>		-	\$18.0m	\$23.4m	\$27.0m	\$25.3m	\$89.1m

^ in Contingency Reserve

* in 2008-09 Budget

**Table 6: Resetting the relationship with Indigenous Australians**

Item	Responsible Department	Funding allocation					Total
		2008-09	2009-10	2010-11	2011-12	2012-13	
Reconciliation Australia	DFHCSIA	-	-	\$3.6m	\$3.6m	\$3.6m	\$10.8m
Healing Foundation	DFHCSIA	-	\$5.9m	\$7.8m	\$8.0m	\$5.0m	\$26.6m
Link-Up services	DoHA	-	\$2.3m	\$5.5m	\$6.1m	-	\$13.8m
Indigenous Electoral Participation Program	AEC	-	\$1.2m + \$0.4m*	\$4.7m	\$3.1m	\$3.5m	\$13.0m
Total		-	\$9.8m	\$21.6m	\$20.8m	\$12.1m	\$64.2m

* related capital costs