

**Please find attached:**

- 1 Executive summary
2. Current Indigenous housing needs – discussion points
3. The Territory's Problem of Access to Service Delivery
4. Northern Territory Population Policy

**Copies of powerpoint slides**

Northern Territory Population (Tony Barnes – NT Treasury)

Mortality in the Northern Territory (Part 1: All Cause Mortality)

The NT Labour Market – Impacts of an ageing Australian workforce

Education in the Northern Territory

Integrated approaches in Indigenous communities

COAG meeting 25 June

NT Revenue

Unfunded superannuation

**Attachments (available on request)**

Northern Territory Position Paper – Indigenous Housing 2004/05 and beyond

A Report to Thamarrurr Regional Council December 2003 — Baseline Profiles for Social and Economic Development Planning in the Thamarrurr Region

Department of Employment, Education and Training — Impacts of an ageing Australian workforce

The Northern Territory Economy – Economic Performance

Spreadsheets in xls form showing ABS Census Data on Indigenous communities in the NT at a disaggregated level.

# Productivity Commission Inquiry into the Fiscal and Economic Effects of Ageing

## Northern Territory Government Agencies' submissions

### Executive Summary

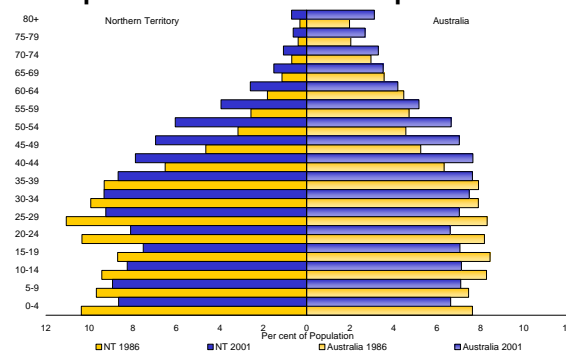
All the submissions to the PC concentrated upon the uniqueness of the Northern Territory. This had, and will have into the future, a number of impacts that belie the effect of a seemingly low proportion of aged persons in the Territory population.

#### *Treasury: Northern Territory Demography*

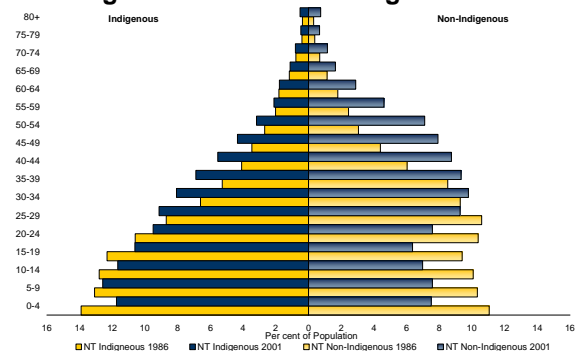
Presented the following unique features of the NT population: -

- The NT population has a very different age distribution to the Australian population (see graph below), with more children, young adults and fewer old people. However, the NT's population has been aging just as fast as the national population in terms of average age. The median age of the NT population has increased from 28.6 years in 1999 to 30.3 years in 2003. Compared to national median age of 34.9 years in 1999 and 36.1 in 2003.
- *Two NT populations – Indigenous and Non-Indigenous*  
Approximately 30% of the NT population identify as Indigenous people. The Indigenous population has a much lower age profile, higher mortality, higher fertility rates and is much more likely to remain a permanent resident in the NT.

**NT Population vs Australian Population**



**NT Indigenous vs NT Non-Indigenous**



Source: Australian Bureau of Statistics Population Data

- *Projecting NT population into the Future*  
Projecting the future pattern of growth of the NT's population with certainty is very difficult. One set of projections, based on the ABS's most modest projections of the total NT population growth with future declines in Indigenous fertility and mortality, suggest aging of the NT population will continue strongly in the coming decades. However, the NT will maintain a relatively high proportion of its population in the working age range. A high proportion of NT's population (approaching that of other jurisdictions) will be in the nominal 'aged-care requiring' age range of 65+ for non-Indigenous and 50+ for Indigenous people.

## 2001 Population Estimates and 2021 and 2046 Population Projections for NT

	Population Estimates at 2001				Projections to 2021				Projections to 2046			
	AGES				AGES				AGES			
	0-14	15-49	50-64	65+	0-14	15-49	50-64	65+	0-14	15-49	50-64	65+
NT												
Indigenous (%)	35.8	54.2	7.2	2.8	30.2	53.7	11.8	4.3	22.2	51.9	16.5	9.4
(Numbers)	20349	30833	4076	1617	23781	42297	9296	3399	22230	51905	16486	9438
NT Non-Indigenous (%)	21.7	58.4	15.6	4.3	17.9	53.0	19.2	9.9	20.0	50.0	18.3	11.6
(Numbers)	30574	82368	22059	6137	28893	85584	31022	15945	38491	96009	35189	22356
NT Total (%)	25.7	57.2	13.2	3.9	21.9	53.2	16.8	8.1	20.6	50.3	17.6	11.5
(Numbers)	50923	113201	26135	7754	52674	127881	40318	19344	60721	147914	51675	31794
Australia (%)	20.8	50.5	16.0	12.6	16.1	45.5	19.4	19.0	14.2	40.5	19.0	26.3

Source: Australian Bureau of Statistics Population Estimates.

### *Chief Minister's Department: Access and Remoteness*

Dealt with the issue of the impact upon individuals of the service access difficulties suffered by Aboriginal Territorians in particular. Their access disadvantage is inadequately recognised because of a bias in official measurement of geographical remoteness that understates remoteness and consequent access disadvantage for individuals in the NT.

### *Chief Minister's Department: Population Policy*

The NT Government's impending population policy is built on three elements, population attraction, retention and up-skilling. All are designed to attempt to reduce the rate of net emigration that nullifies any positive population effect that the uniquely high rate of interstate immigration might otherwise engender.

### *Health and Community Services: Health, Economics and Ageing in the NT*

This submission covers life expectancy issues and burden of disease data. It also adduced the drivers of NT health expenditure. Life expectancy is growing in the NT at a rate much lower than the national figure, the gap mostly a result of the Indigenous population's much lower rate of improvement. The Aboriginal population also has an unusual burden of disease with nationally high rates of cardiovascular, respiratory, infectious urino-genito and digestive diseases, very high rates of diabetes, and high rates of injuries.

The submission also covers the drivers of health expenditure. Some of these – eg supply side technology labour productivity and inflation effects, demand side income growth, population growth and ageing effects – are not necessarily unique to the NT but all combining to produce particularly rapid expected expenditure growth in future years. The morbidity rates of the Indigenous population and the high proportion of the population living in remote locations are uniquely important to the NT.

### *Employment, Education and Training: The Northern Territory Labour Market*

This submission concentrated upon the recent decline in interstate migration. This was thought to be an effect of relatively better job opportunities in other parts of Australia, combined with endemic skills shortages that possibly bode ill for the NT economy. The solution, to better engage the Indigenous population in future years, will be difficult but must be made to work. Difficulties include the fact that much of the indigenous population live in remote areas with poor access to market opportunities and the low levels of education, economic skills and participation rates.

*Employment, Education and Training: Education in the Northern Territory*

Outlined that the NT had poor educational outcomes notwithstanding the highest per capita expenditure in Australia. The basic problem was a huge divide between Indigenous and non-Indigenous Territorians. The former had low rates of attendance, retention and participation. Because of the growing size of the NT's school age population and the need to increase substantially achievement levels for indigenous students, education expenditure in future years will need to increase substantially, compared with expected reduction in education expenditure in other states.

*Chief Minister's: Integrated Approaches in Indigenous Communities*

Sketched the demographic structure of the Territory's Aboriginal population with high birth rates and high death rates. The major ageing implication that the Office of Indigenous Policy noted was the problem of an ageing population residing in dispersed locations with inadequate infrastructure. Described the principles upon which services were delivered to the NT's Aboriginal communities. Detailed references were made to the CAEPR report on the town of Wadeye, where the whole-of-government COAG trial on improving services to indigenous communities is taking place. (See attached document "Baseline Data 23 Dec 2003")

*Treasury: NT Revenue*

Described the sources of Territory revenue. The NT is about three times as dependent upon GST revenue compared to most other States. This fact and the decline of SPPs means that NT government revenue is highly sensitive to population changes with little scope to adjust its total revenue through raising NT own-sourced revenue.

*Treasury: Unfunded Superannuation*

Treasury pointed out that a large part of the NT's very high superannuation debt originated from the Commonwealth and that the NT derived little benefit from it because most retirees left the NT.

*Treasury: Pensioner Concessions*

The NT has the most generous pensioner concessions of all Australian States and Territories.

*Treasury: Aged care services for aging indigenous peoples*

The PC's report into government services indicates that aged care services for indigenous people should commence at age 50 years, compared to 70 for non-indigenous people. If this is factored into projections the NT can expect similar proportions of its population requiring age-care in come years compared to other Australian States and Territories.

Productivity Commission Ageing Inquiry  
**HOUSING – DISCUSSION POINTS**

**Current Indigenous Housing Need**

The potential future impact of ageing on housing, in particular, Indigenous housing in remote areas, is recognised by the NT but the most pressing and immediate task right now for the NT - & indeed the country – is addressing the current status of indigenous housing.

For example, in the NT alone the unmet need, that is to: -

- house the homeless
- build dwellings to reduce overcrowding and
- undertake major repairs and upgrades to existing dwellings is

➤ estimated to be in the vicinity of \$806M (with a \$2.2 B national need). In the NT this translates to about 35% of Indigenous households being overcrowded. And, that's without including the necessary housing related infrastructure where in the NT it is estimated to be something like \$400m.

A sample of this scenario in remote areas has been highlighted in a recent assessment of a remote community. In Wadeye:-

- dwelling occupancy levels of 11 persons per house – some houses have up to 16 people
- it's projected that by 2023 the population will increase by 88% - ie about 1,800 people (larger than at least 2 urban centres)
- this means they'll need about 600 additional dwellings – this excludes the immediate 160 dwelling shortfall needed right now for the current population
- average cost per dwelling is \$220,000 (excluding infrastructure costs) – estimated to be \$40,000 per house
- haven't done the sums but when you place an ageing overlay on top of that it's sure it has a significant multiplier effect.

The NT's immediate effort has been focussed on addressing this type of scenario – which exists broadly across the Territory.

The NT's Housing Minister is currently taking a national leadership role on this issue and has produced a position paper, which will go to the next HMC on 10 September. The Paper, in addition to outlining all the critical factors, focuses on recommending that a committed strategic approach is needed if we are to make any inroad in to the incredible Indigenous housing statistics. The 3 key approaches are:-

- improve access to mainstream housing & infrastructure programs
- increased focus on sustainability through improved housing management programs
- increase financial resources available through Indigenous specific housing programs.

The unmet need and dollars to address it always seems a bit overwhelming for any government to embrace. However, it's suggest at the very minimum we should allocate an addition \$100m annually nationally – even then it would take about 20 years to address the backlog. Somehow we (collectively) have to make a significant injection somewhere at some level now before other changes occur – like the ageing factor.

The Productivity Commission's Indigenous Disadvantage report provides a very useful roadmap to launch into this strategic approach as it outlines quite clearly what the critical pressure points are and where.

Over a 40 year timeframe – ie 2 generations – it is hoped that these existing gross deficiencies will be substantially addressed by governments. Because an increase in adults will create its' own demand by way of the formation of new households thereby increased demand for new dwellings.

## **Built & Social Environment**

The NT, not unlike any other jurisdiction, will need to deliver a built and social environment that supports individuals and families to remain productive and functioning independently as long as possible – this is across the board for urban & remote; Indigenous and non-Indigenous.

Housing and planning issues need to be looked at critically now as the population ages. Simply, this means looking at elements such as: -

- community and urban planning
- design and safety of buildings and transport systems
- encouraging medium density housing
- mandating adaptable and universal design criteria
- barrier-free designs which gives low maintenance and low housekeeping needs
- support services which suit older people
- ensuring that initial land use plans and building designs anticipate and are responsive to the diverse needs of people over a complete life course this means things like:- footpaths, public spaces, lighting, access to services (shops, health, public transport etc)
- older people generally seek out safe & secure housing which is affordable, accessible and suitable
- latest trends indicate that older people don't 'settle down' permanently as they might have in the past – retirees now search out new lifestyle options and that often means changing residential locations

The NT has a long history of attracting young, fit, independent people to build and grow the Territory in urban areas at least. In the past much of the urban planning and dwelling designs reflect that demographic. This means that:-

- existing stock (public & private) might not meet the accommodation and locational needs of older people
- ageing infrastructure in many areas

In recent years the NT has responded to an ageing demand and has come up with: -

- ensuring universal adaptability design standards are included in all newly constructed public dwellings (this includes remote Indigenous housing)
- creation of low density, low level complexes to suit aged and retirement lifestyles

- these have proved to be very successful and there is an expectation by the public that the NT will continue to have this approach. More and more people are expressing a desire to stay longer in the NT after retirement.
- Increasingly remote areas have expressed interest in a 'seniors village' concept – this was articulated at a recent visit to Kintore.

**Key summary points**

- the NT's immediate focus has been leveraging policy and funding decisions to address current unmet need in Indigenous housing
- haven't yet undertaken a detailed analysis of data that fully captures the impact of ageing on the total NT population – in respect to housing
- plans in place to look carefully at these issues, including analysis on the broader issue of the various range of housing tenures and their subsequent social and economic impact in the NT

# **The Territory's Problem of Access to Service Delivery**

**(Rolf Gerritsen, Department of the Chief Minister)**

## **Introduction**

Ageing is a special problem for the Northern Territory and remote Australia<sup>1</sup> because:

- The demographic structure of the NT is peculiar – eg so that the NT, uniquely among Australian jurisdictions, can expect to incur extra education expenditure over the next decades as the population statistically ages
- The Aboriginal factor. This impinges in three ways:
  - Aborigines constitute almost 30% of the population, far more than in any other Australian jurisdiction;
  - In epidemiological terms, Aboriginal Territorians exhibit early onset (ie from 54 years) morbidity conditions that are associated with ageing in the general population but do not occur in that population until the mid-60s; and
  - Aboriginal Territorians live in places that make service delivery very difficult.

It is this last point upon which I will dwell. Other NT agencies will elucidate on the other points.

The NT has some 77 recognised major Aboriginal communities and 800 service points with populations ranging from 5 persons up to 100 persons. The difficulties of delivering services to this spatially dispersed web of settlements and outstations is relatively well known and certainly well rehearsed, eg via the Commonwealth Grants Commission's inquiries.

## **The Access Problem**

What I am interested is the individual's access to services.

That is a relatively neglected area of studies of the spatial elements of equity issues.

The NT is more disadvantaged than usually recognised (ie via the disability factors in Commonwealth Grants Commission estimates) because the basic tool used to define "remoteness" – the ABS' ARIA (Plus) system – understates the remoteness of NT communities.

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<sup>1</sup> Here by "remote" I mean the areas covered by the pastoral, arid and tropical savanna zones of Australia. It is about two thirds of Australia's area, with about 3% of its population.



The ABS admits to some problems with ARIA (Plus):

- That it understates the relative remoteness of parts of northern Australia because the index is truncated (it has a scale of 1-15);
- That it does not make allowance for roads that are impassable in the “wet”; and
- The size of the urban centre within which all public services are assumed to be available.

(cf. ABS 2003).

There is another, equally serious, problem with ARIA (Plus) that the ABS does not acknowledge. The ABS explicitly makes the point that – outside the major cities – there is no correlation between remote/very remote location and income. And that is correct by national aggregates and is also true for some States. In WA (because of the mining industry) remote average incomes are even higher than those in that State’s major regional centres. Yet in the Northern Territory there is a correlation between remoteness and low incomes.

A few figures will suffice to illustrate the point:

#### **Median Weekly Income by Remoteness Area**

Jurisdiction <sup>2</sup>	Outer Regional Australia	Remote Australia	Very Remote Australia
NSW	\$300-399	\$300-399	\$300-399
SA	\$300-399	\$300-399	\$200-299
NT	\$500-599	\$400-499	\$160-190
Australia	\$300-399	\$300-399	\$300-399

(Source: 2001 Census, ABS 2003, p.9)

*This table demonstrates how national aggregates swamp important regional differences. Policy built upon such national aggregates may inadvertently severely disadvantage Aborigines living in communities whose access to services is at a level of disadvantage that is inadequately reflected in current official measures.*

For example, let us take the cases of two elderly Aboriginal persons, one in Lajemanu (a community on the northern fringe of the Tanami desert) and the other in Brewarrina (a community on the Darling River in N-W NSW). These two communities are equally remote according to ARIA (Plus) and so these two individuals should have equal access to both public and private services. That is not the case.

Both communities have a health clinic a police station and a primary school, the first two facilities important to the elderly’s access to personal safety and health. But consider the array of private services in Brewarrina:

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<sup>2</sup> The figures for Queensland are the same as NSW. Tasmania, like WA has higher incomes in its “very remote” areas. Victoria has no “very remote” areas.

Retail services	3 garages/petrol stations; café; club; hotel; newsagent/gift shop; general store; bakery; rural supply/hardware suppliers.
Leisure services	Bowls; football; club (poker machines and cheap meals); hotel/TAB.
Economic services	Museum; motel; caravan park; 3 ATM machines.
Social services	Retirement rest home
Public transport	Tri-weekly access to daily bus service to Dubbo and Sydney

In comparison Lajamanu has a general store, which incorporates a takeaway and one ATM. It has no other retail outlets. It has no economic/employment opportunities, virtually no leisure facilities, no residential facility for older persons and no public transport. The elderly are dependent upon local Health Department personnel to supply transport for any trips to receive medical attention at Katherine hospital or out-patient clinic.

An elderly Aboriginal person in Lajamanu lives in a community with a much lower median income than western NSW and so with a narrower private sector base for service provision. That Lajamanu person lives in a situation of systemic disadvantage in terms of accessing services that is far worse than supposedly similar situations in other parts of Australia.

These observations are not confined to Lajamanu. A study by the NT's Department of Infrastructure has found that 22 of the 32 Aboriginal communities of central Australia do not have regular road-based transport services. Communities rely upon the Health Department's transport service or hire vehicles from private sector operators. The fare for the 680kms from Docker River to Alice Springs is \$110, which is two-thirds of median weekly income in Docker River. That is not unusual in remote communities of the NT and indicates severe disadvantage for elderly persons wishing to access the services that 95% of Australians take for granted.

## Conclusion

There are means – for example by developing synthetic estimates of households at detailed regional levels (Harding et al 2004) – of estimating policy impacts. However, these estimates are still vitiated by the unique and particular problems of access that the Territory's Aboriginal population, in particular, faces. These disadvantages, which are paralleled in the Kimberleys, the western desert and Cape York, lead to cruel individual Aboriginal disadvantage in accessing services. That factor is unique and needs to be taken into account in studying the impacts of ageing. It provides the framework around the following submissions by the NT Government's agencies.

## References

- ABS (2003) ASGC Remoteness Classification: Purpose and Use. 2001 Census of Population and Housing, Census Paper No. 03/01. Canberra: Australian Bureau of Statistics.
- Griffiths, Dennis (2002) Chalk or Cheese? Distinguishing between access disadvantage and geographic classifications in Australia. Paper presented to the 11<sup>th</sup> Biennial Conference of the Australian Population Association.
- Harding, A; Lloyd, R; Bill, A & King, A (2004) *Assessing Poverty and Inequality at a Detailed Regional Level: New advances in Spatial Microsimulation*. World Institute for Development Economics Research, United Nations University. Research Paper No. 2004/26

# **Northern Territory Population Policy**

(Rolf Gerritsen, Department of the Chief Minister)

The NT Government is soon to adopt a population policy. The policy features the desire to plan for relatively rapid population growth (1% compound growth over 20 years).

The population growth will be achieved by high fertility rates combined with measures to seek to slow the “churn” of emigration from the Territory. It assumes that the population will age at about the same rate as Australia at large, but from a much lower base. In 20 years the NT will have about half the national proportion of persons aged over 65 years.

The policy has three elements:

## **Population Attraction**

Here the intention is to try and maintain the uniquely high rates of immigration to the Territory. Initiatives will occur in attracting overseas migrants but the focus will be upon inter-state migrants. Traditional methods – investment attraction talk shows, professional recruitment drives, etc – will be used to achieve the highest rate possible of interstate migration.

## **Population Retention**

This is to develop policies to slow the “churn” of people, especially through Darwin. Research will need to be carried out to discover the triggers for emigration by persons with skills that desirably should be retained in the NT.

## **Skilling the Population**

This is to implement a philosophy of lifetime education and training and to reduce the consequences of the growing competition for economic skills. It seeks to design education and training policies that provide needed skills for the economy and fulfilling lives for the population. This issue is particularly important for the NT's Aboriginal population. They will supply a “demographic dividend” of young working age people, but the Territory's Indigenous people lack recognised economic skills.

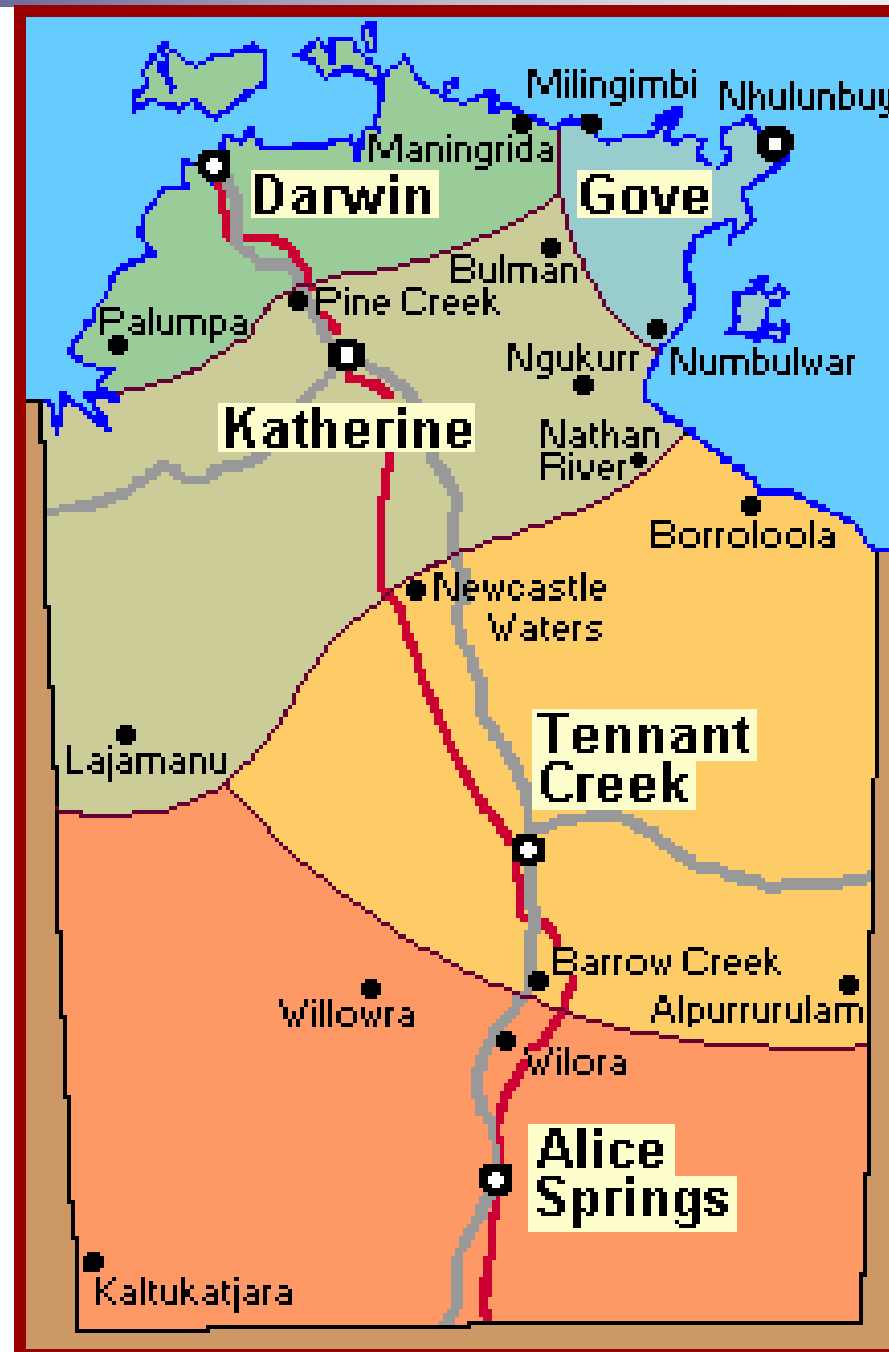
The Territory is particularly keen to maximise the retention of older residents. Put simply, the NT exports superannuants and retains pensioners. This has implications for the economy and also for the social structure of the population.

The Territory also has peculiar problems resulting from population ageing, viz because of the morbidity patterns of its Aboriginal population. They exhibit clinical “ageing” some 20 years before their similarly unhealthy white peers.



# Northern Territory Population

(Tony Barnes – NT Treasury)





# Territory Population Estimates by Main Centre

	1991		1996		2001		2003*	
		% of total		% of total		% of total		% of total
Darwin	68188	41.2	68889	37.9	68710	34.7	68516	34.5
Palmerston	8557	5.2	13343	7.3	22559	11.4	23518	11.9
Litchfield	9670	5.8	13597	7.5	15573	7.9	15888	8.0
Darwin Region	86415	52.2	95829	52.7	106842	54.0	107922	54.4
Jabiru	1454	0.9	1457	0.8	1181	0.6	1164	0.6
Katherine	8347	5.0	9443	5.2	8956	4.5	8610	4.3
Nhulunbuy	4020	2.4	3759	2.1	3800	1.9	3768	1.9
Tennant Creek	3214	1.9	3694	2.0	3002	1.5	2983	1.5
Alice Springs	24250	14.7	25040	13.8	26520	13.4	26229	13.2
Rest of Territory	37793	22.8	42621	23.4	47467	24.0	47675	24.0
<b>Total NT</b>	<b>165493</b>		<b>181843</b>		<b>197768</b>		<b>198351</b>	



# Population Numbers in NT

	Census (a)	ERP (b)
1901	4811	4765
1911	3310	3333
1921	3867	3932
1933	4850	4850
1947	10868	10868
1954	16469	16469
1961	27095	44481
1966	56504	56504
1971	86390	85735
1974	101233	102924
1975	87584	92869
1976	97090	98228
1979	115900	114149
1981	123324	122616
1986	154848	154421
1991	175891	165493
1996	195101	181843
2001	210664	197768

(a) Population counts include visitors and not just residents

Figures prior to 1996 do not include all Aboriginal people

(based on place of enumeration)

(b) Data for the years 1901 to 1970 are estimates of the population.

Estimates for 1971 onwards reflect the resident population.

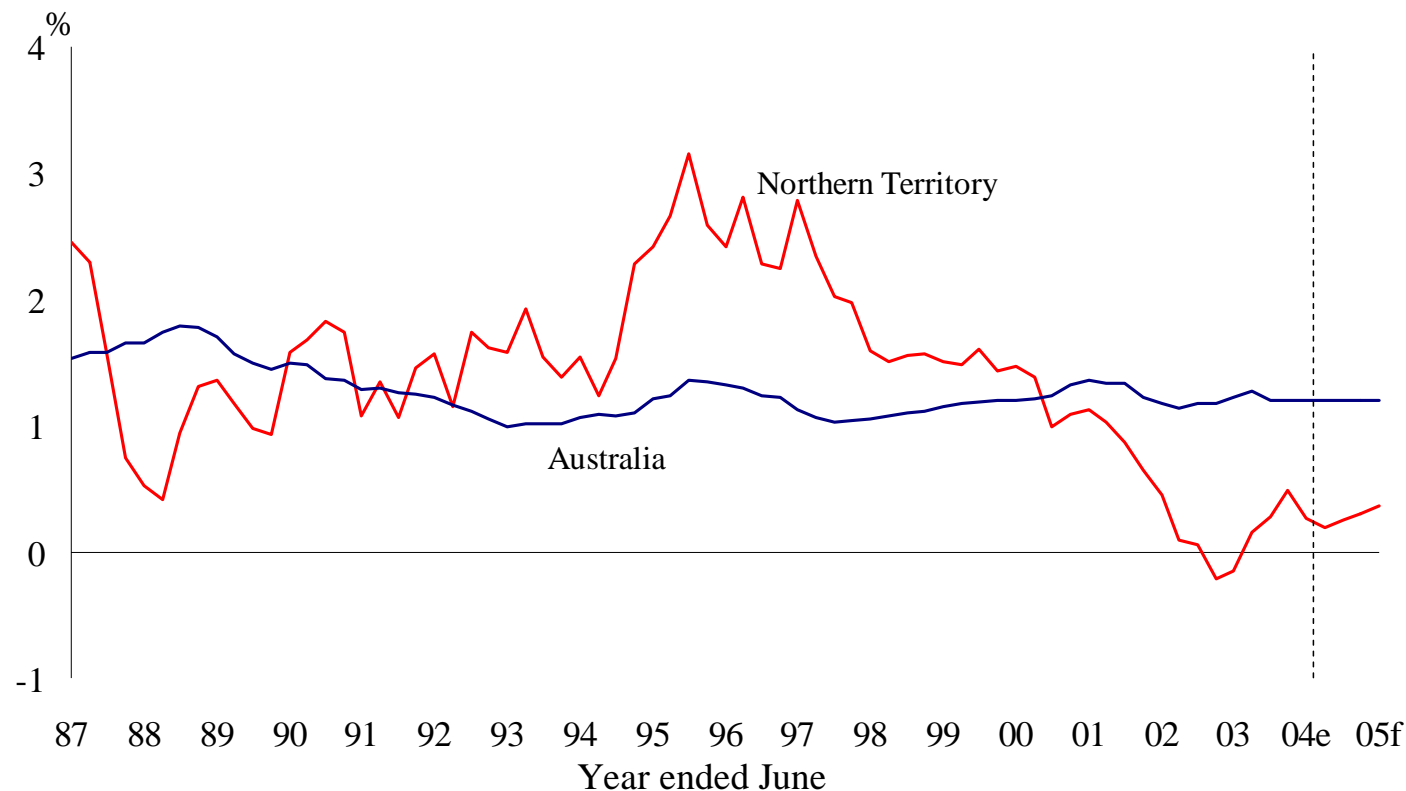




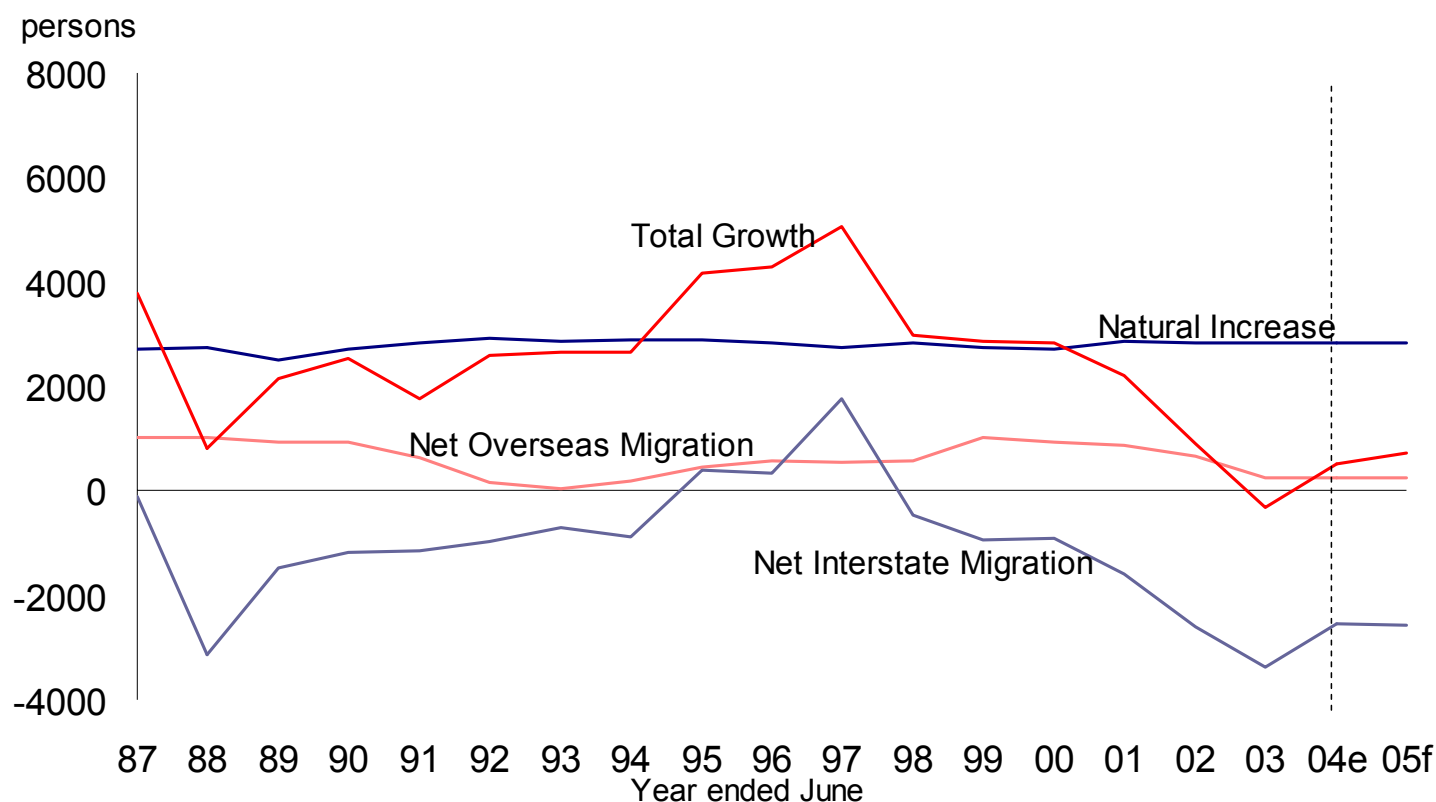
# Concepts of Population

- Resident
- Usual resident
- Place of enumeration
- Visitor
- Service population

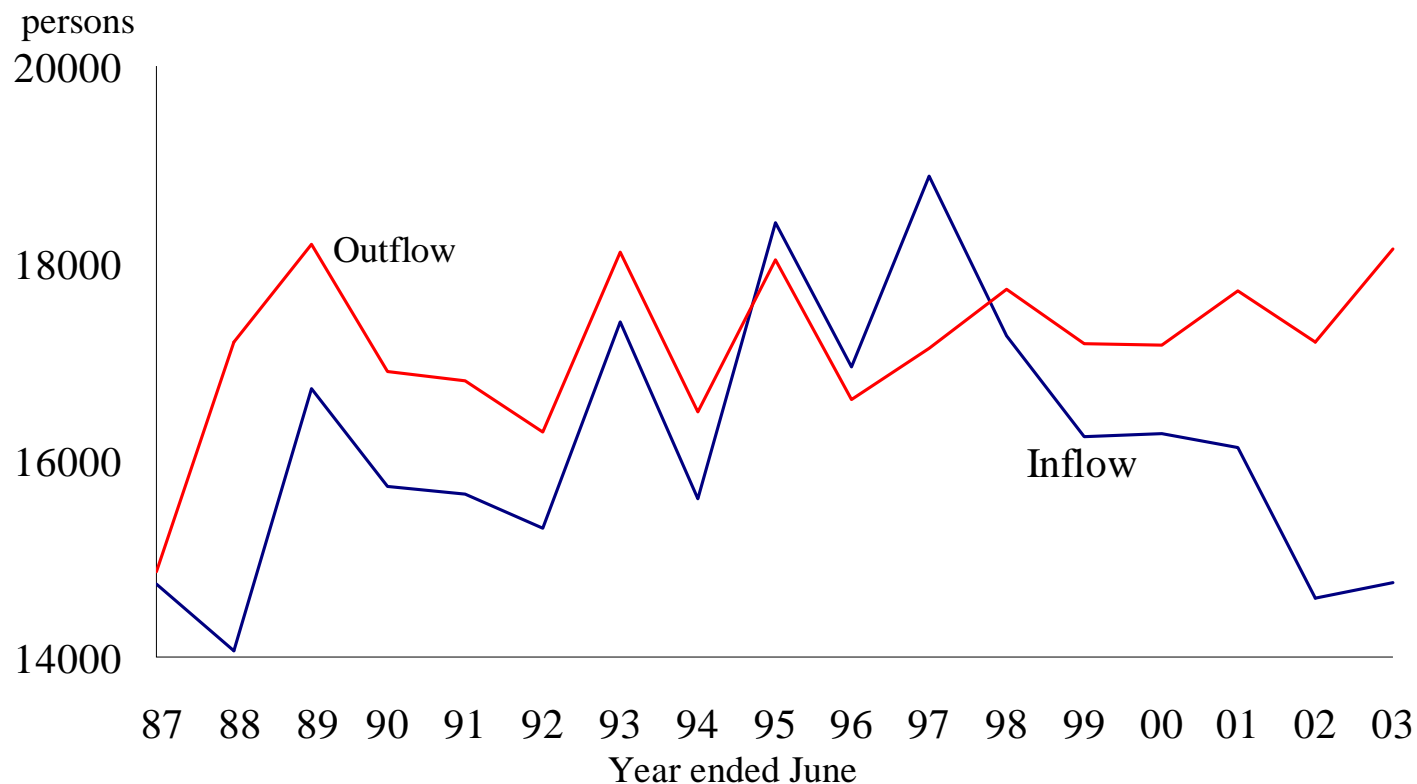
# Annual Population Growth Rates, Australia and the Northern Territory




# Territory Population Growth by Component (persons)



# Annual Territory Interstate Migration Flows



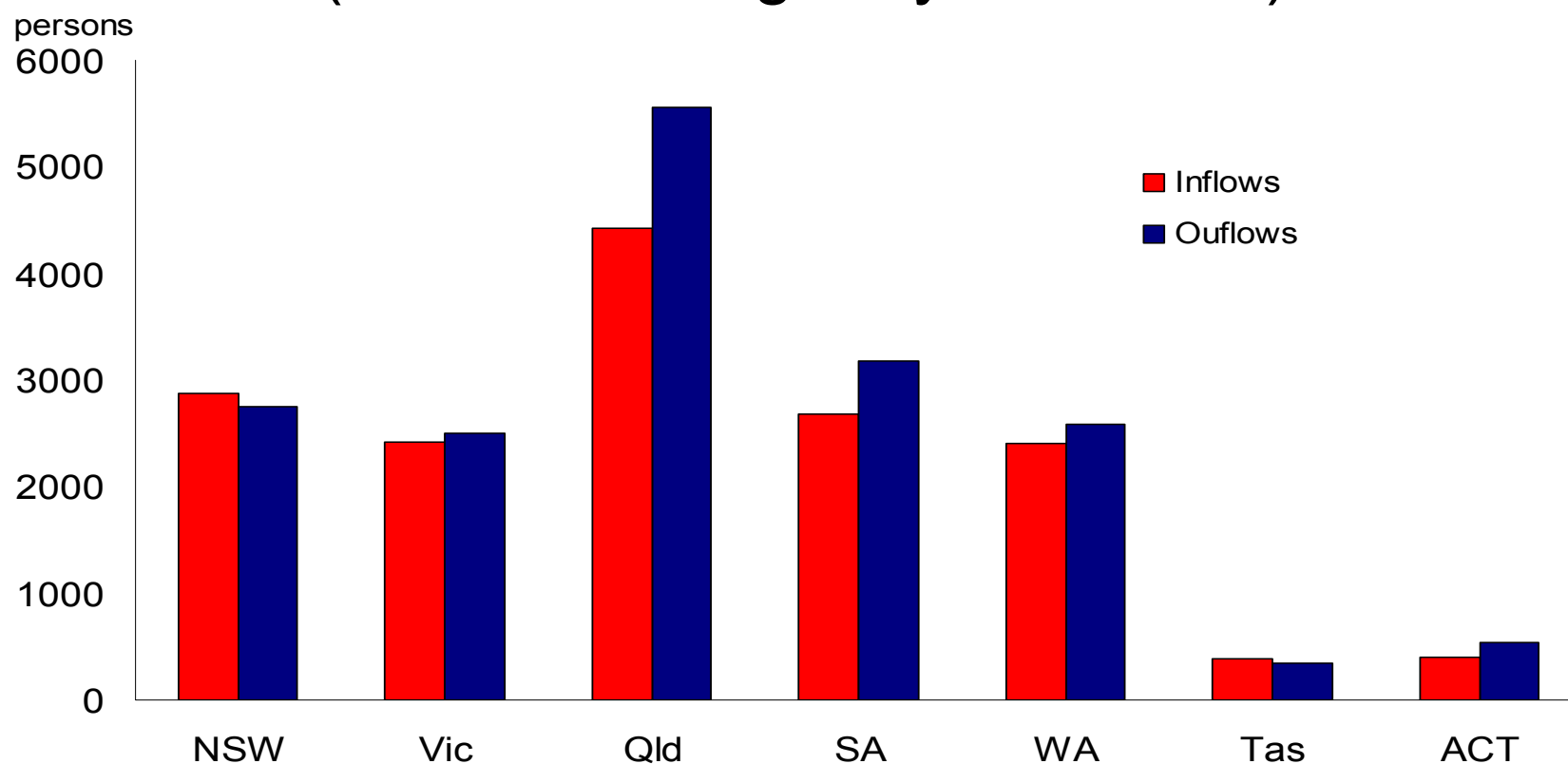


# Estimated Proportion of 2001 Resident Population not Resident in the State five years ago

<b>States</b>	<b>%</b>
Northern Territory	23.03
Tasmania	6.83
Western Australia	8.83
South Australia	6.28
Queensland	11.33
Victoria	7.34
New South Wales	8.07
Australian Capital Territory	20.02

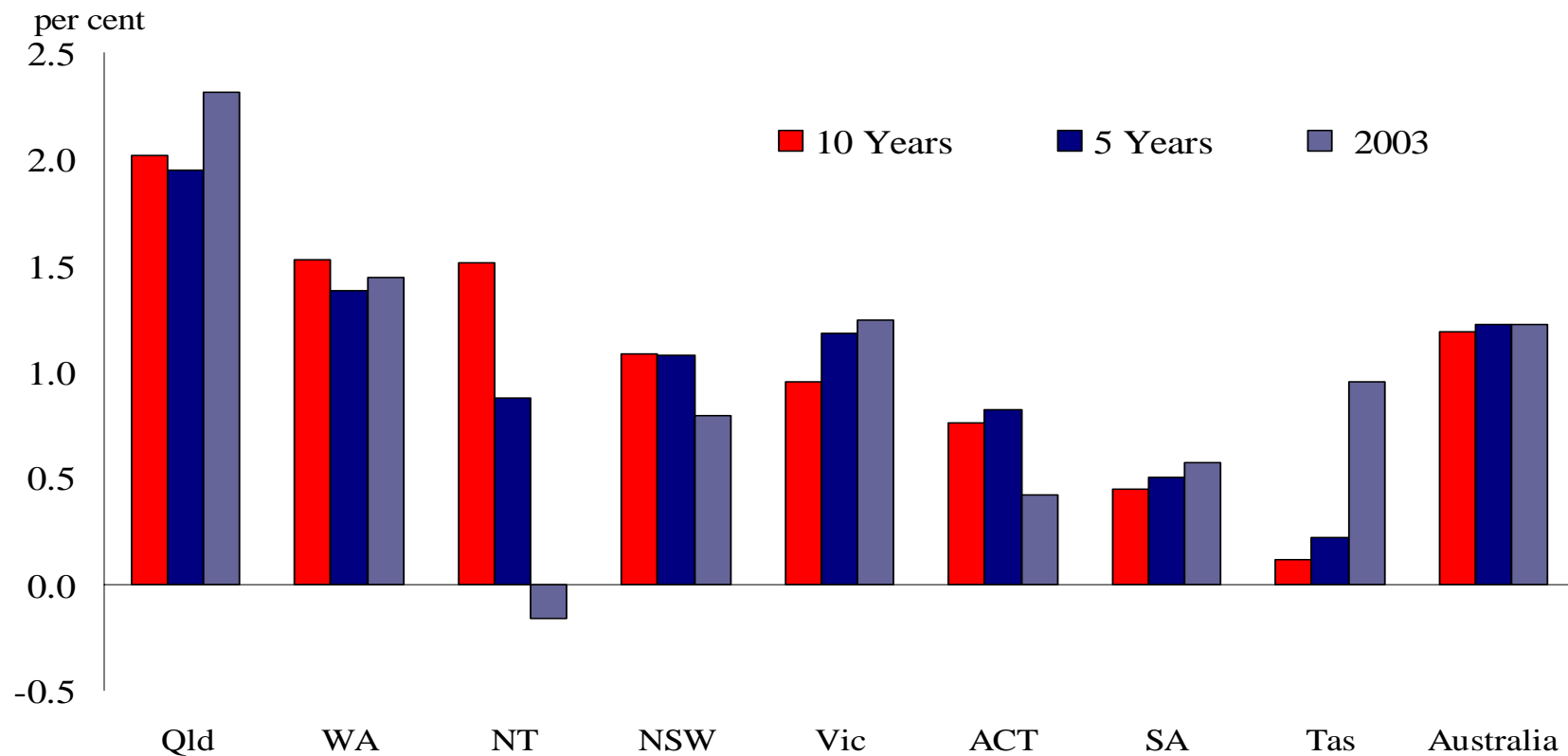
# Territory Interstate Migration Flows, by Jurisdiction

(annual average 5 yrs to 2003)



# State and Territory Population Growth Rates

(average annual growth)





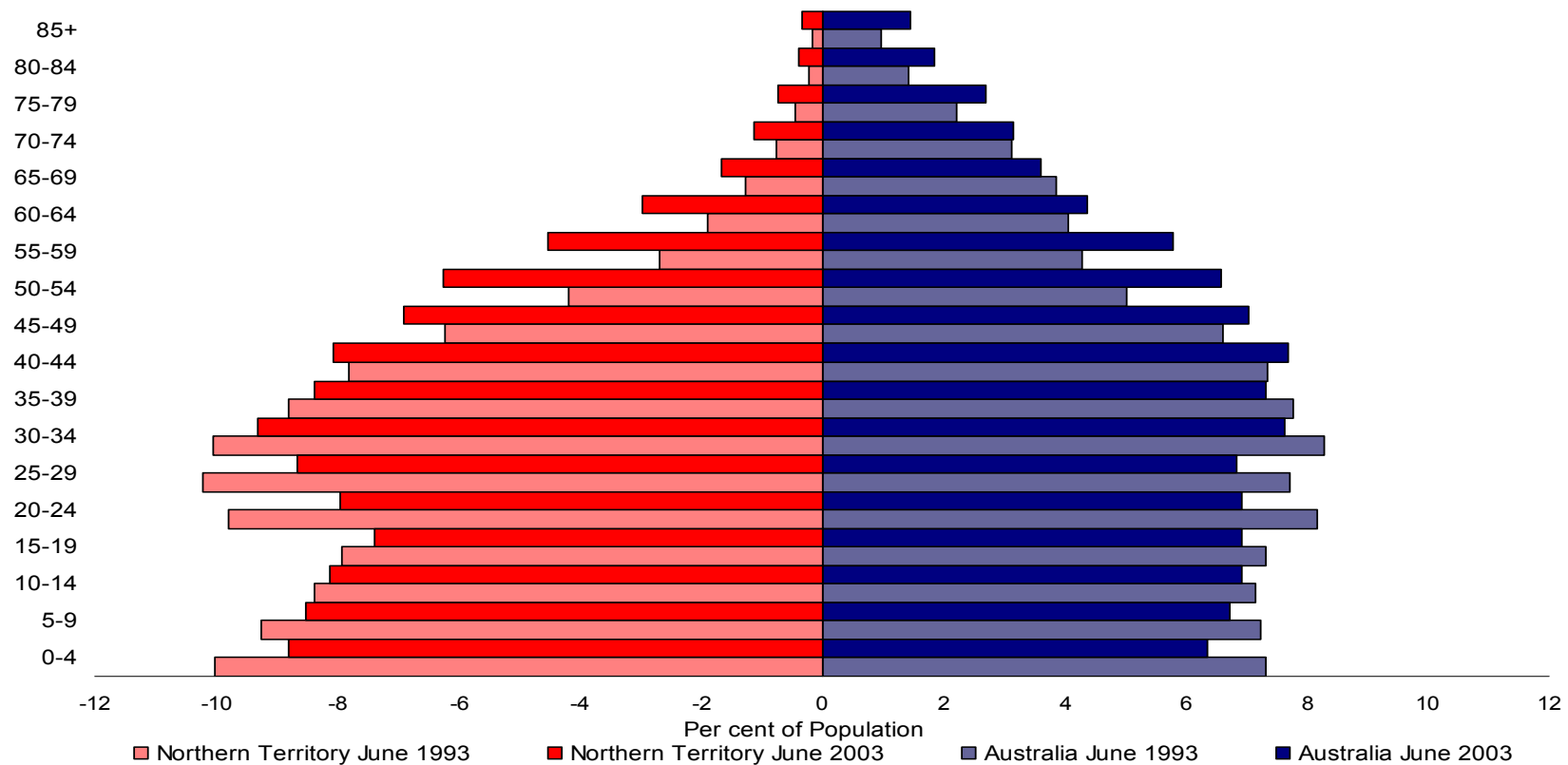
# Indigenous Population

(as at 30 June 2001)

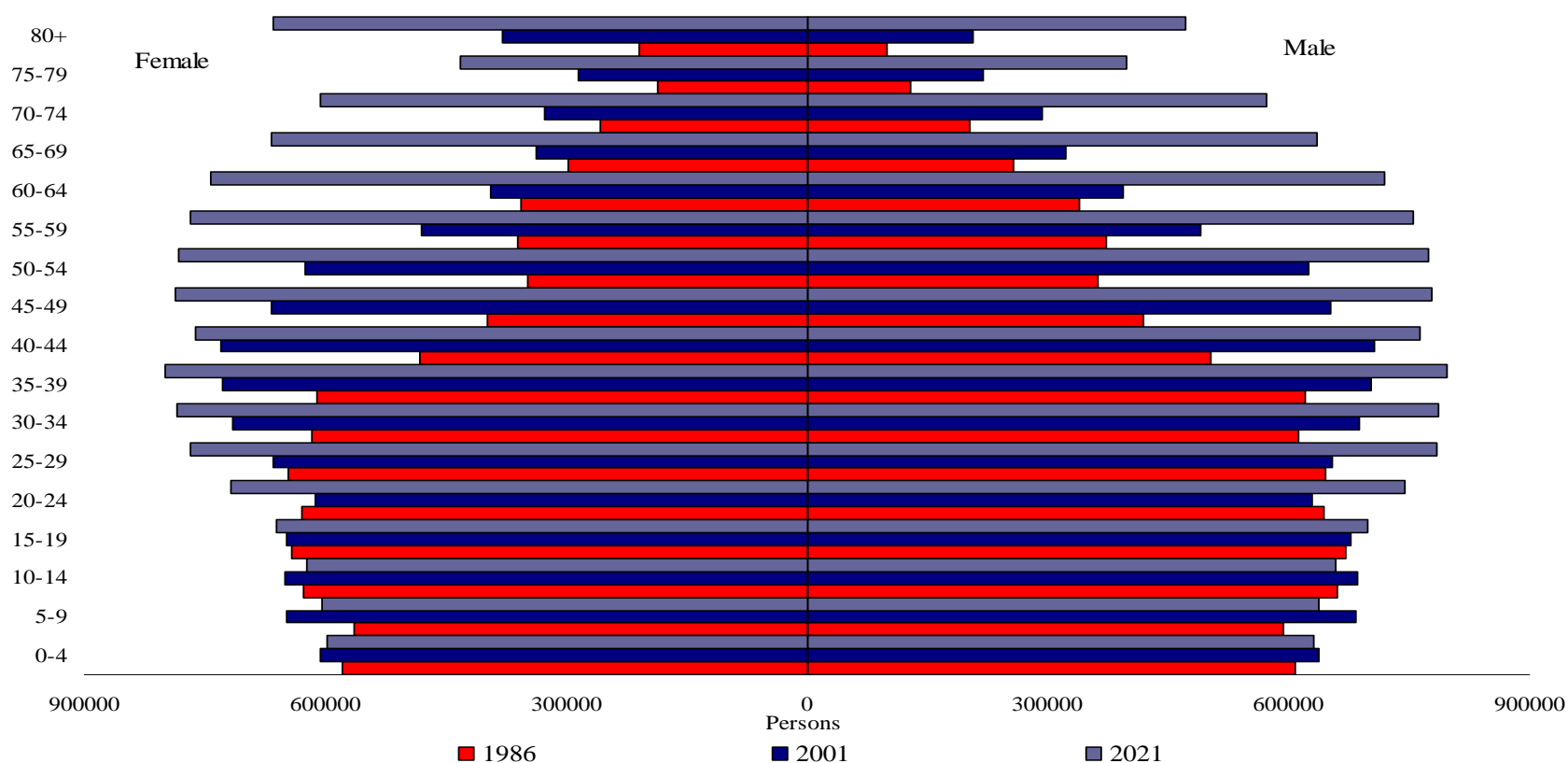
- ERP – 56 875 persons (2.3% of Australian population and 12.4% of national Indigenous population).
- Represents about 29% of total population (38% of children).
- More than one in four people in Territory estimated to be of Indigenous origin.
- Highest total fertility of all jurisdictions (3.0).
- Lowest median age at death (males and females, 47.1 and 50 years respectively).



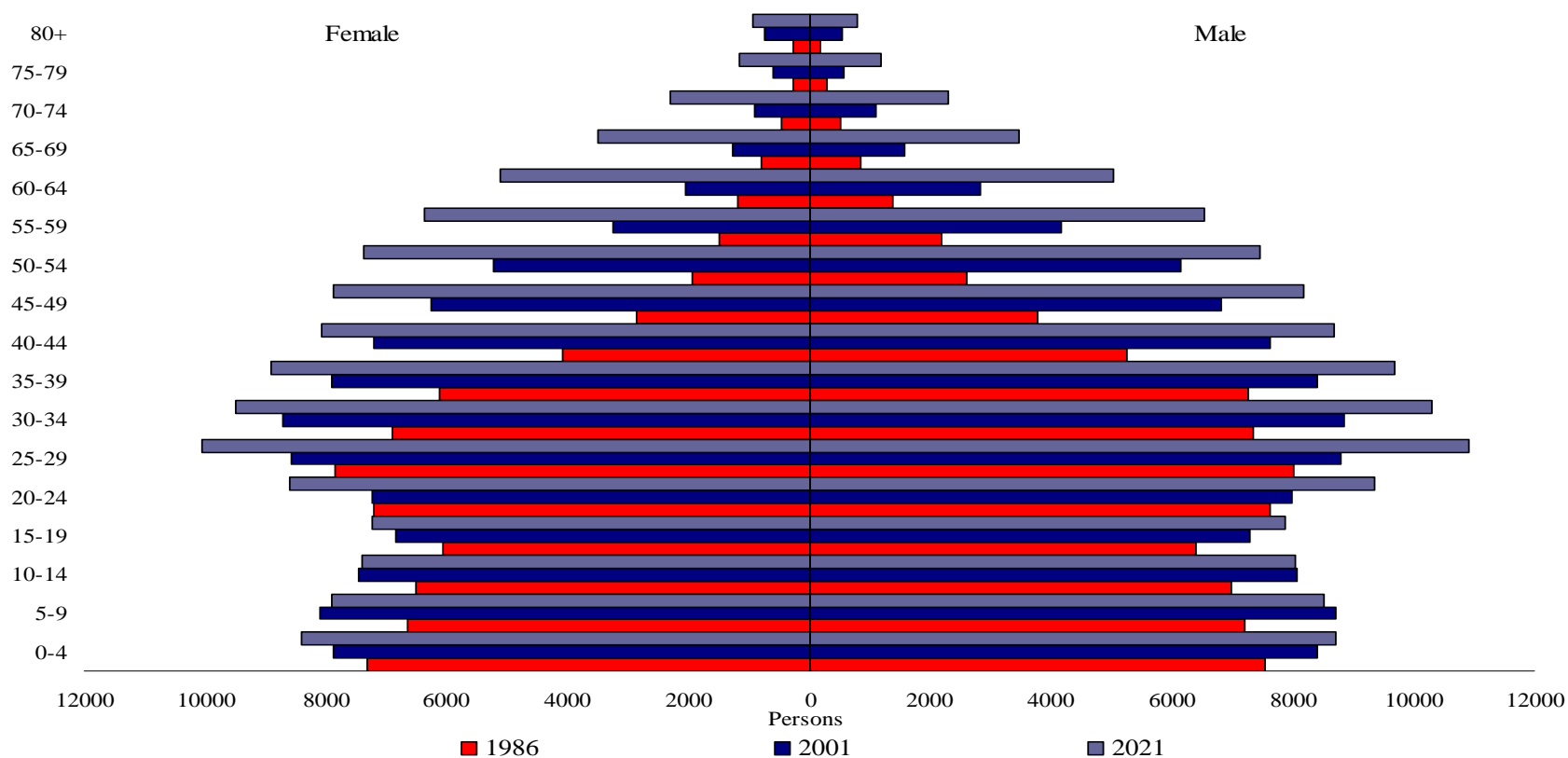
# Age Distribution of Population



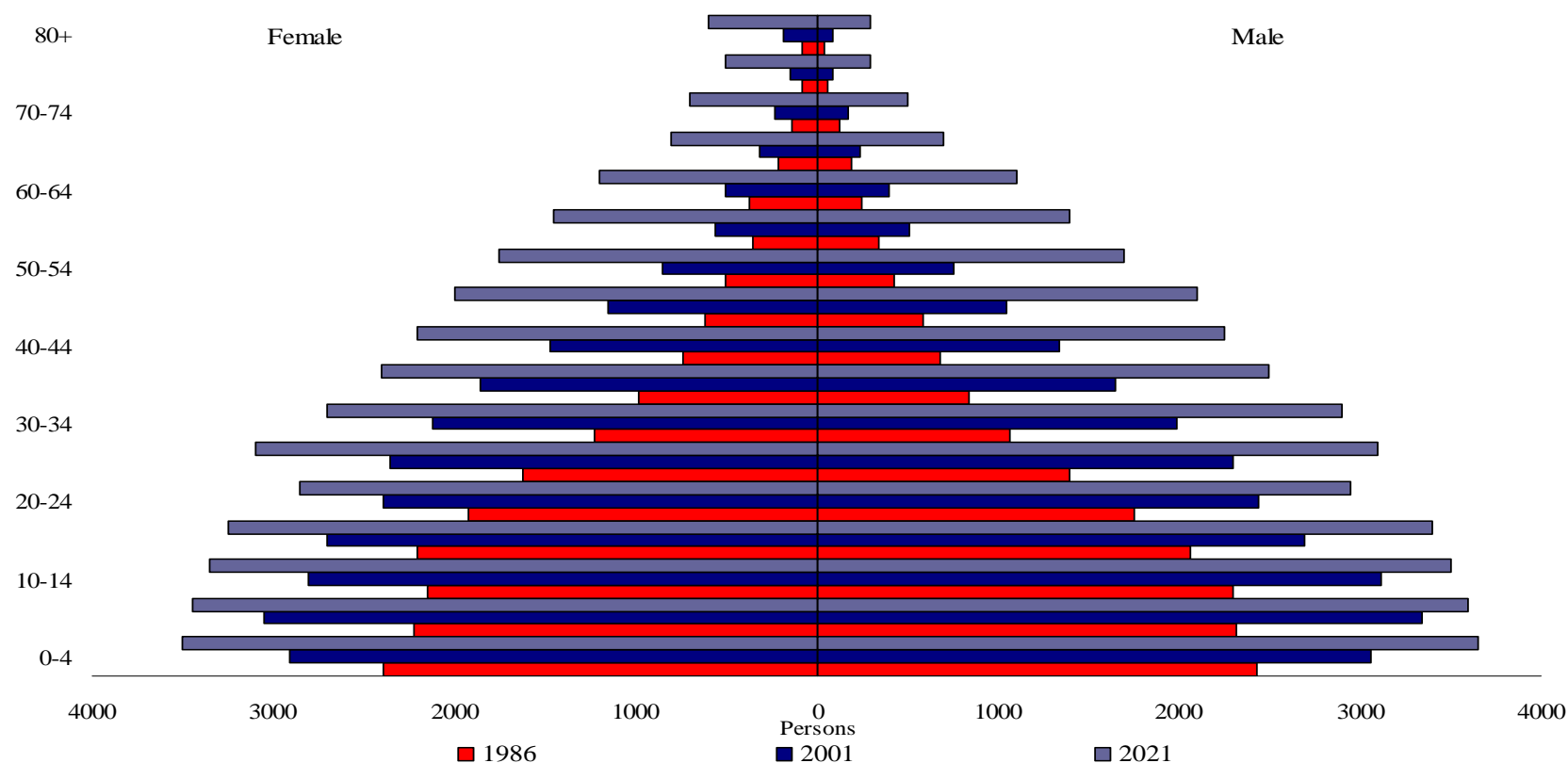
# 1986, 2001 and 2021 Australian Population



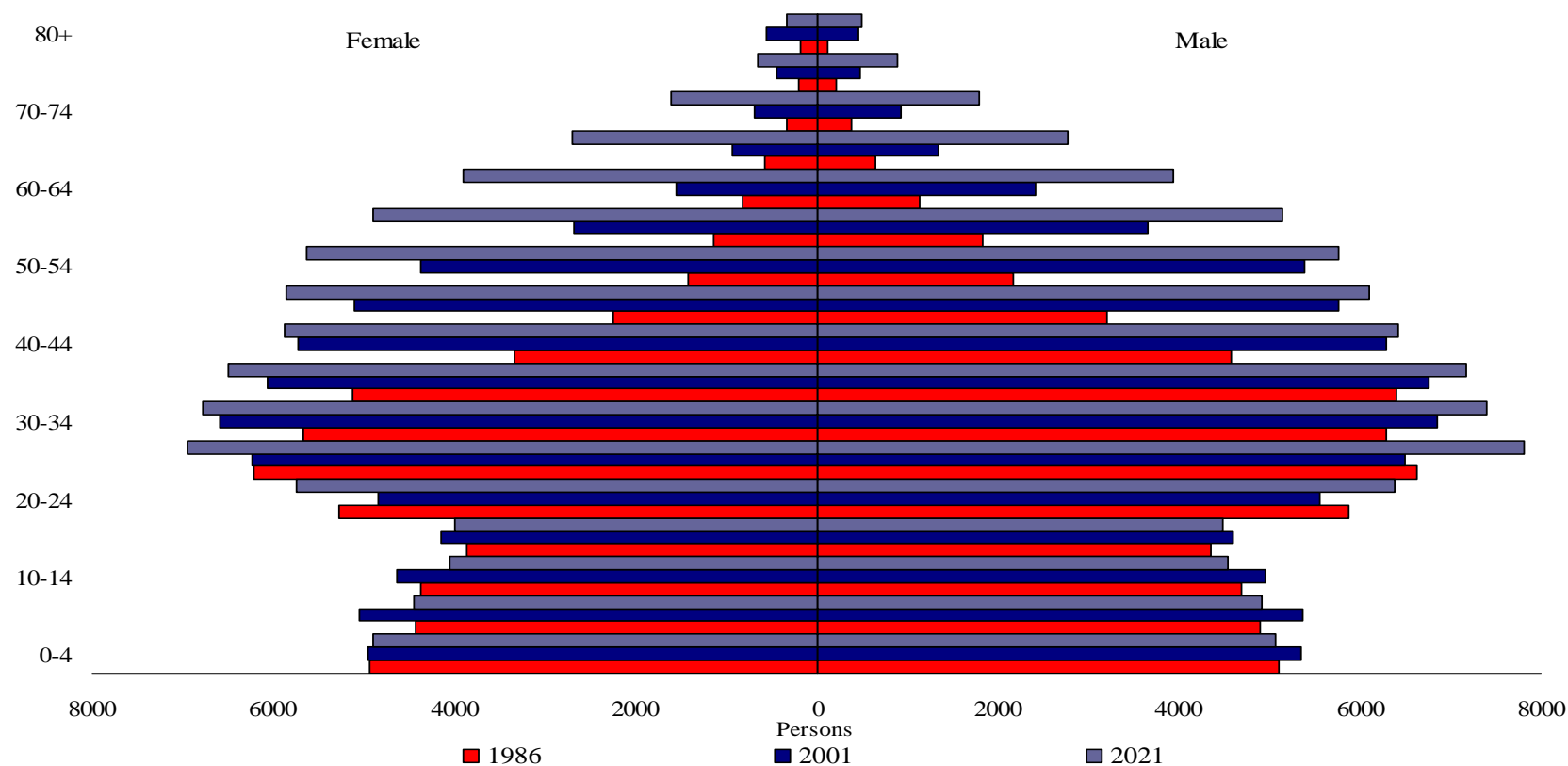
# 1986, 2001 and 2021 Northern Territory Population



# 1986, 2001 and 2021 Northern Territory Indigenous Population



# 1986, 2001 and 2021 Northern Territory Non-Indigenous Population





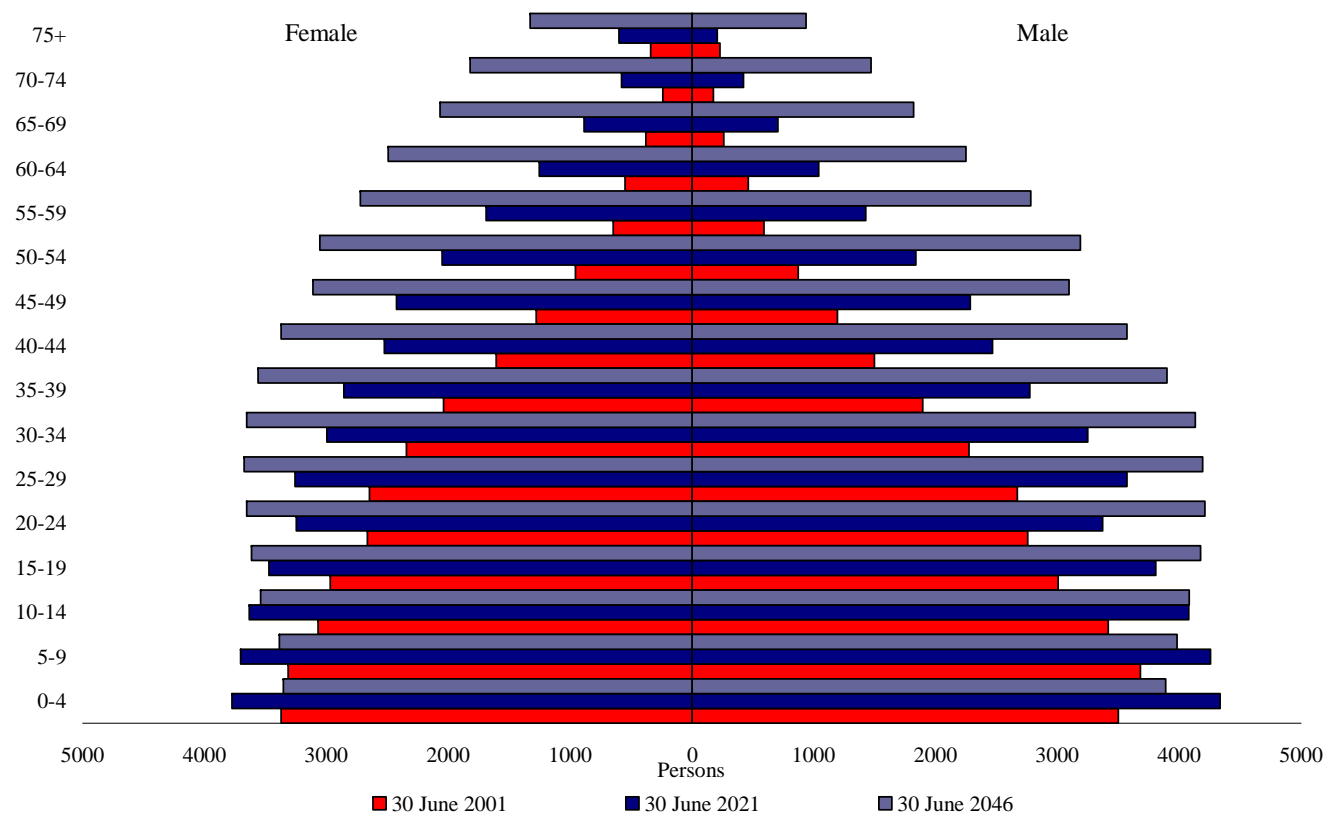
# Percentage of Population in Different Age Groups

	1986			2001			2021		
	0-14	15-64	65+	0-14	15-64	65+	0-14	15-64	65+
Australia	23.4	66.1	10.5	20.8	66.5	12.6	16.1	64.9	19.0
NT Total	29.5	68.0	2.5	25.8	70.3	3.9	21.5	71.6	6.9
NT Indigenous	39.8	57.5	2.7	36.0	61.1	2.9	29.3	64.5	6.1
NT Non-Indigenous	26.2	71.4	2.5	22.1	73.7	4.3	17.9	74.9	7.2



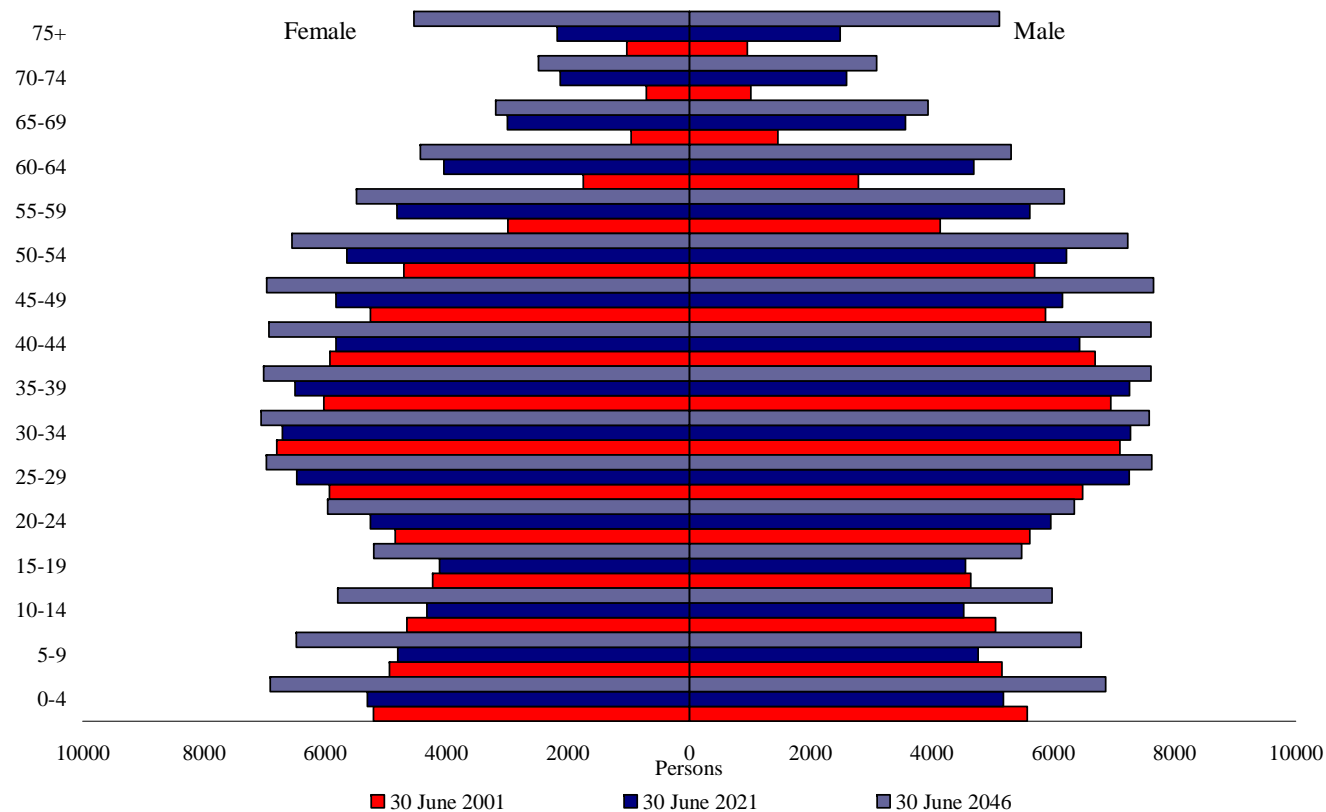
# Projections with diminishing Indigenous mortality and fertility rates

# Northern Territory Indigenous Population Projections

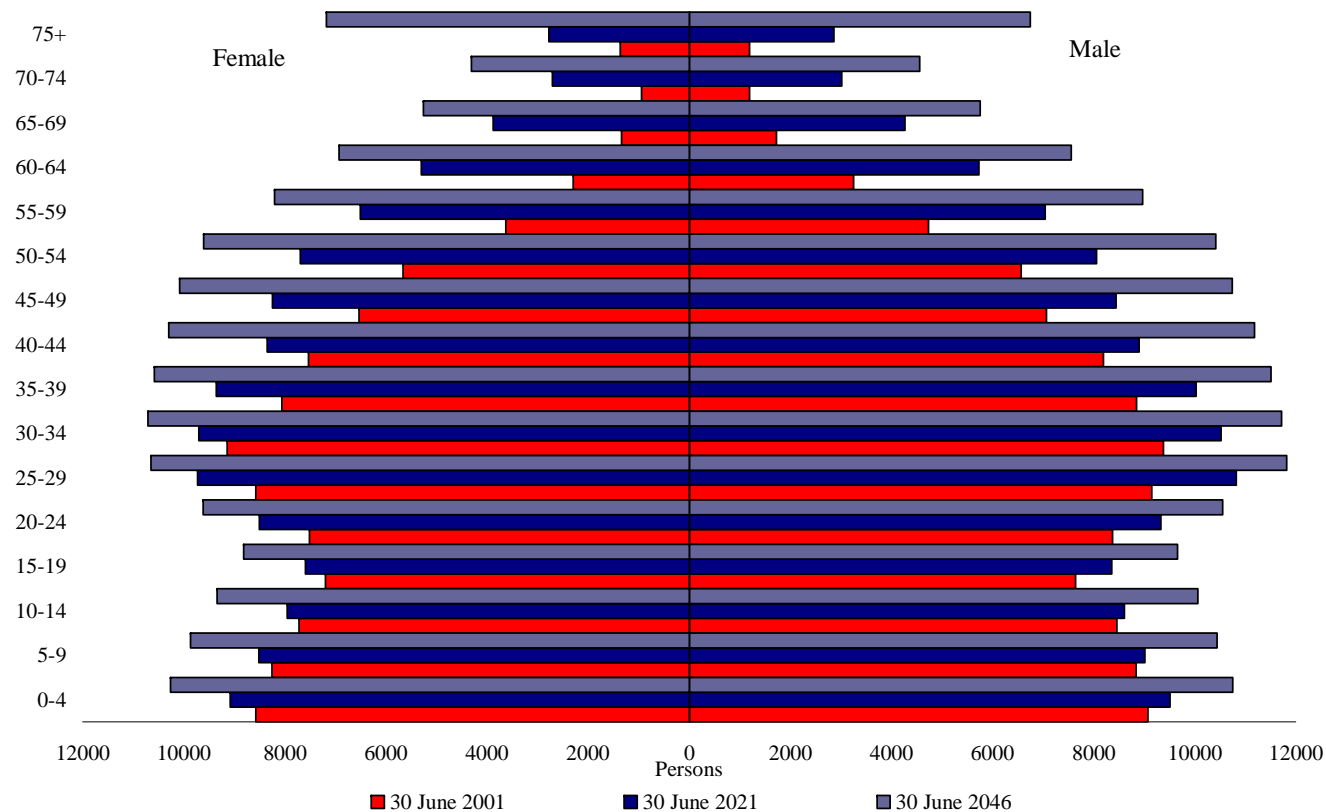




# Northern Territory non-Indigenous Population Projections



# Northern Territory Total Population Projections





# Percentage of Population in Different Age Groups

	<b>2001</b>				<b>2021</b>				<b>2046</b>			
	0-14	15-49	50-64	65+	0-14	15-49	50-64	65+	0-14	15-49	50-64	65+
NT Indigenous	35.8	54.2	7.2	2.8	30.2	53.7	11.8	4.3	22.2	51.9	16.5	9.4
NT Non-Indigenous	21.7	58.4	15.6	4.3	17.9	53.0	19.2	9.9	20.0	50.0	18.3	11.6
NT Total	25.7	57.2	13.2	3.9	21.9	53.2	16.8	8.1	20.6	50.3	17.6	11.5
Australia	20.8	50.5	16.0	12.6	16.1	45.5	19.4	19.0	14.2	40.5	19.0	26.3



# Population Policy

(Rolf Gerritsen - Department of Chief Minister)



# Health, Economics and Ageing in the Northern Territory

- life expectancy
- burden of disease
- drivers of health expenditure



# **Mortality in the Northern Territory 1981-2000**

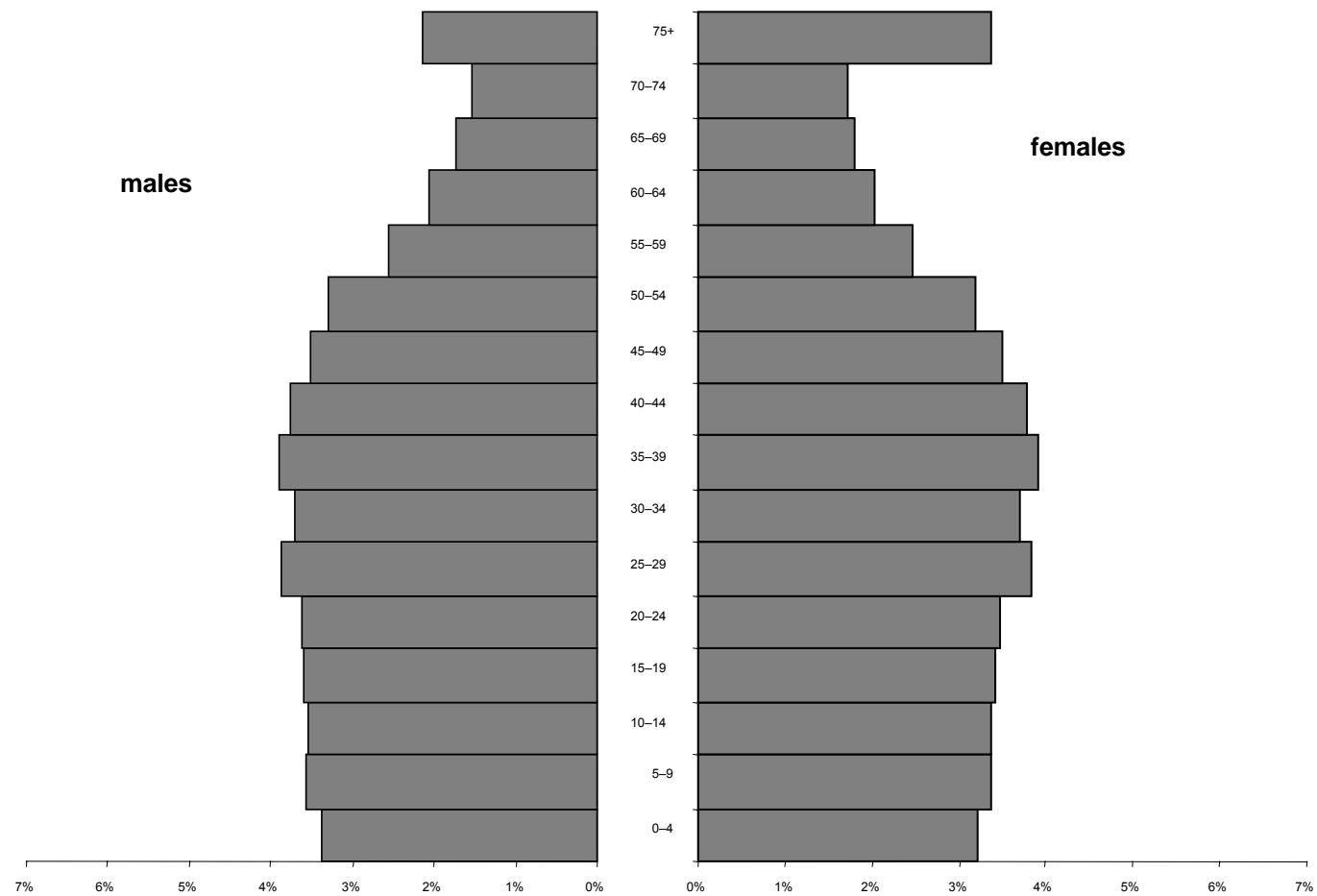
## **Part 1: All Cause Mortality**

Shu Qin Li  
Steven Guthridge

Health Gains Planning  
Department of Health and Community Services  
Darwin  
2004

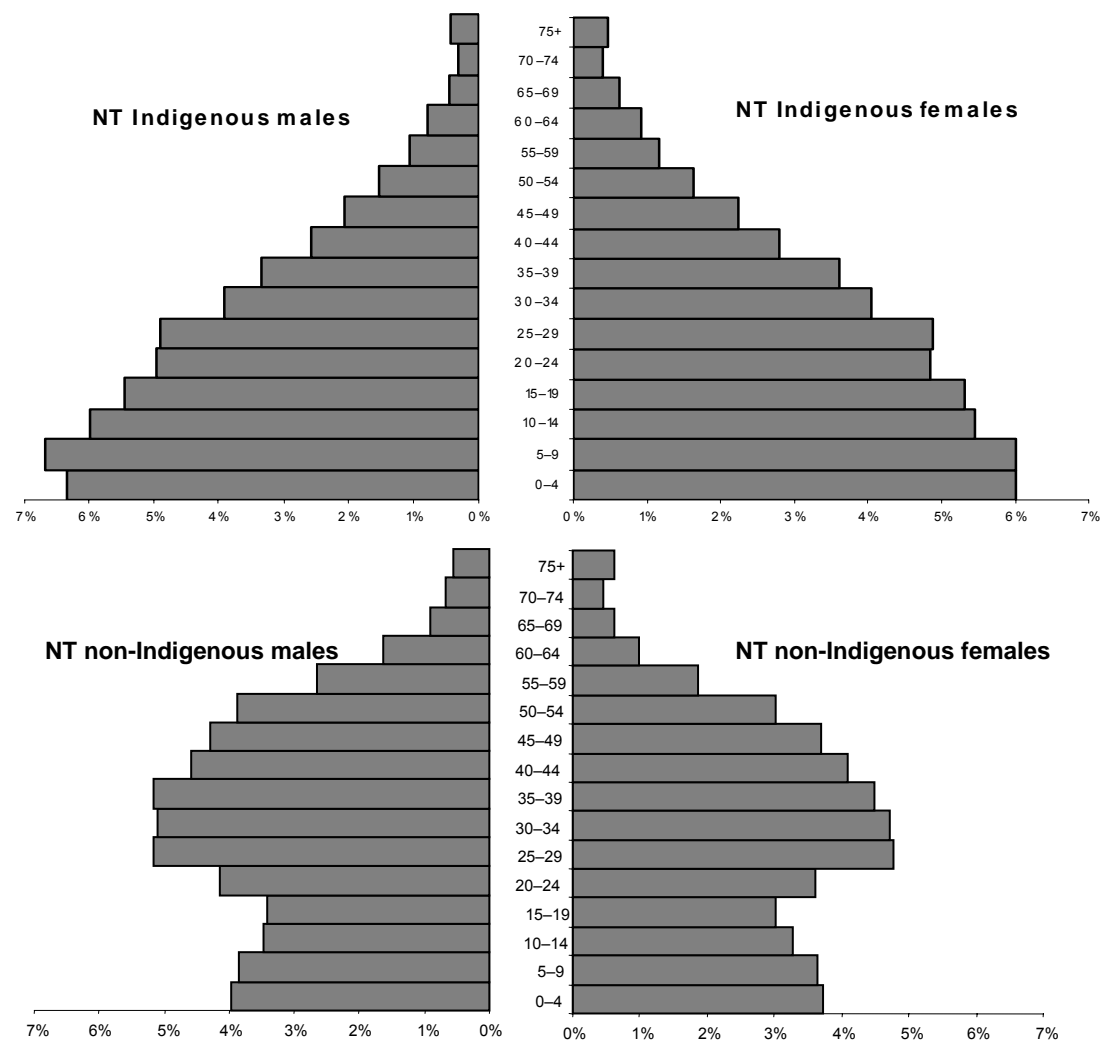


## Australian Population Pyramid, 2000



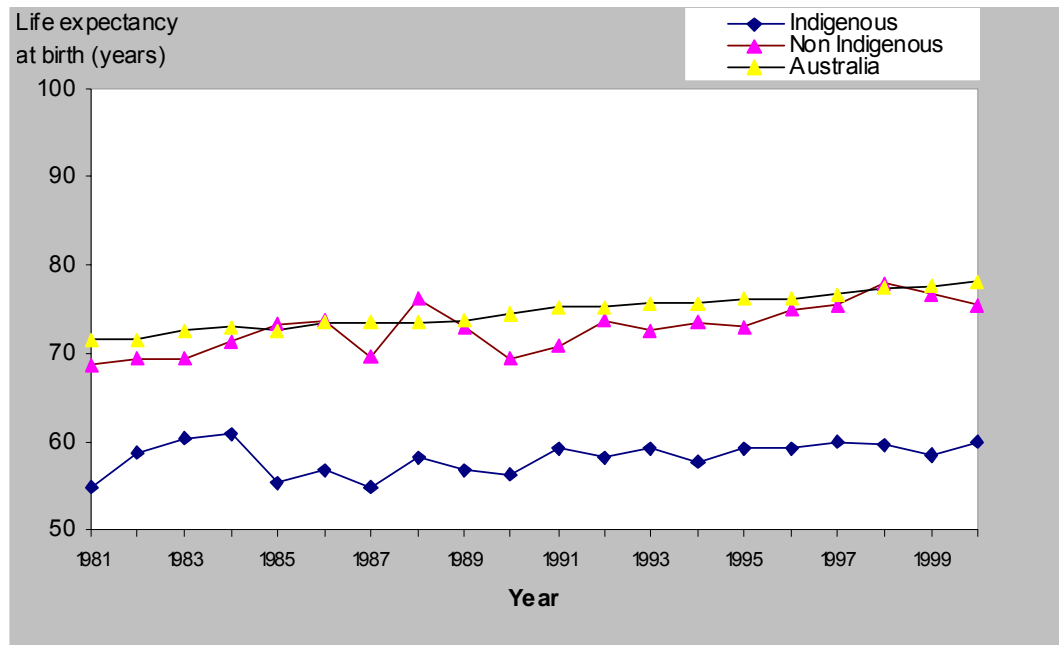


## NT Population Pyramids, 2000





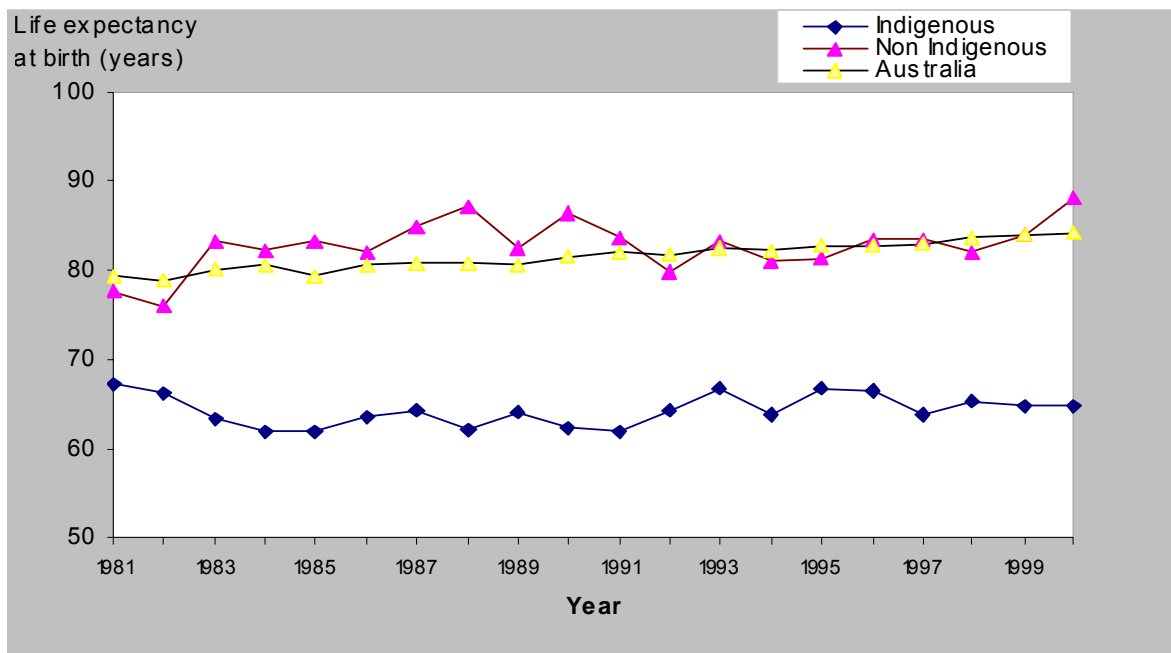
## Life Expectancy at birth (males)



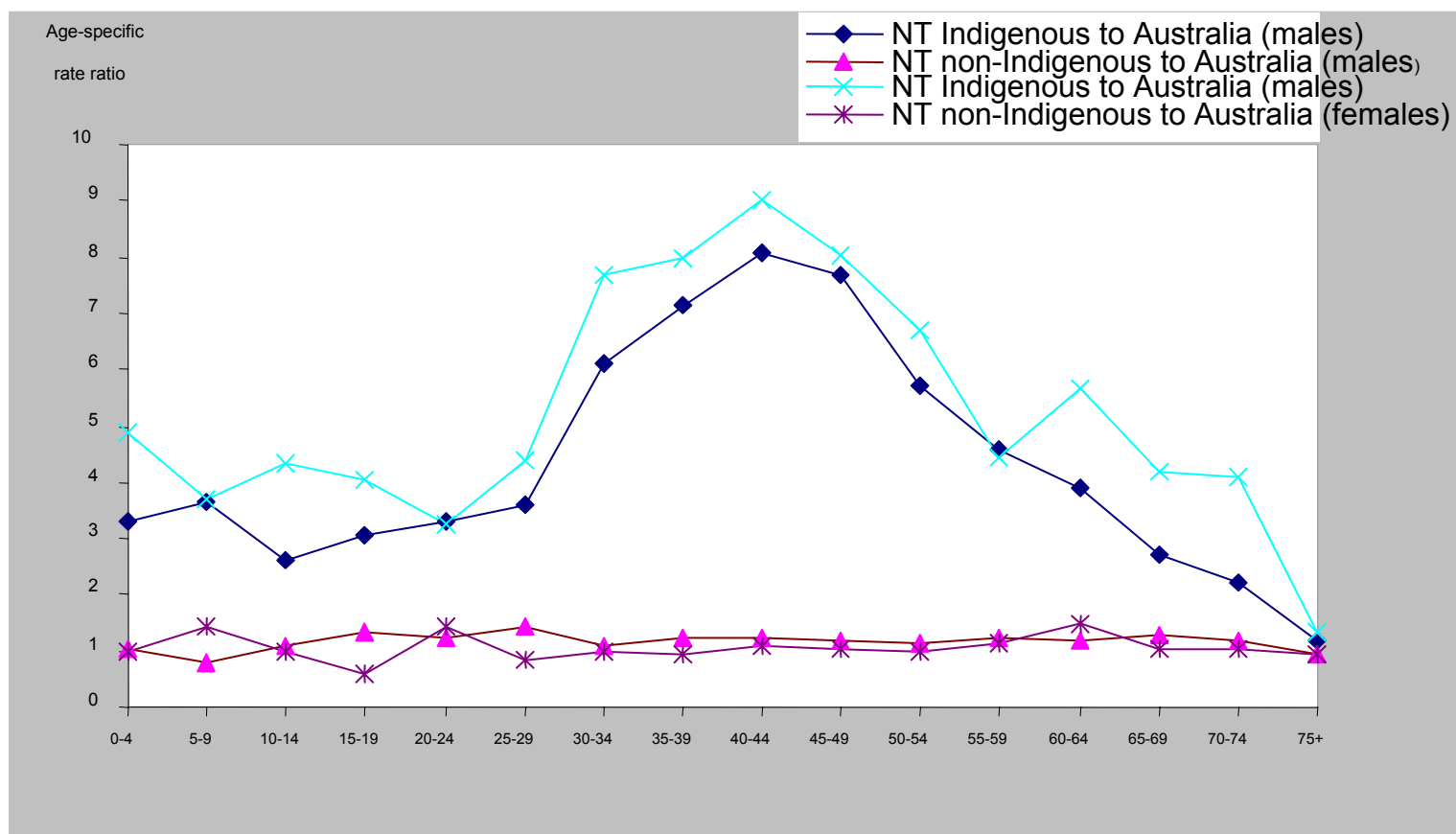
Years	NT Indigenous	NT non-Indigenous	Australia
1981-1985	57.9	70.4	72.3
1986-1990	56.2	71.8	73.8
1991-1995	58.6	72.7	75.6
1996-2000	59.4	76.1	77.3




## Life Expectancy at birth (females)



Years	NT Indigenous	NT non-Indigenous	Australia
1981-1985	63.5	80.2	79.7
1986-1990	63.2	84.4	80.9
1991-1995	64.4	81.8	82.3
1996-2000	65.0	84.0	83.5



**All causes, ratio of the Northern Territory to Australian age-specific death rates,  
males & females, 1996-2000**



# The Burden of Disease and Injury in the Northern Territory

***Health Gains Planning  
DHCS***



# Value of BOD

- BOD measures have been adopted by the World Health Organization and the World Bank as an information tool to inform global health planning
- A tool for priority setting in health planning and a basis for cost-effectiveness analyses for various interventions
- Although the results for Non-Aboriginal Territorians are likely to be similar to the Australian study, the results for Aboriginal Territorians may be markedly different



# Sources of Data

- Population data and projections
- Mortality data
- Disease registration data
- Hospital morbidity data
- Health survey data and epidemiological research



# Burden of Disease Study

- Global Burden of Disease Study developed a new measure of population health, Disability-Adjusted Life Years (1990)
- Disability Adjusted Life Years (DALYs) is calculated by:
  - Years of life lost (YLL), plus
  - Years lived with disability (YLD)



# Example of DALY

- An average Australian can expect to live to the age of 80
- An Australian is diagnosed with type 2 diabetes at age 30
- For 15 years they have no level of disability
- For 10 years they have 5% disability
- For 2 years they have 15% disability
- For 3 years they have 60% disability
- They then die at age 60 from diabetes

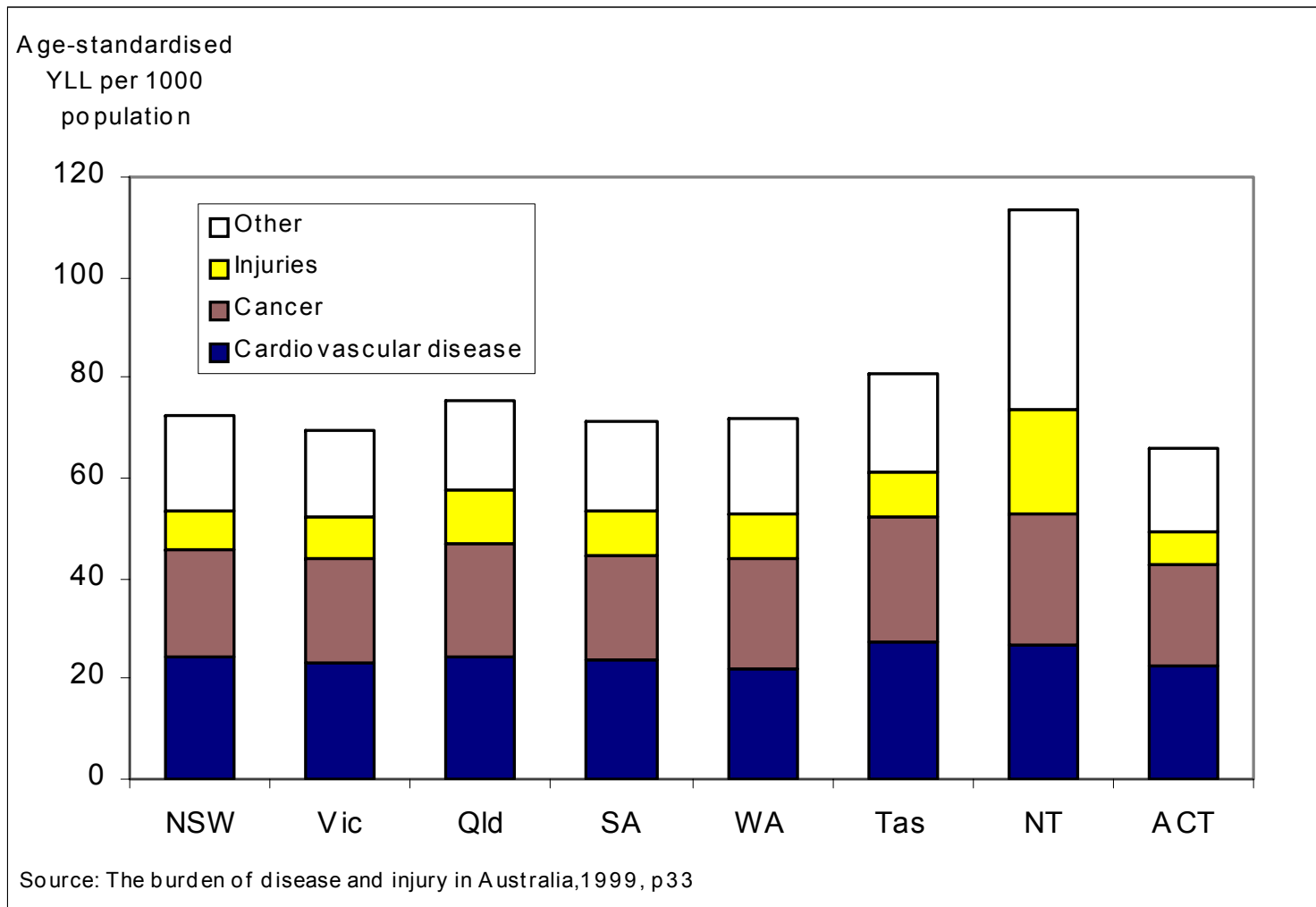




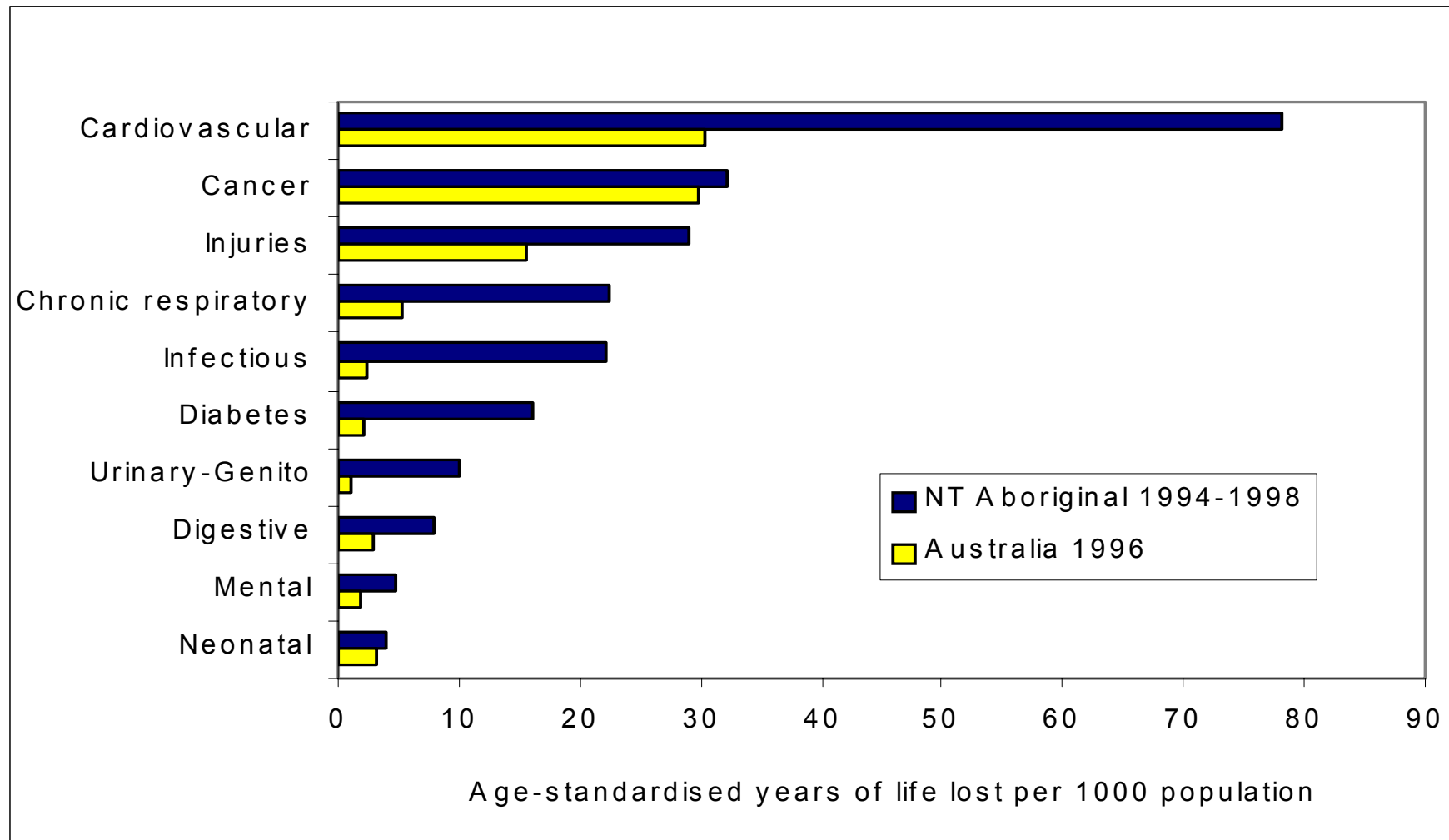
# Example of DALY

- Expected to live to 80
- Died at 60 therefore 20 YLL
- 5% of 10 years = 0.5 YLD
- 15% of 2 years = 0.3 YLD
- 60% of 3 years = 1.8 YLD
- Total DALYs = 20 YLL + 2.6 YLD = 22.6 DALYs

# Results - Mortality Burden (YLL)

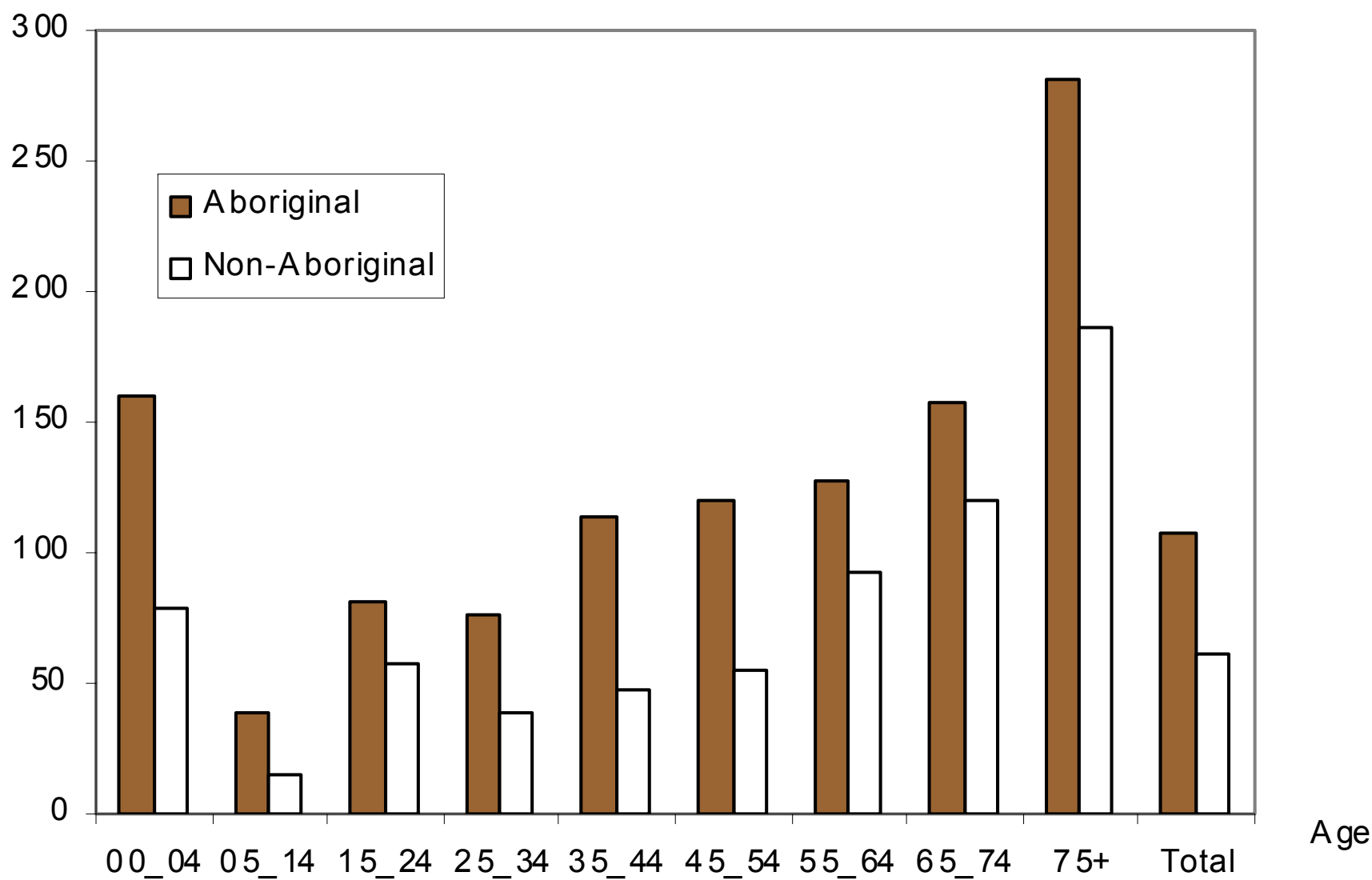


# Results - Mortality Burden (YLL)





YLD/1000  
population



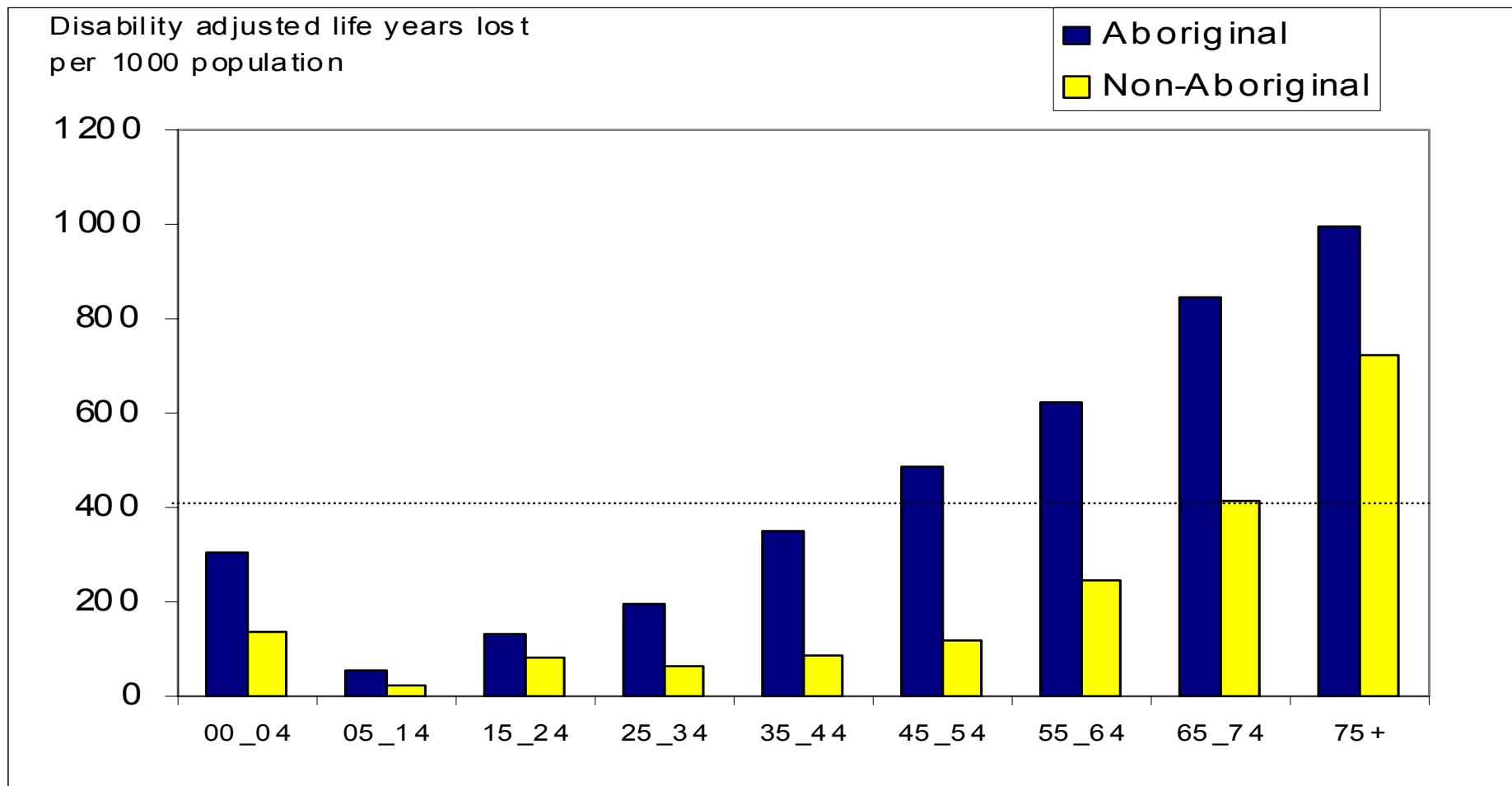


## Results (cont'd)

### - Burden of Disease (DALY)

- Overall BOD in NT was 182.3 DALYs per 1000, 33% higher than national average
- Leading causes are ischaemic heart disease, road traffic accidents, depression, substance abuse, stroke, diabetes and COPD
- BOD in Aborigines 339.9 DALYs lost per 1000, 2.5 times national average. Non-Aboriginal rate slightly below national rate

# Comparison of DALY by Age Group and Indigenous status





# **Drivers of Health Expenditure in the Northern Territory**

**Dr Kannapiran Chinna  
Mr Michael Jean  
Health Economics Branch  
Health Gains Planning  
Department of Health and Community Services**



## **DRIVERS OF HEALTH EXPENDITURE**

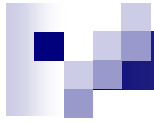
### **Demand-side drivers**

- **Increasing State / National income**
- **Population growth**
- **Ageing Population**

### **Supply-side drivers**

- **Supply and supplier-induced demand**
- **Advances in technology**
- **Labour productivity**
- **Health Inflation**



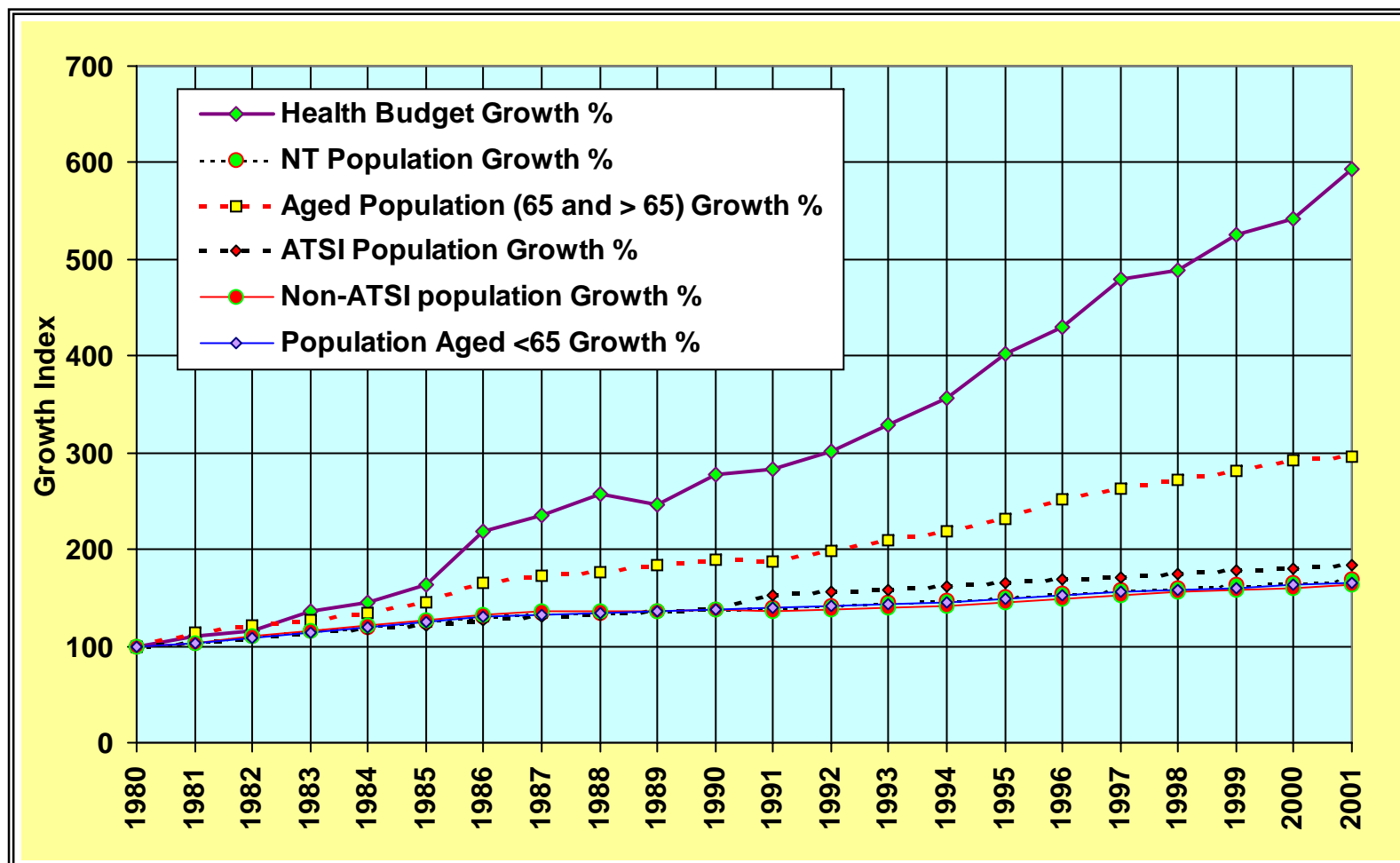


## **Drivers of Health Expenditure in the NT**

- **Ageing Territorians (Morbidity 78 per 100)**
- **Indigenous population (Morbidity 42 per 100)**
- **Remoteness Index (43% live in Remote Areas)**

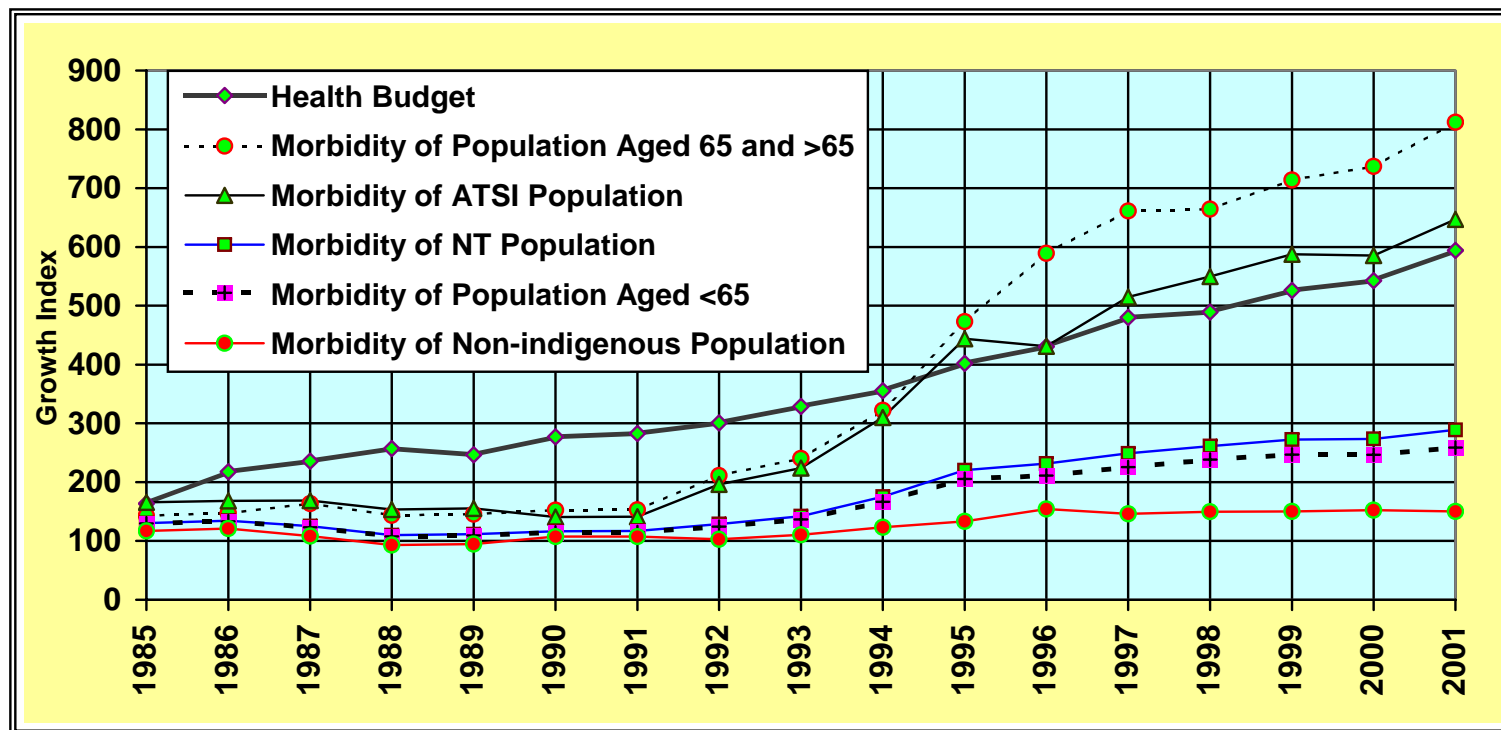
**(Note: Morbidity of Total population is 22 Separations for a Population of 100)**


# Population Growth as a Driver of DHCS Budget





## Population Morbidity Growth as a Driver of DHCS Budget





## **“Drivers” Summary**

### **At the National & International Level:**

- **Demand-side drivers: Increasing income, Population growth and Ageing Population**
- **Supply-side drivers: Supply / supplier induced, Technology, Labour productivity and Health Inflation**


### **At the NT level:**

- **Ageing, indigenous status, remoteness and technology are the powerful drivers of health expenditure.**
- **Morbidity of population is 22%, aged population 78% and the indigenous population 42%. In the NT 43% of the population live in the remote areas.**



# In conclusion


- the NT has an “**outlier**” **demography**, with reduced life expectancy of Aboriginal people and a migratory non-Aboriginal population
- that the **disease burden** of 45 year old Aboriginal people is greater than the burden of 65 year old non-Aboriginal people – Aboriginal people are “ageing” earlier
- the major drivers of health expenditure are the morbidity of rapidly increasing proportion of **older Territorians** and Aboriginal Territorians, and the remoteness of populations



## Top fifteen major disease categories for disability adjusted life years ('000), males, Northern Territory 1994-1998

Major disease category*	NT Aboriginal			NT non-Aboriginal			Australia 1996		
	DALY	%	Rank	DALY	%	Rank	DALY	%	Rank
Cardiovascular disease	6.2	19.1	1	5.9	14.2	3	298.7	22.4	1
Mental disorders	3.0	9.3	3	6.9	16.7	1	164.2	12.3	3
Unintentional injuries	3.8	11.9	2	5.8	14.1	4	98.9	7.4	5
Malignant neoplasms	2.3	7.0	6	6.1	14.8	2	252.1	18.9	2
Chronic respiratory disease	2.5	7.8	5	2.9	7.1	6	95.0	7.1	6
Intentional injuries	1.6	5.1	8	3.1	7.5	5	52.3	3.9	7
Acute respiratory infections	2.9	9.1	4	0.4	1.1	15	14.5	1.1	16
Nervous system and sense organ	1.2	3.6	10	2.2	5.3	7	107.4	8.1	4
Neonatal causes	1.6	4.9	9	1.5	3.6	8	16.6	1.2	14
Diabetes mellitus	1.7	5.2	7	1.0	2.4	10	39.4	3.0	8
Diseases of the digestive syste	1.0	3.0	12	1.1	2.7	9	33.9	2.5	11
Infectious and parasitic diseas	1.0	3.1	11	1.0	2.3	12	28.3	2.1	12
Congenital abnormalities	0.9	2.7	13	0.8	1.9	13	17.6	1.3	13
Genito-urinary diseases	0.6	1.8	15	0.6	1.5	14	34.5	2.6	9
Musculoskeletal diseases	0.2	0.6	19	1.0	2.3	11	34.5	2.6	10

\* sorted by NT total DALYs



## Top fifteen major disease categories for disability adjusted life years ('000), females, Northern Territory 1994-1998

Major disease category*	NT Aboriginal			NT non-Aboriginal			Australia 1996		
	DALY	%	Rank	DALY	%	Rank	DALY	%	Rank
Mental disorders	2.9	10.1	2	5.8	22.3	1	169.7	14.4	3
Cardiovascular disease	4.4	15.7	1	2.6	10.1	3	249.9	21.2	1
Malignant neoplasms	1.9	6.7	7	4.0	15.3	2	226.5	19.2	2
Chronic respiratory disease	2.3	8.2	4	2.1	8.2	4	83.8	7.1	5
Unintentional injuries	1.9	6.8	6	1.7	6.7	5	44.3	3.8	7
Diabetes mellitus	2.2	7.8	5	0.8	3.2	9	35.5	3.0	8
Acute respiratory infections	2.5	8.8	3	0.5	1.9	14	15.2	1.3	12
Neonatal causes	1.4	5.1	8	1.3	5.0	8	13.9	1.2	15
Nervous system and sense organ	1.1	3.8	9	1.5	5.7	6	128.0	10.9	4
Musculoskeletal diseases	0.5	1.9	16	1.4	5.3	7	55.4	4.7	6
Genito-urinary diseases	1.0	3.7	10	0.8	3.0	10	27.4	2.3	10
Congenital abnormalities	0.9	3.2	12	0.7	2.8	11	14.8	1.3	13
Intentional injuries	1.0	3.5	11	0.6	2.2	13	14.5	1.2	14
Diseases of the digestive syste	0.8	2.8	14	0.7	2.7	12	30.5	2.6	9
Infectious and parasitic diseases	0.8	2.8	15	0.5	1.9	15	16.9	1.4	11

\* sorted by NT total DALYs



## Top fifteen leading causes of disease burden in DALYs, males, Northern Territory 1994-1998

<b>Aboriginal</b>		<b>DALY</b>	<b>%</b>	<b>Non-Aboriginal</b>		<b>DALY</b>	<b>%</b>
1	Ischaemic heart disease	2957	9.1	1	Ischaemic heart disease	3086	7.5
2	Road traffic accidents	2182	6.7	2	Substance abuse disorders	2914	7.1
3	Substance abuse disorders	1671	5.2	3	Road traffic accidents	2908	7.1
4	Type 2 diabetes	1593	4.9	4	Self-inflicted injuries	2389	5.8
5	Otitis media	1548	4.8	5	Affective disorders	1983	4.8
6	Stroke	1528	4.7	6	Trachea/bronchi/lung cancer	1766	4.3
7	Lower respiratory tract infections	1329	4.1	7	COPD	1515	3.7
8	COPD	1207	3.7	8	Stroke	1491	3.6
9	Homicide and violence	841	2.6	9	Anxiety disorders	1247	3.0
10	Self-inflicted injuries	797	2.5	10	Asthma	1245	3.0
11	Trachea/bronchi/lung cancer	765	2.4	11	Sense organ disorders	928	2.3
12	Birth trauma and asphyxia	739	2.3	12	Type 2 diabetes	880	2.1
13	Asthma	686	2.1	13	Birth trauma and asphyxia	772	1.9
14	Inflammatory heart disease	665	2.1	14	Falls	687	1.7
15	Affective disorders	652	2.0	15	Colon and rectum cancer	685	1.7



## Top fifteen leading causes of disease burden in DALYs, females, Northern Territory 1994-1998

<b>Aboriginal</b>		<b>DALY</b>	<b>%</b>	<b>Non-Aboriginal</b>		<b>DALY</b>	<b>%</b>
1	Type 2 diabetes	2091	7.4	1	Affective disorders	2304	8.8
2	Ischaemic heart disease	1701	6.0	2	Anxiety disorders	1643	6.3
3	Otitis media	1486	5.3	3	Asthma	1202	4.6
4	Stroke	1322	4.7	4	Substance abuse disorders	1085	4.2
5	COPD	1216	4.3	5	Stroke	1082	4.1
6	Road traffic accidents	990	3.5	6	Road traffic accidents	1025	3.9
7	Affective disorders	963	3.4	7	Ischaemic heart disease	1013	3.9
8	Lower respiratory tract infections	935	3.3	8	COPD	879	3.4
9	Asthma	863	3.1	9	Breast cancer	858	3.3
10	Homicide and violence	819	2.9	10	Osteoarthritis	790	3.0
11	Substance abuse disorders	763	2.7	11	Trachea/bronchi/lung cancer	774	3.0
12	Nephritis/nephrosis	713	2.5	12	Type 2 diabetes	707	2.7
13	Rheumatic heart disease	663	2.4	13	Birth trauma and asphyxia	586	2.2
14	Anxiety disorders	640	2.3	14	Colon and rectum cancer	531	2.0
15	Birth trauma and asphyxia	627	2.2	15	Alzheimer and other dementias	477	1.8

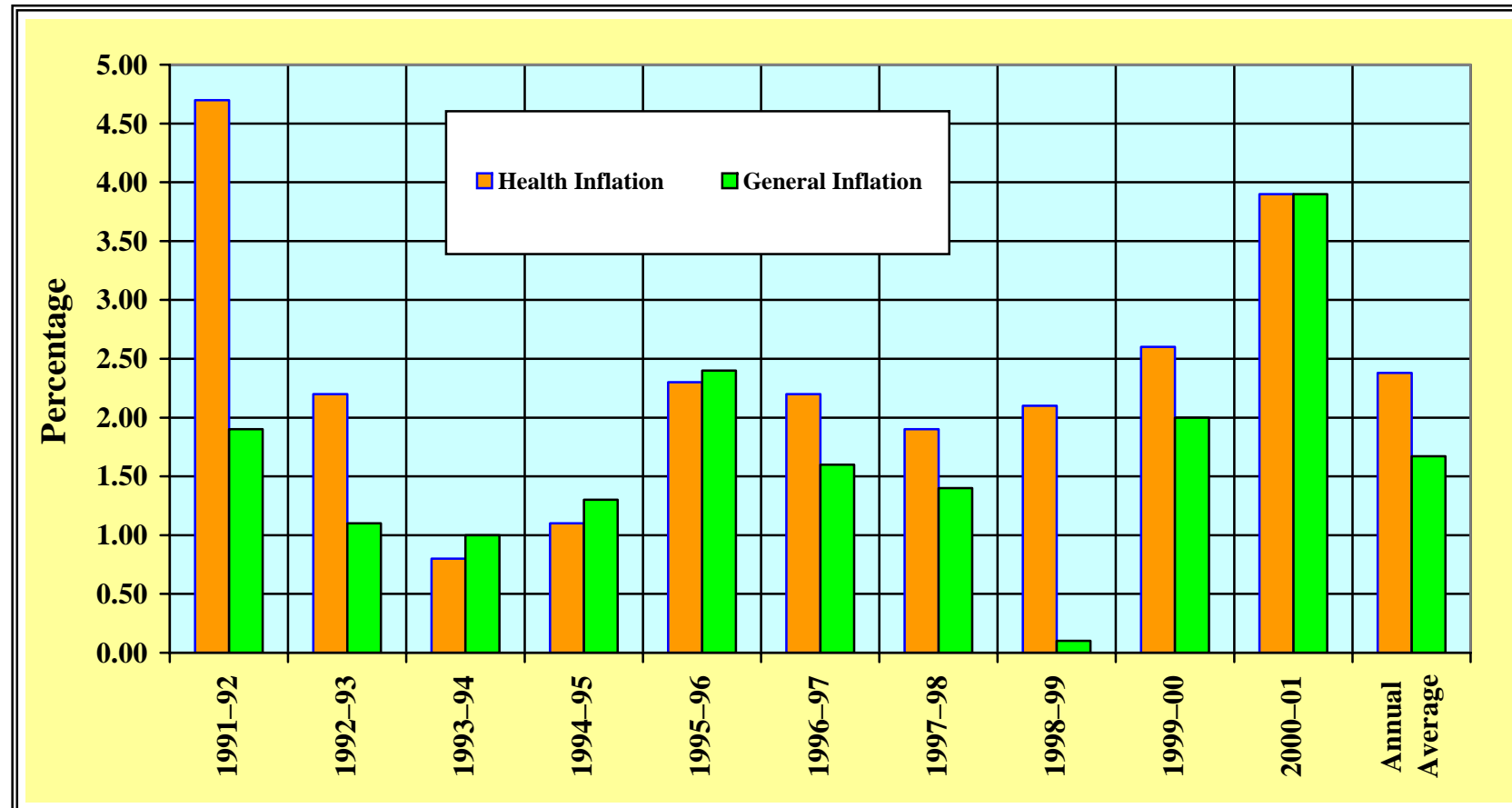


## Health expenditure per DALY, Northern Territory vs Australian, 1996-97

	NT	Australia
Total Burden of Diseases in DALYs	25,402	2,510,274
Total health expenditure	\$477 million	\$45,195 million
Health expenditure per DALY	\$18,778	\$18,004
Commonwealth health funding	\$164 million	\$19,806 million
Commonwealth health funding per DALY	\$6,456	\$7,890



## Health Inflation as a Driver of DHCS Budget



Source: AIHW, Health expenditure database and ABS 2002.



# The Northern Territory Labour Market

Impacts of an ageing Australian  
workforce

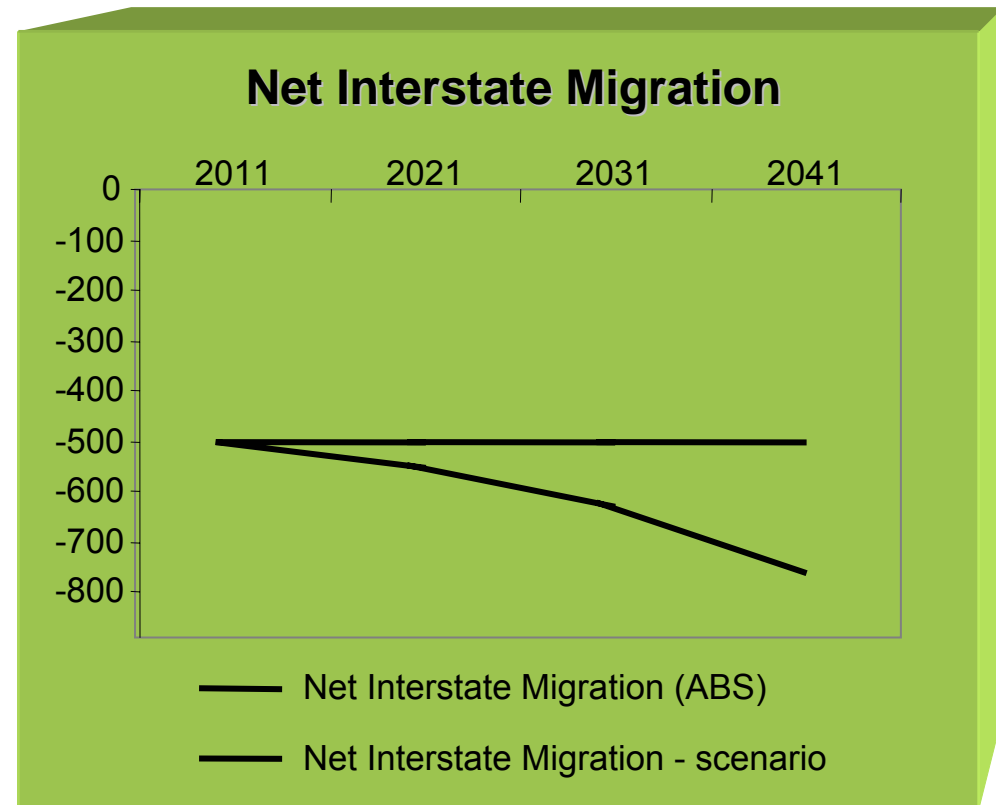
Sibylle Brautigam – Department of Employment,  
Education and Training

# Northern Territory Working Population – supply

- The NT working population = interstate migration
  - Reason for migration is largely employment
  - As well-paid job opportunities increase in Australia due to effect of ageing population, less people attracted to NT
- Conclusion: current working population supply decreases

## *Assumptions:*

- *Steady state economy*
- *% of people who come to NT for a job: -10%, -25%, -50%*
- *Migration out also affected*





# Current and Anticipated Skills Shortages

- **Vacancy statistics for skilled occupations increasing**
- **Skill shortages - traditional trades, nursing profession, some health specialist areas, secondary school teaching, IT specialisations**
- **Recruitment difficulties – childcare, civil engineering, social work, accountancy, pharmacy and speech pathology**
- **Territory economy affected as key skills shortages, both professional and vocational, increase due to negative interstate migration caused by ageing Australian population**

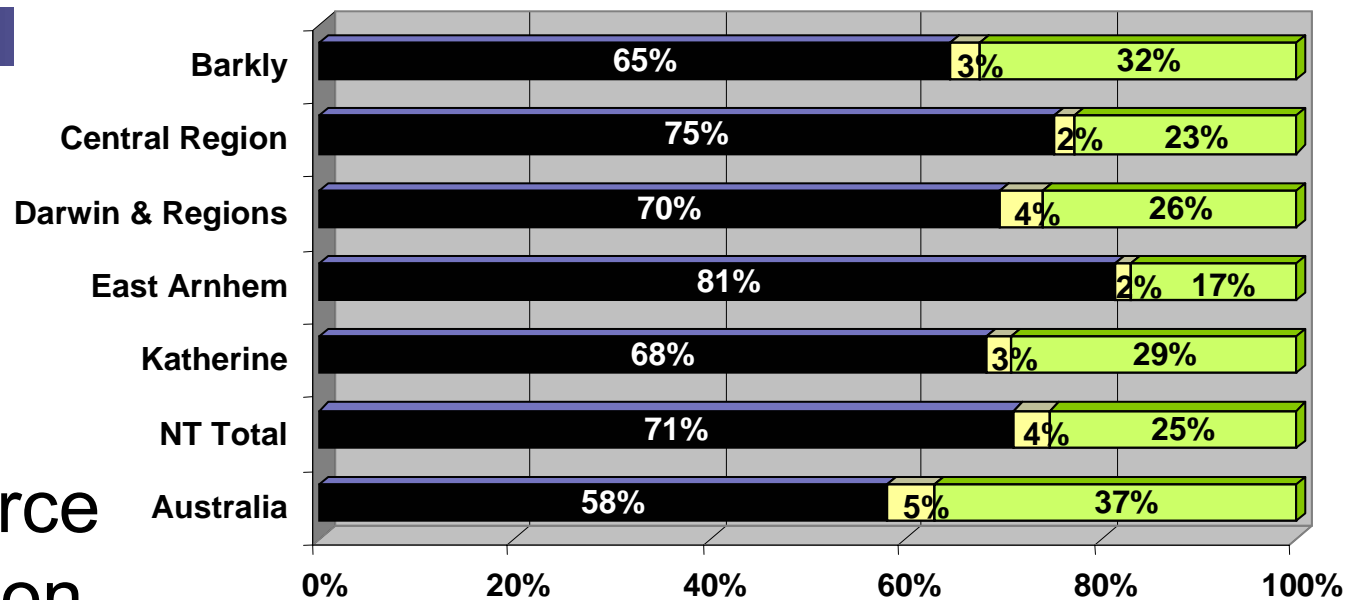


# Engage Local Indigenous Population

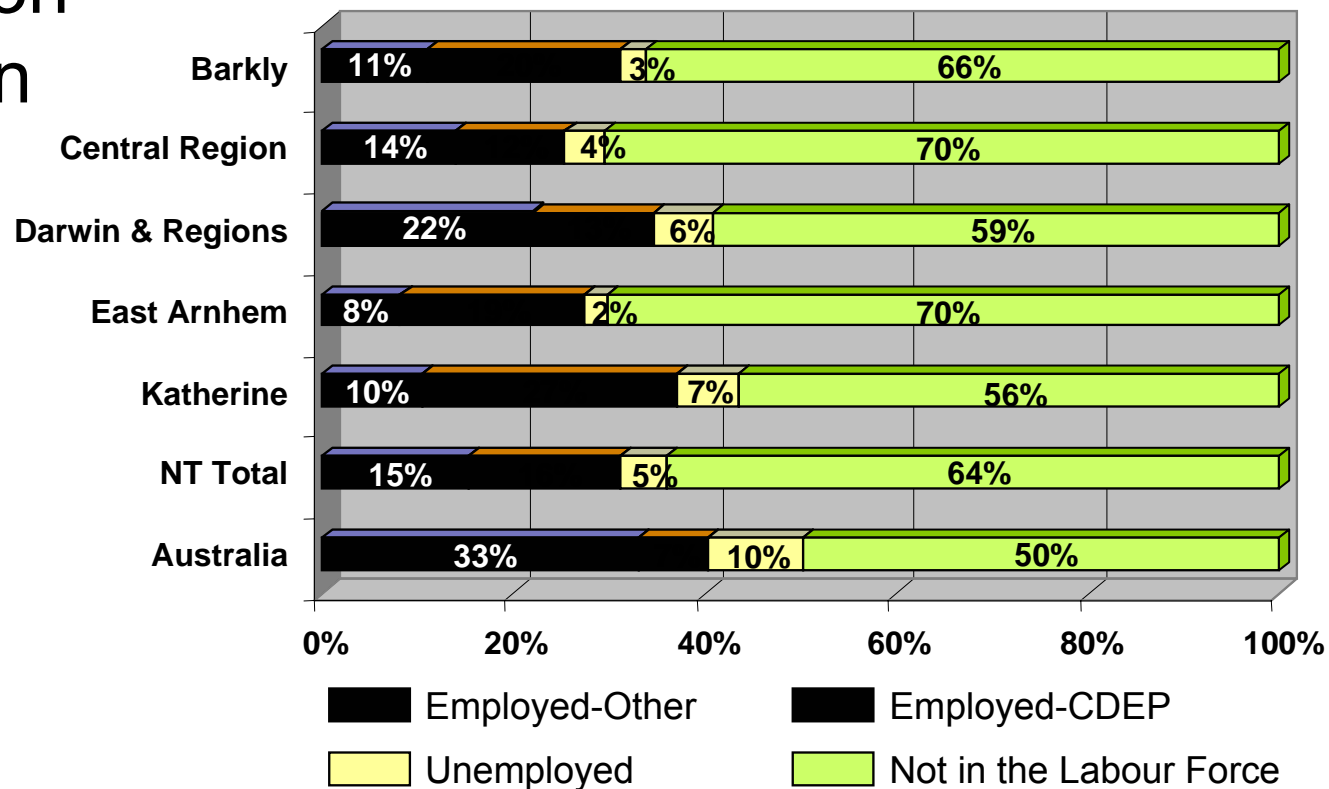


## Non-Indigenous

## Labour Force Participation by Region

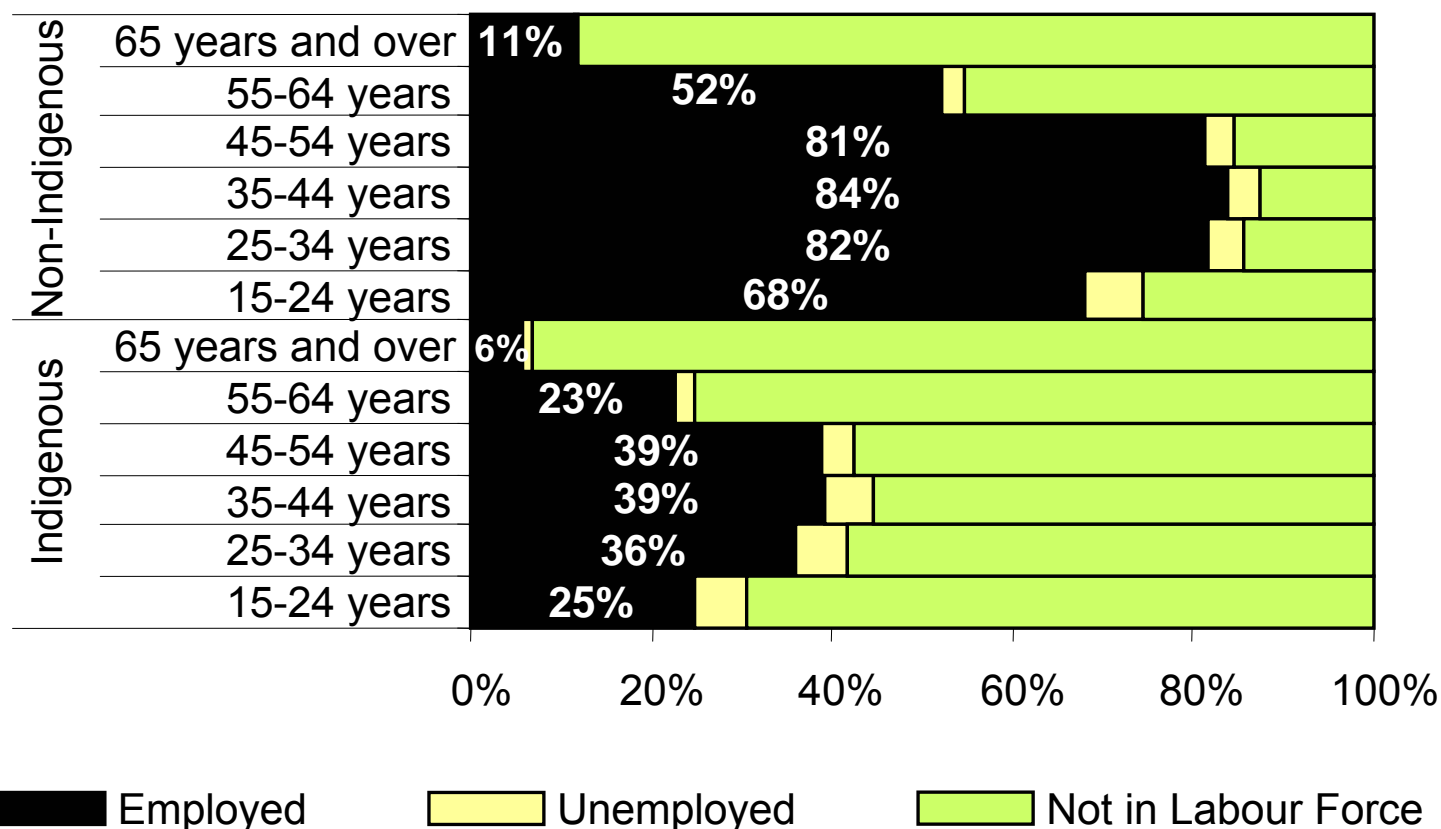


## Indigenous

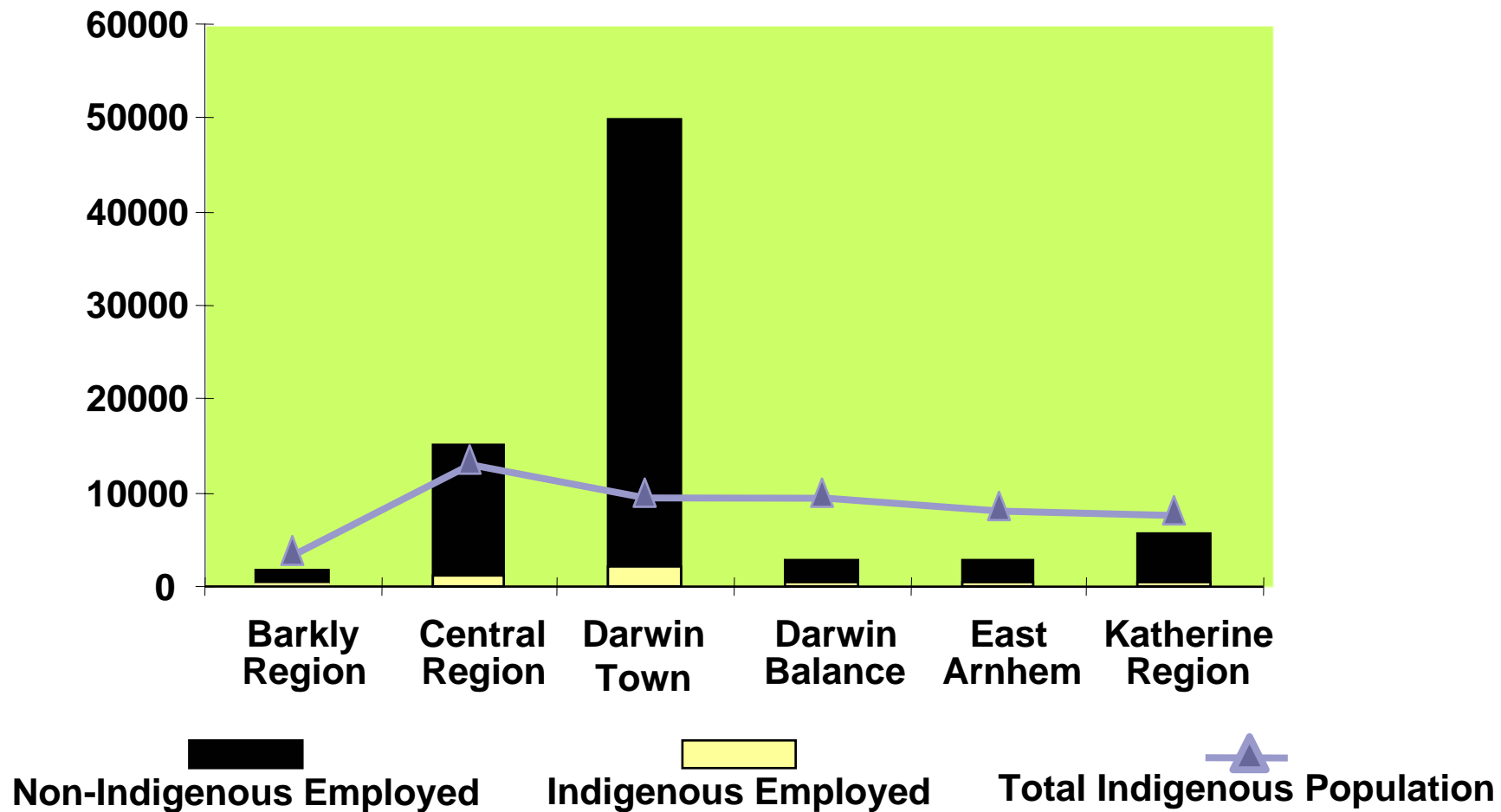




# Age by Labour Force Status



# Where are the jobs / Where are the people?





# Hours Worked

Hours Worked	0	1-15	16-24	25-34	35-39	40	41+	Not Stated	Part-time (<34 hrs)	Full-time (>34 hrs)
Indigenous	3%	14%	26%	9%	16%	15%	9%	7%	53%	41%
Non-Indigenous	6%	7%	6%	7%	20%	16%	37%	2%	26%	72%

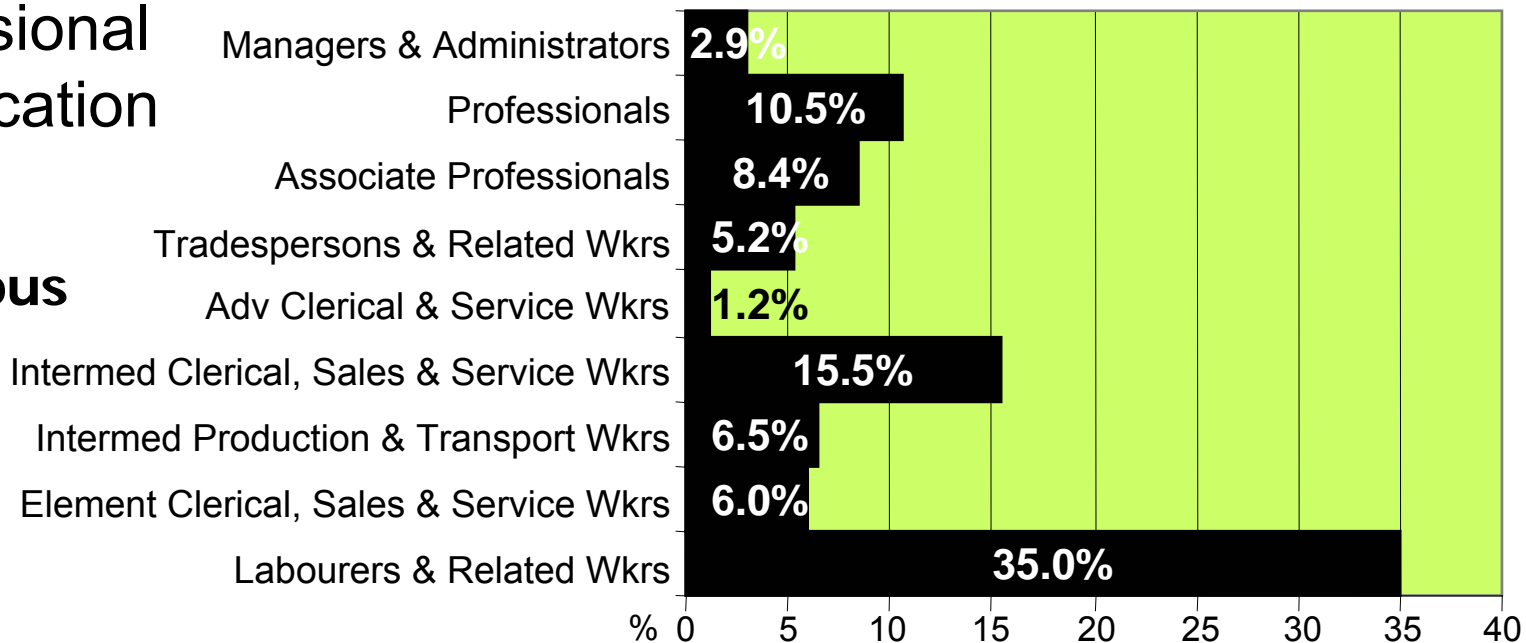
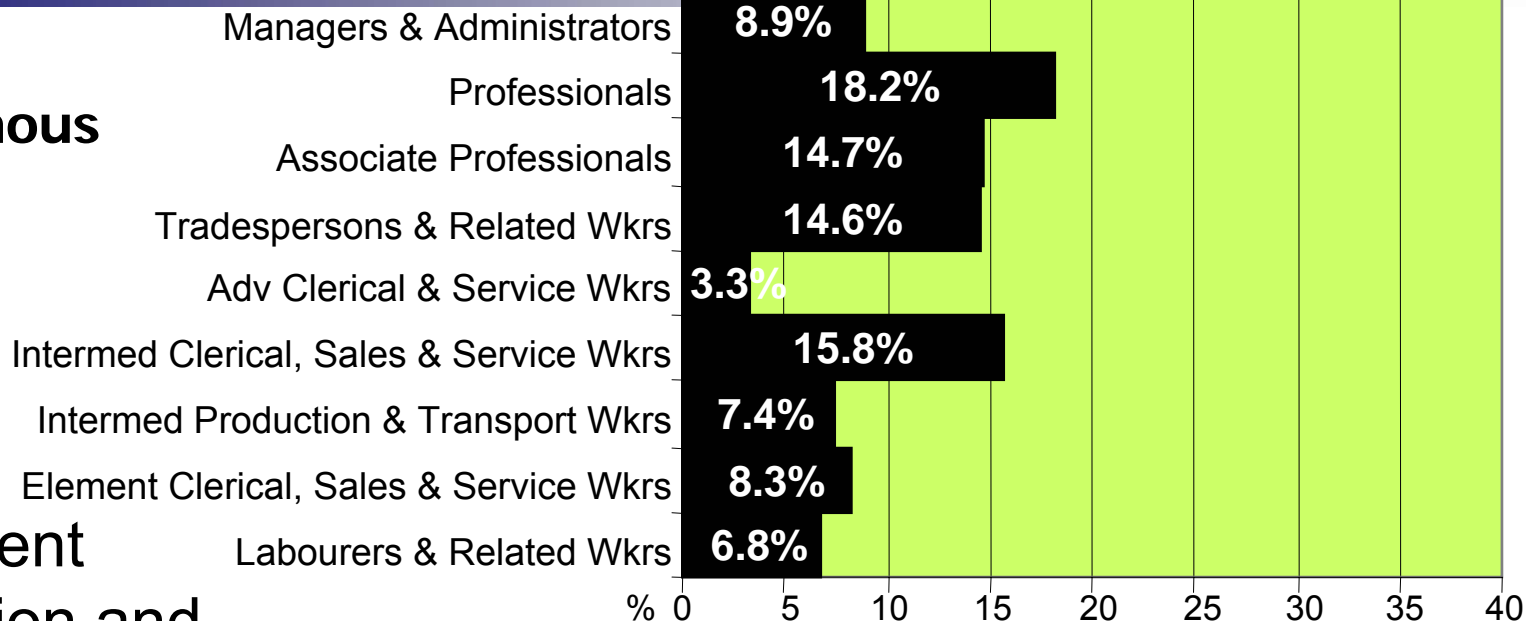


## Non-Indigenous

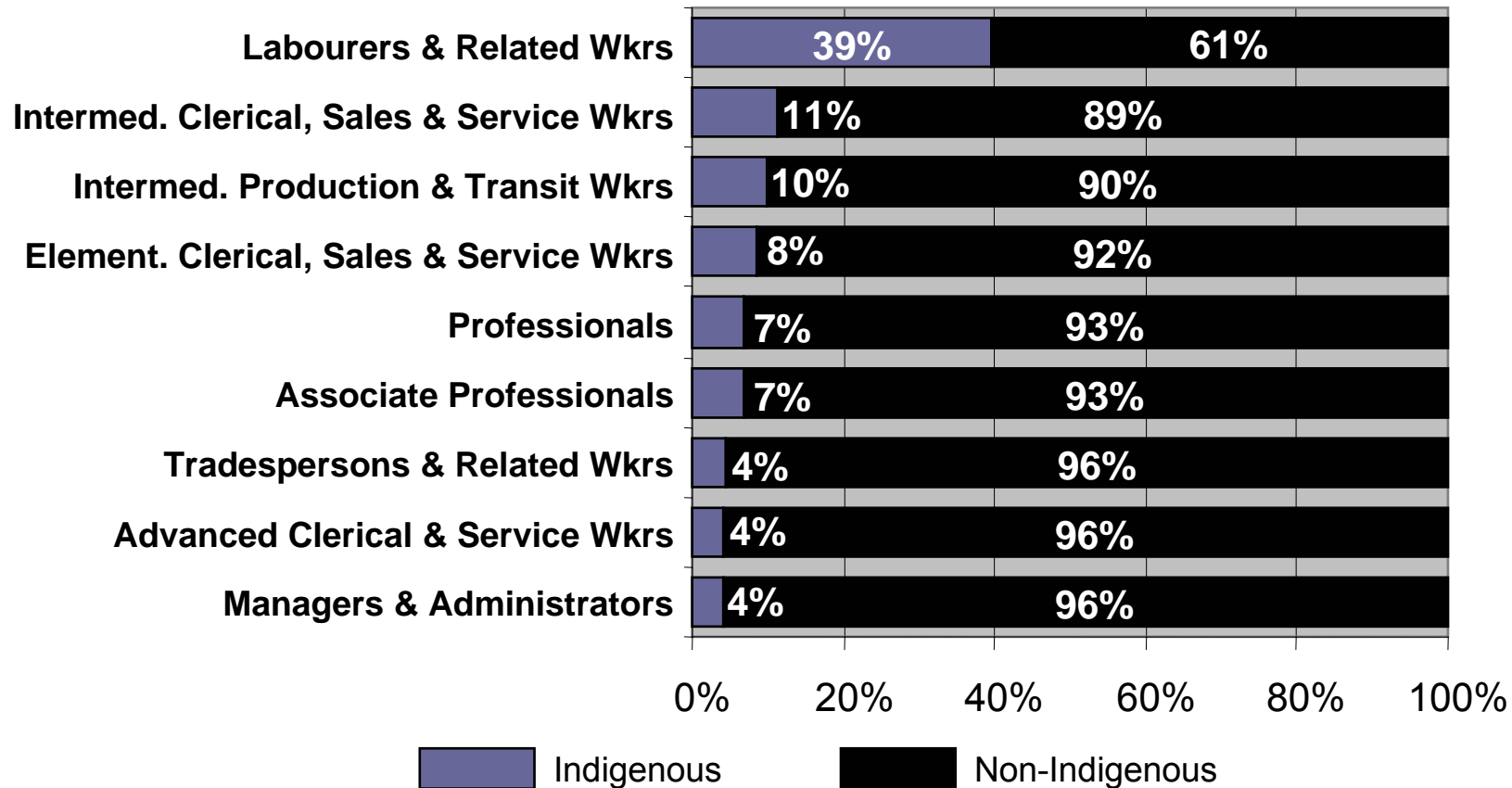
Current

## Occupation and professional classification

## Indigenous



# Current Occupation and Professional Classification





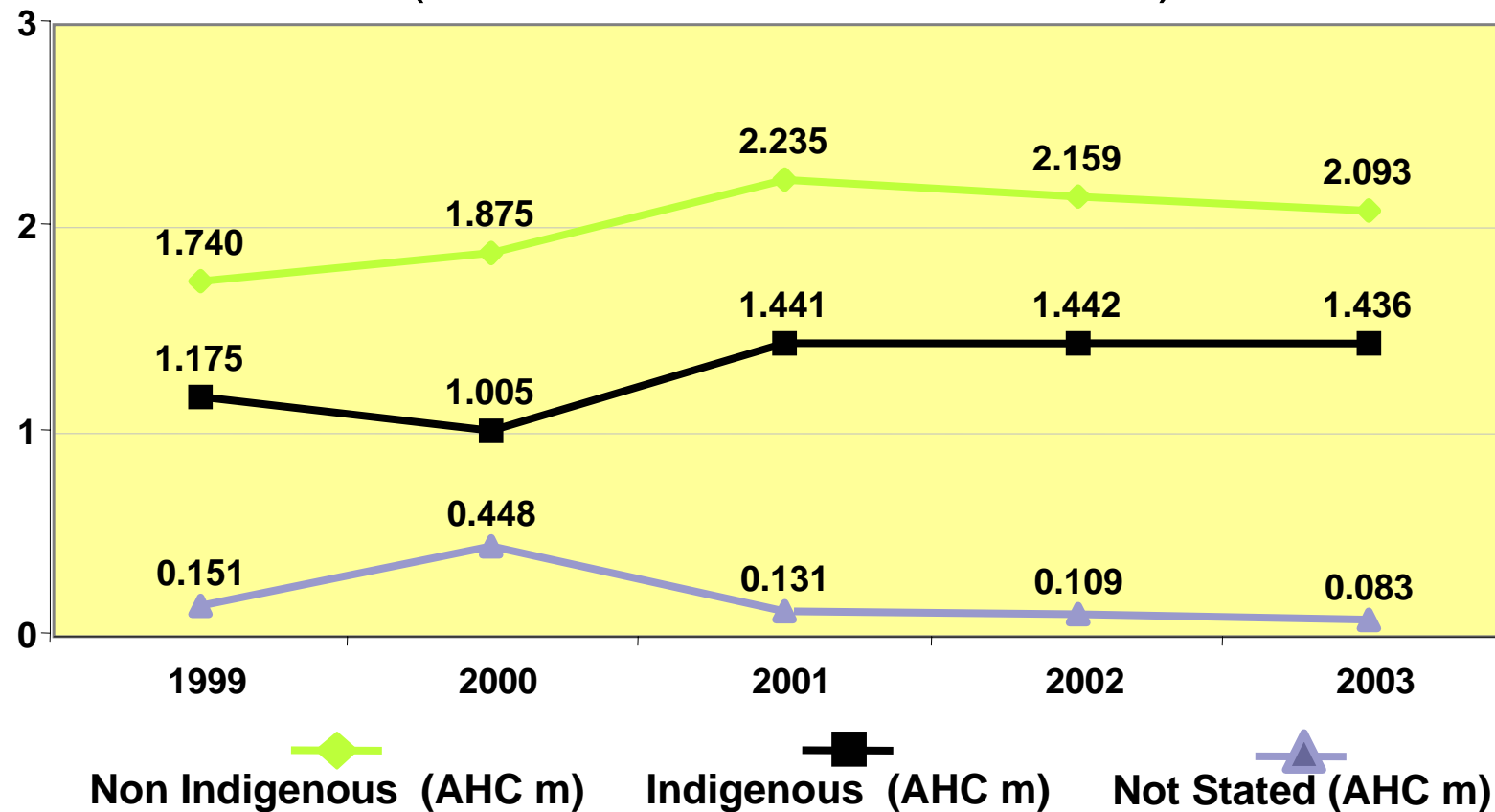
# Current Qualifications

	Higher Education	Certificate	Enrolled > Certificate III
Indigenous	2.5%	3.9%	21.7
Non-Indigenous	22.4%	20.6%	54.3

- **Vocational occupations**
  - Successful programs include training, mentoring and work-experience program
  - Cost of current programs ≈ \$9700 per person
  - Semi-skilled (hospitality, welding, construction)

# Training Activity

(Annual hours of curriculum)





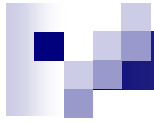
# Literacy

- **Adult English Literacy (NCVER 'What is all that learning for?', 2004)**

Identifies as literate		NRS Assessment		
No%	Yes%	NYC%	1C%	2C%
<b>20</b>	<b>80</b>	<b>44</b>	<b>32</b>	<b>24</b>

- **Costs for literacy and numeracy (pre-vocational)**
  - Regionally located Indigenous people (with high school education)
  - Prepare for Certificate II qualification (for mine operations)
  - Cost ≈ \$900





Is the answer education?



# Education in the Northern Territory

Impacts of an ageing Australia on  
education in the Northern Territory  
Comparing Apples with Apples?

Ken Davies  
Department of Employment, Education and Training



# Ageing Population – An education perspective – *Hip or Myth*

- **Education Data**

- ☐ Enrolment, Attendance, Participation, Retention and Outcomes

- **What does it show?**

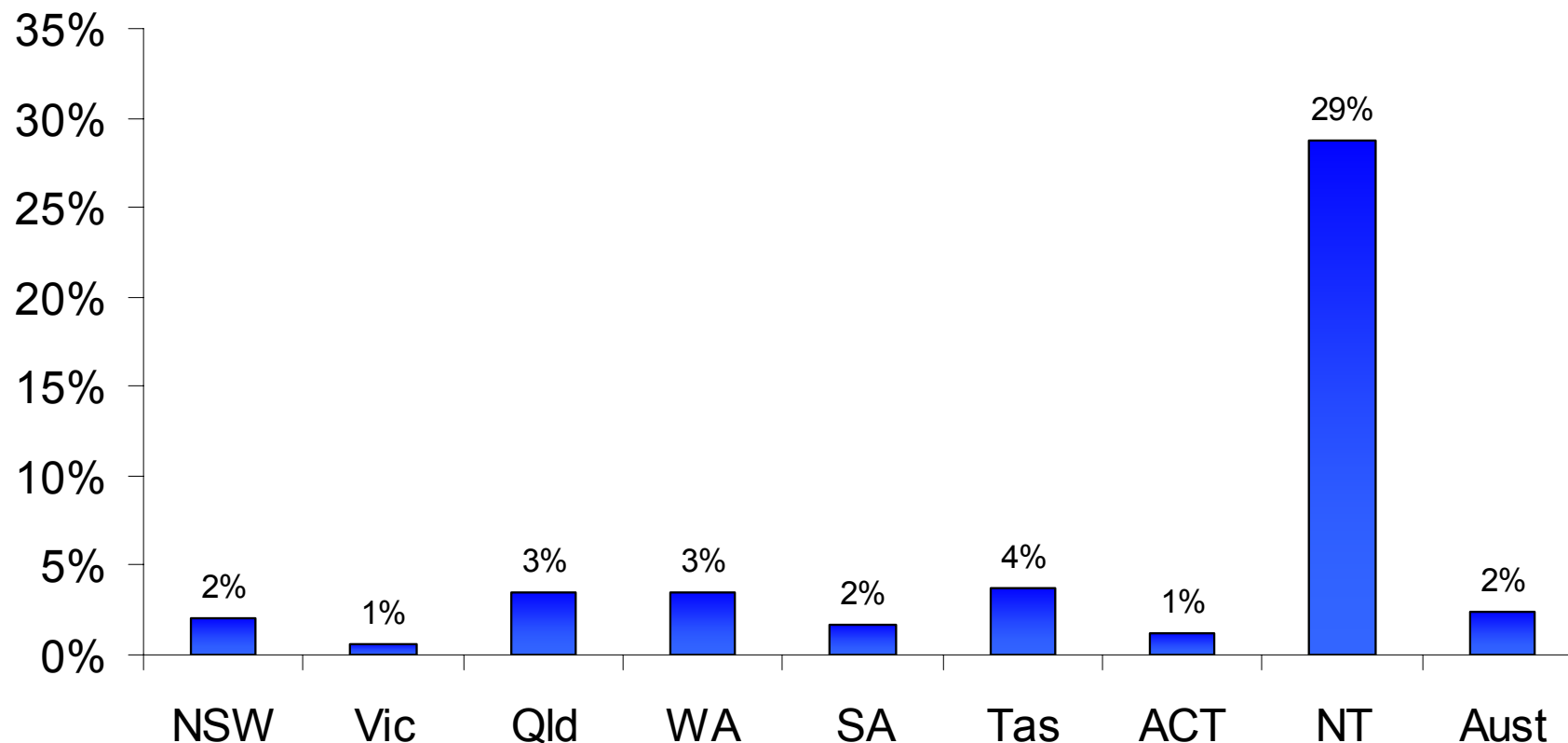
- ☐ The fastest growing and youngest component of our population are not reaching minimum benchmarks to progress through schooling.

- **Cost Implications/Issues**

- ☐ We are currently spending higher per capita than any other jurisdiction and outcomes are still lower -what is the cost required per capita to bridge the gap?
- ☐ Spending on education will continue beyond current models of accepted practice

# National Context

## Indigenous people as a proportion of the population, by State, 30 June 2001

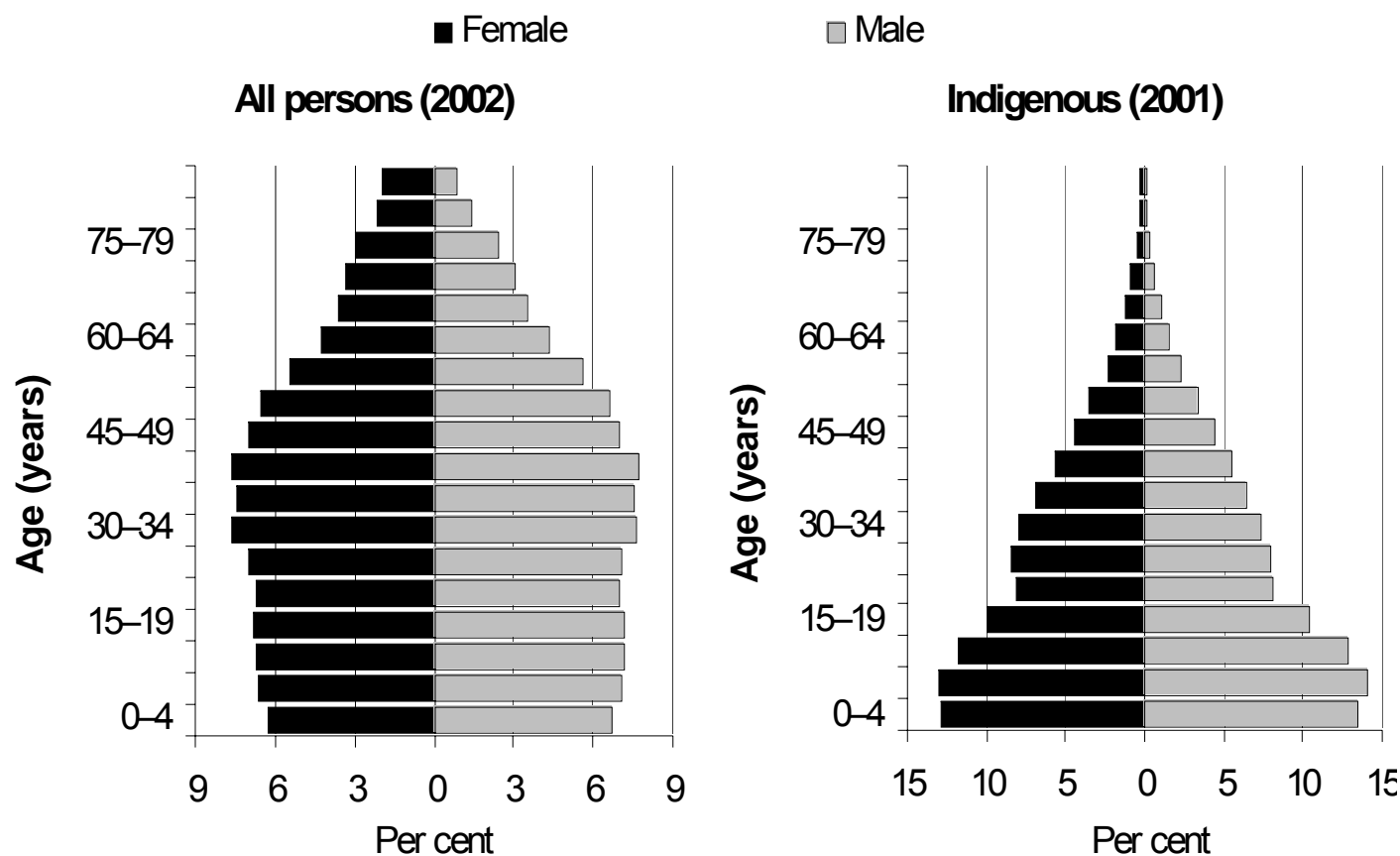


Source: ABS (2003g, 2003h); tables A.2 and A.7.



# National Context

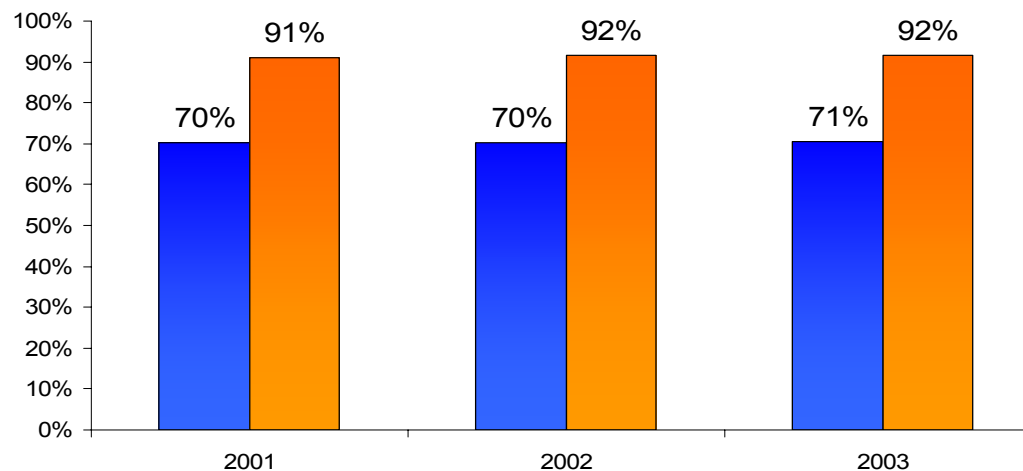
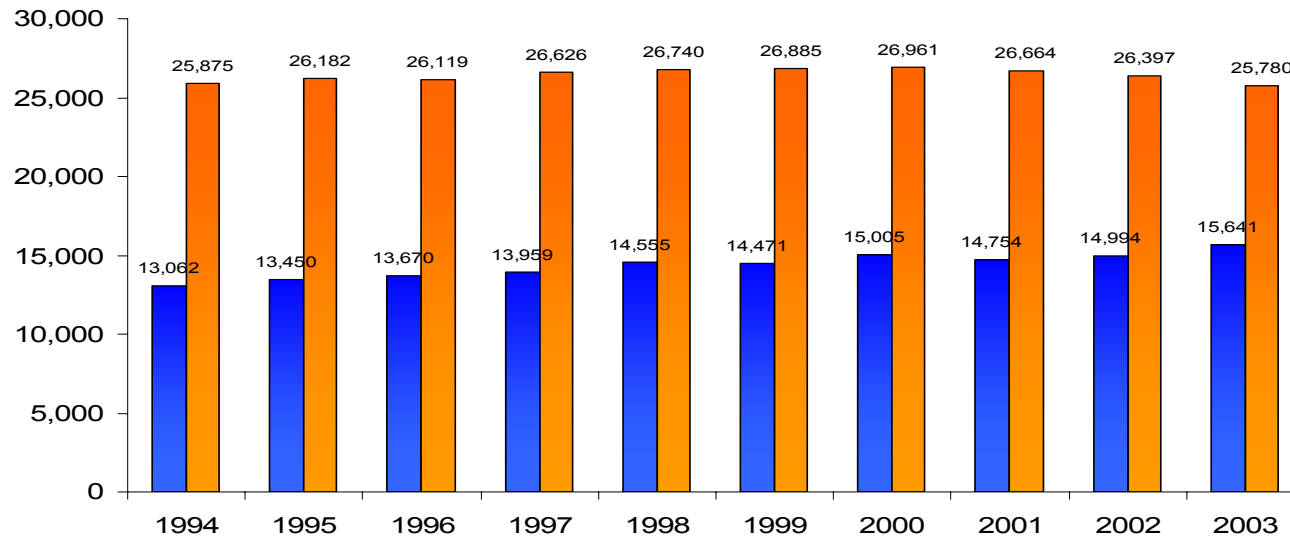
## Population distribution, by age and sex, 30 June



Source: ABS (2003g); tables A.1 and A.7.

# The Real Game

## Enrolment and Attendance by Indigenous Status

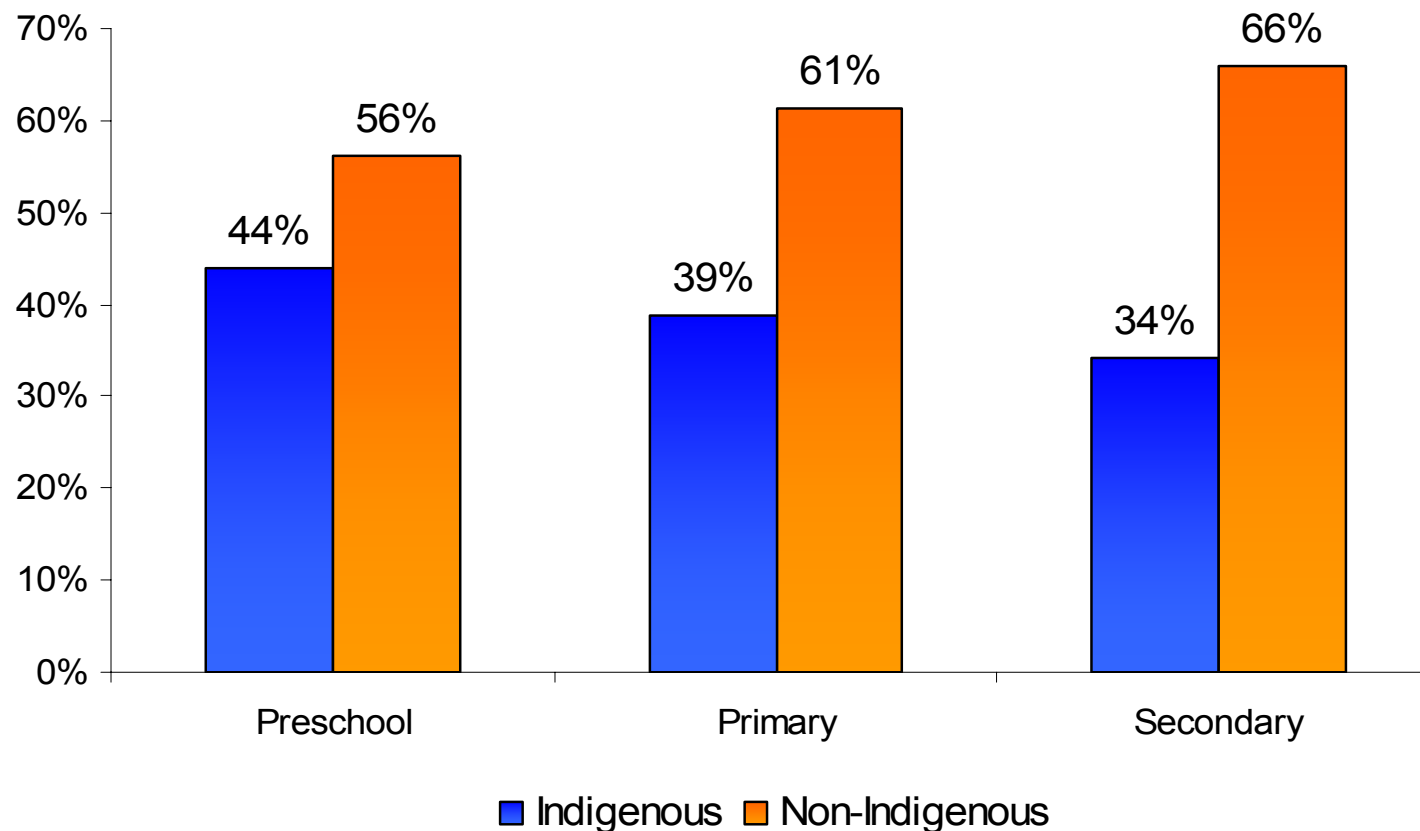


■ Indigenous ■ Non-Indigenous



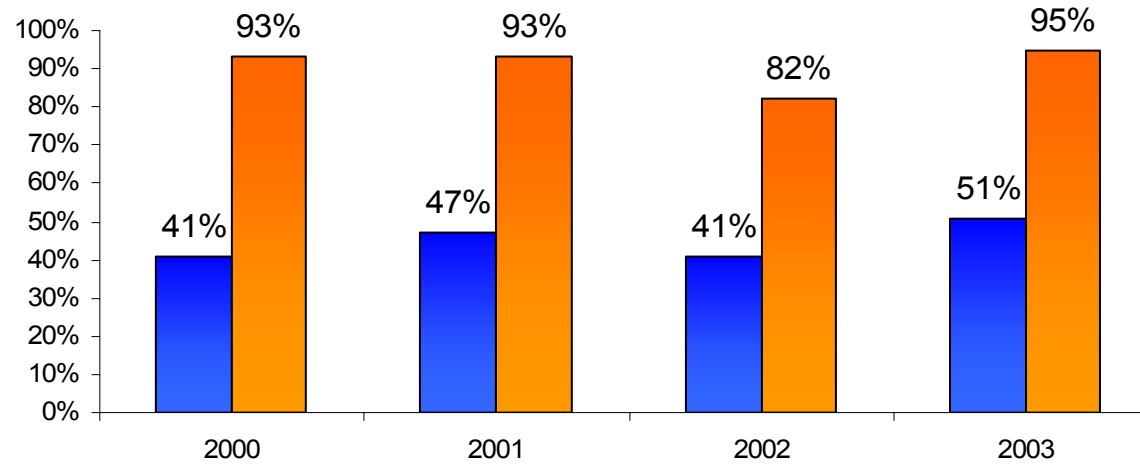
# The Real Game

## Percentage Enrolments by Indigenous Status and Level 2003

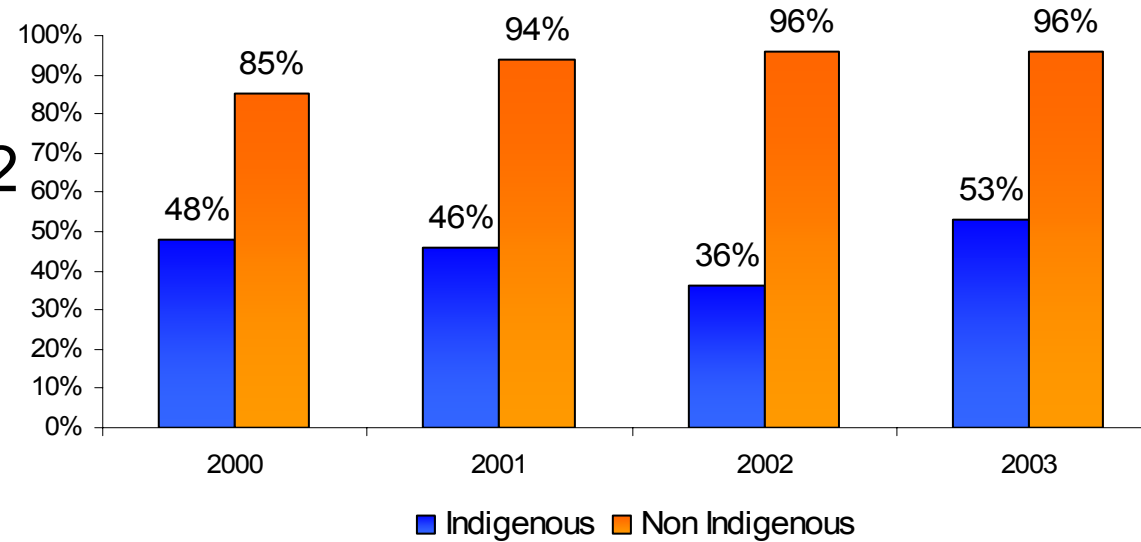


# Retention rates

Years 8-10

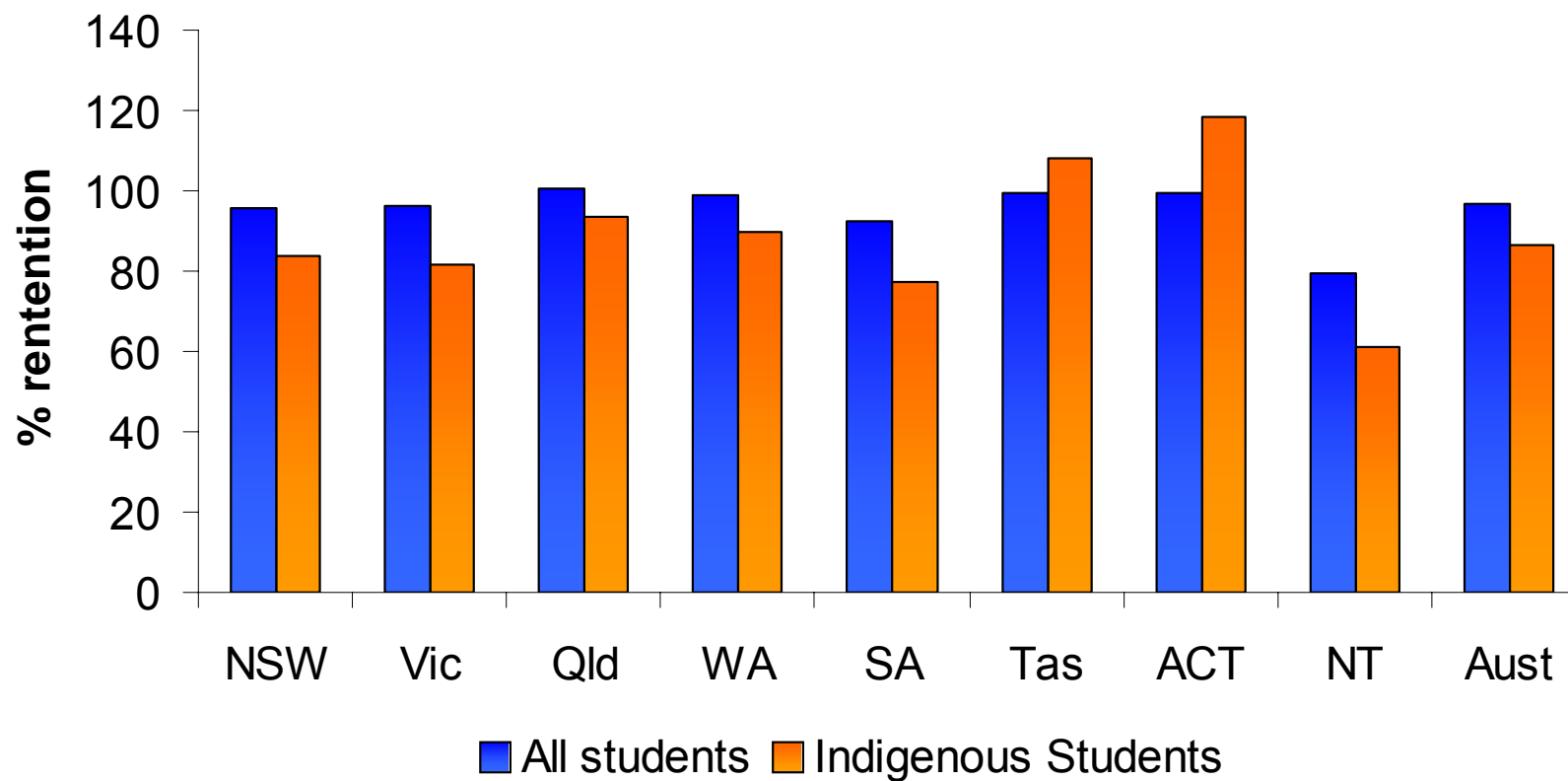


Years 11-12





## Apparent rates of retention from year 7 or 8 to year 10, full time secondary students, all schools, 2002



Source: ABS (2003a); table 3A.31.



# The Challenging Future

- Clear gap between Indigenous and non-Indigenous attendance, retention and participation
- Lowest retention rate and participation of all jurisdictions
- Attendance of Indigenous students well below national average



# Closing the gap – Engaging in education

- A changing profile
  - Greater Indigenous growth in school aged population
  - Focus on increasing Indigenous Participation
  - Re-engagement of Indigenous students (often mature aged)
  - Focus on real pathways through provision of secondary education in remote locations

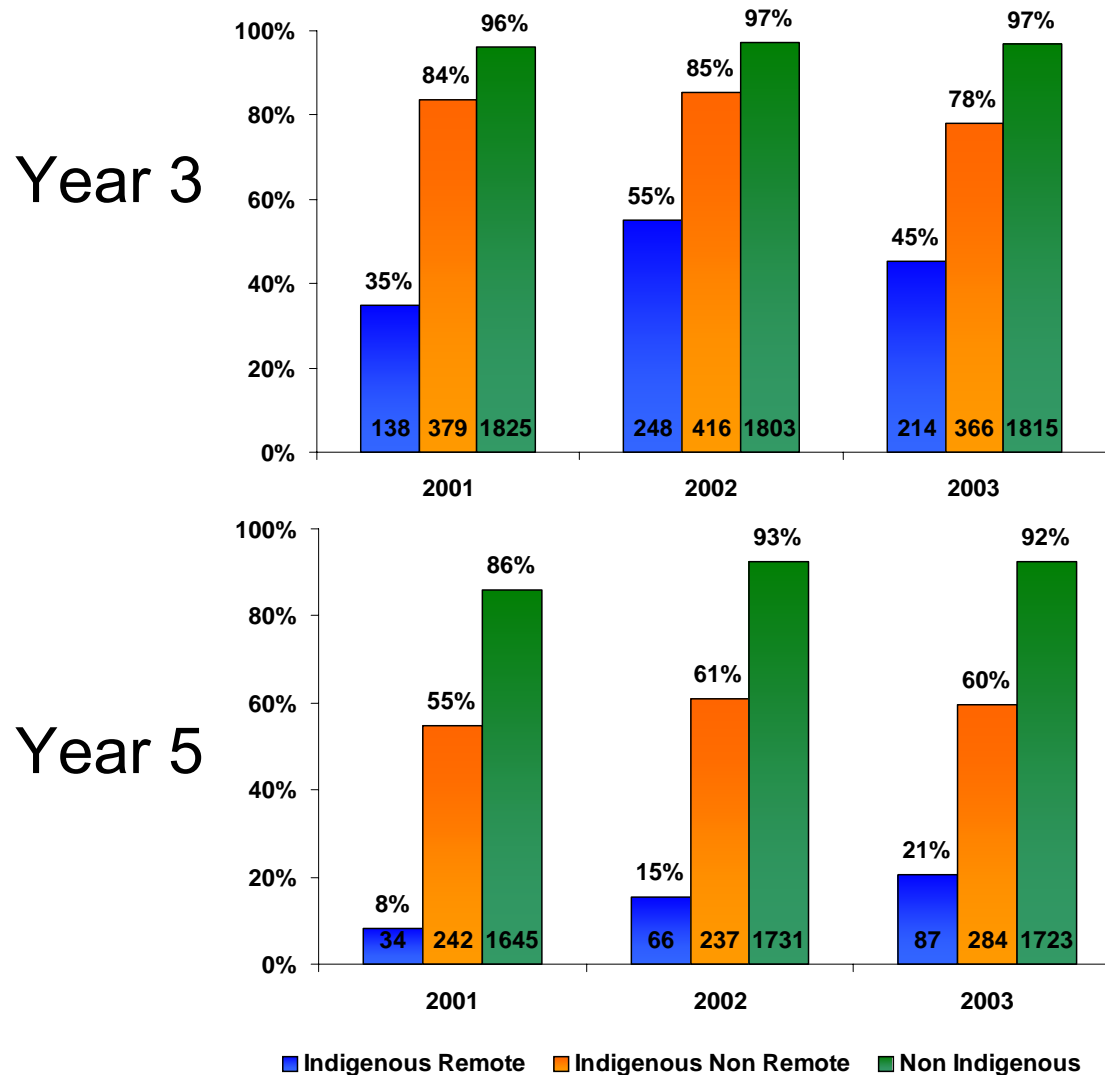


# **But what about the outcomes?**

## **– MAP & NTCE**

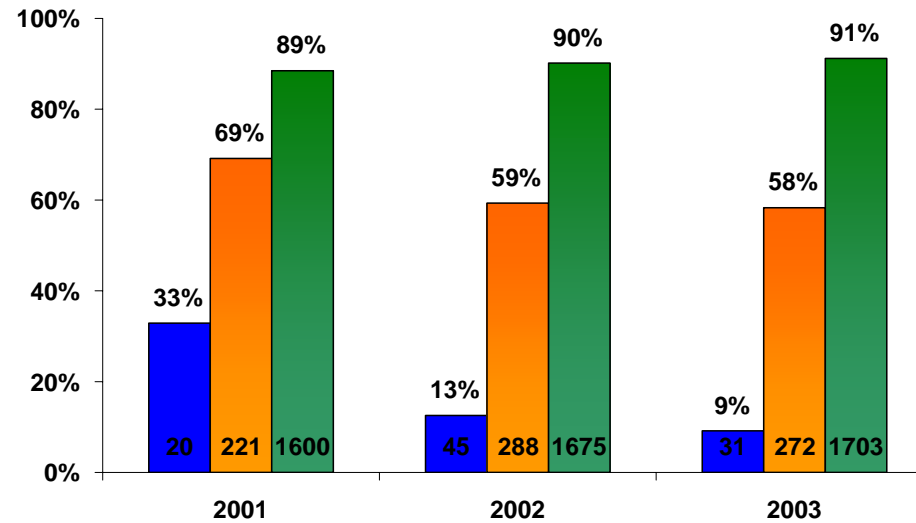
- Clear gap between Indigenous and non-Indigenous
- Indigenous outcomes below acceptable levels in literacy and numeracy
- Highest level of education achieved lower than Australian average

# Numeracy – Year 3 & 5 Achievement

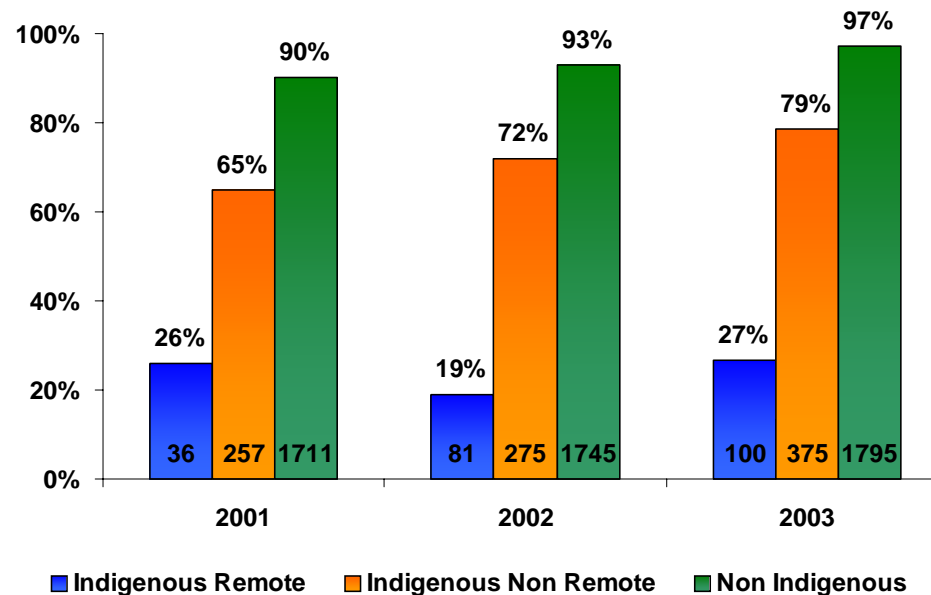


# Reading – Year 3 & 5 Achievement

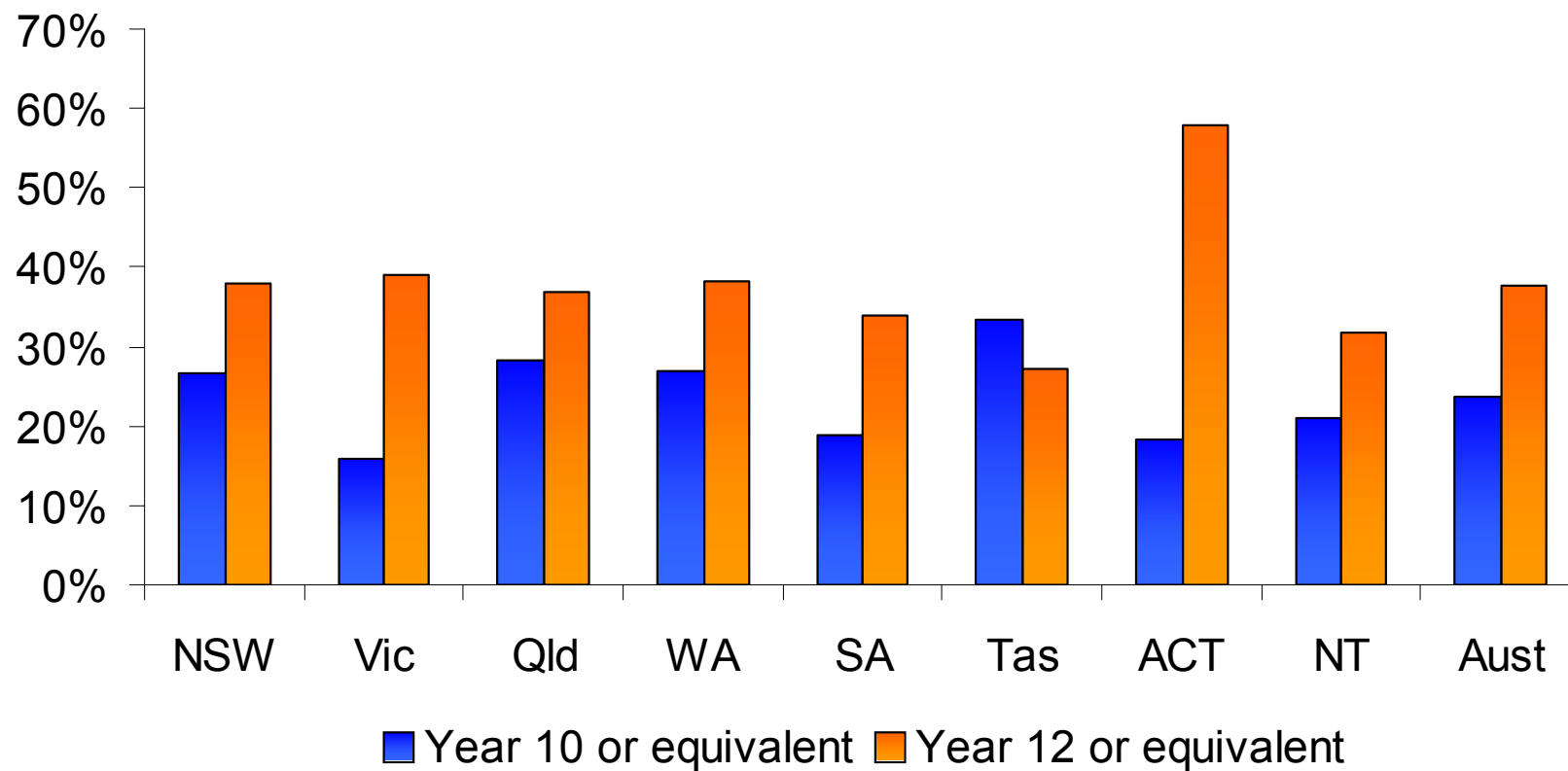
Year 3



Year 5



## People aged 15 years and over, by highest year of school completed August 2001



Source: ABS (2002b); table A.20.



## NTCE – Students awarded an NTCE

Year	2001	2002	2003
Indigenous	40	52	58
Non Indigenous	784	767	755
<b>Total</b>	<b>824</b>	<b>819</b>	<b>813</b>

Out of the 58 Indigenous students in 2003 who were awarded the NTCE only 4 students had a TER greater than 60, the minimum TER to enter CDU





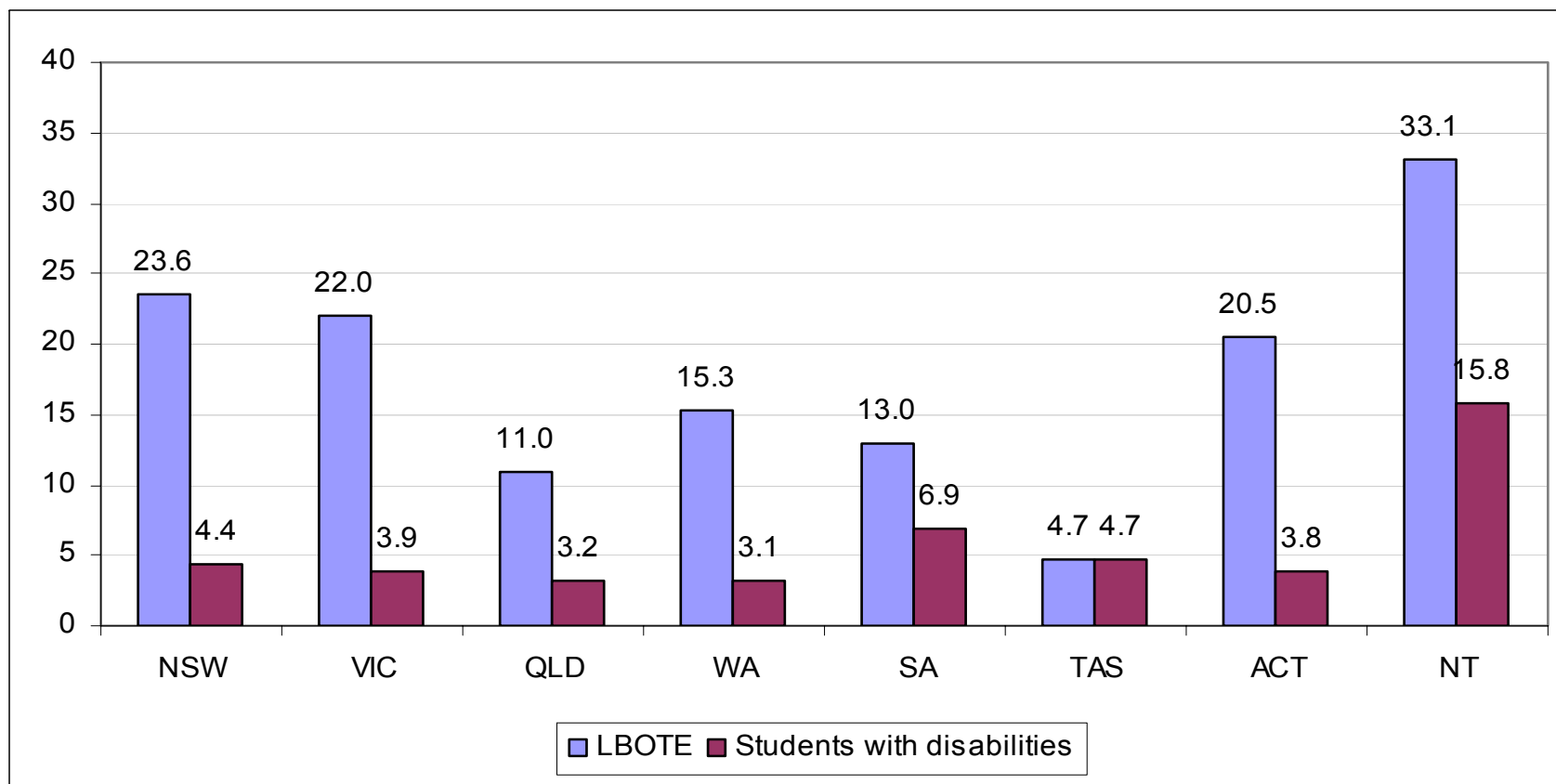
# Costs per student

## What's the real costs?


- In 2003, NT Government Schools \$13,668
  - Urban \$13,497
  - Very Remote \$13,613
  - Special Schools \$48,514
- **The real costs** – These will address the gap between current outcomes and targeted outcomes

# Closing The Gap

Student Body Mix, Government schools (percent), 2002



Source: ABS 2003, *Schools Australia 2002*, Cat. no. 4221.0; DEST (unpublished).



# Closing the Gap – The real costs

## Maningrida, a very remote school

- At August 2003 there were 531 students
- Average cost per student
  - \$13,613
- If the number of teachers were increased to halve the current class size average cost per student on teacher salaries alone
  - \$16,485 (an increase of \$2,845 per student)

### ■ Accelerated Literacy

#### □ Salary costs

2004/05	\$184,170
2005/06	\$217,438
2006/07	\$221,123
2007/08	\$221,187



# Future of Education in the NT

- Need to improve outcomes on current student body
  - Accelerated literacy
  - Indigenous language and culture policy and guidelines
  - Provision of real programs (Intensive English Unit)
- Need to improve capacity to National standards
  - Attendance initiatives
  - Increase secondary education in remote areas
  - Pre School participation maximised



# **All apples are not apples**

- The lifelong pressure on our education system to transfer benefits of an educated population
  - Health
  - Productivity
  - Well being



# Integrated approaches in Indigenous communities

Neil Westbury

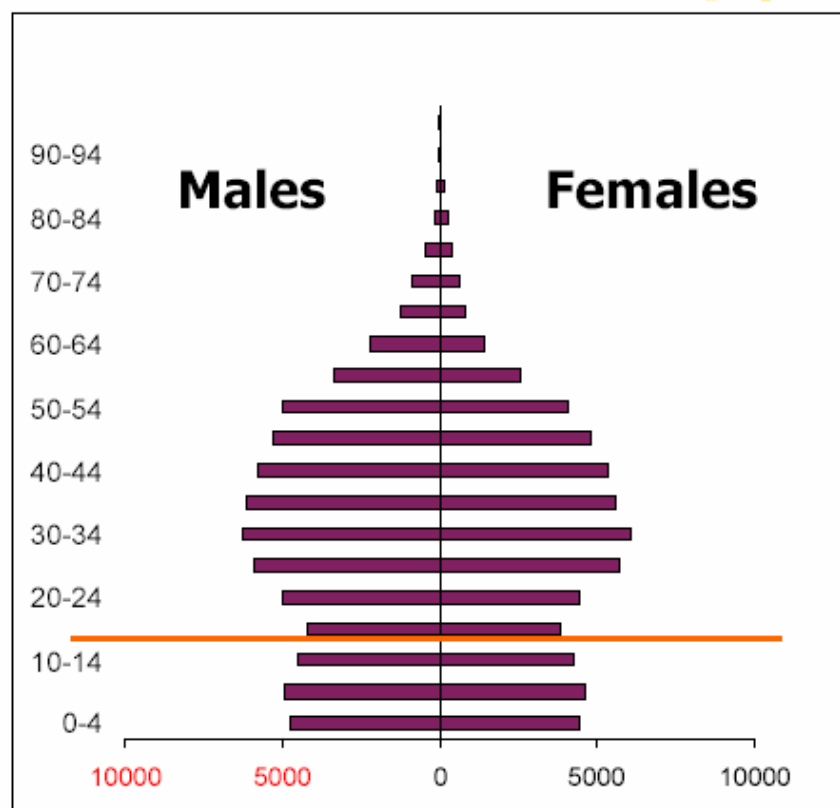
Executive Director

Office of Indigenous Policy

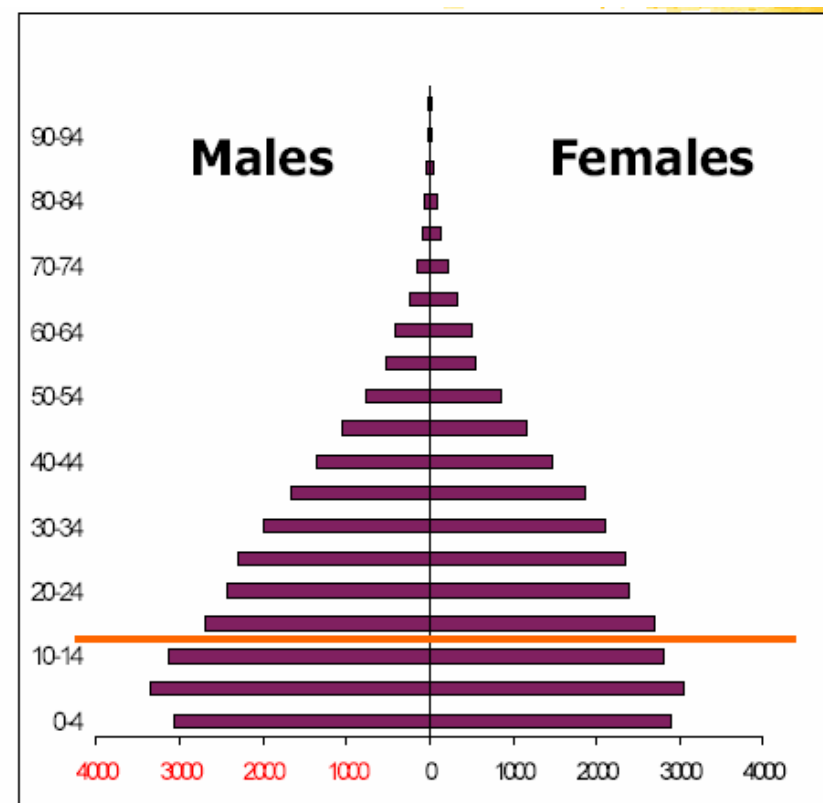
Department of the Chief Minister

# NT age distributions 2001

## Indigenous



## Non-Indigenous



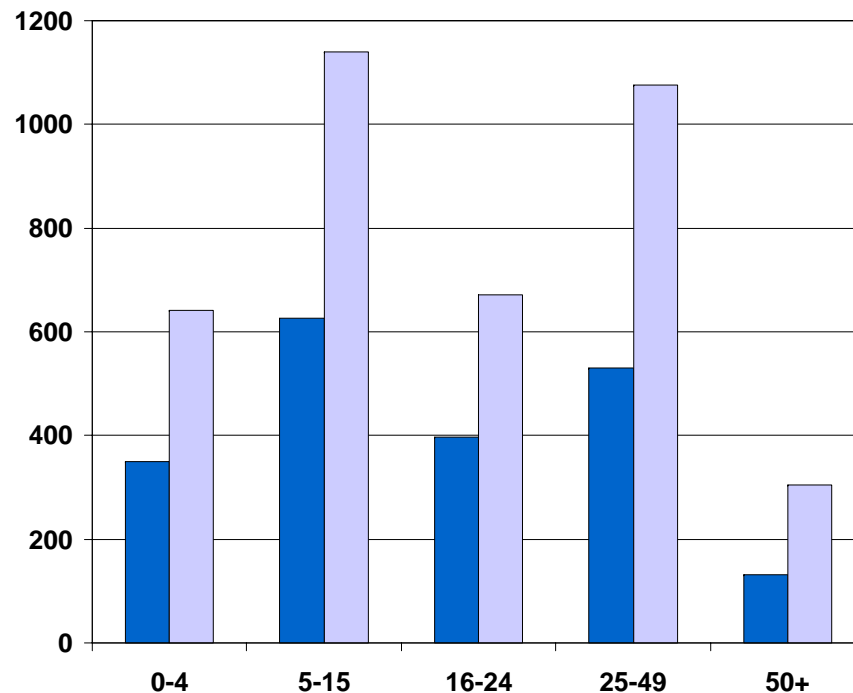


# Demographics

- Total NT population about 197,000, Indigenous population 56,875
- High Indigenous fertility - on average, women of child bearing age have 2.9 children (national average 1.7)
- High Indigenous adult mortality - life expectancy 56 years men, 63 years women
- Zero Indigenous net migration, high non-Indigenous turnover
- High Indigenous population growth potential
- 64% of Indigenous people in working ages
- 40% of Indigenous males reaching workforce age will die before age 60



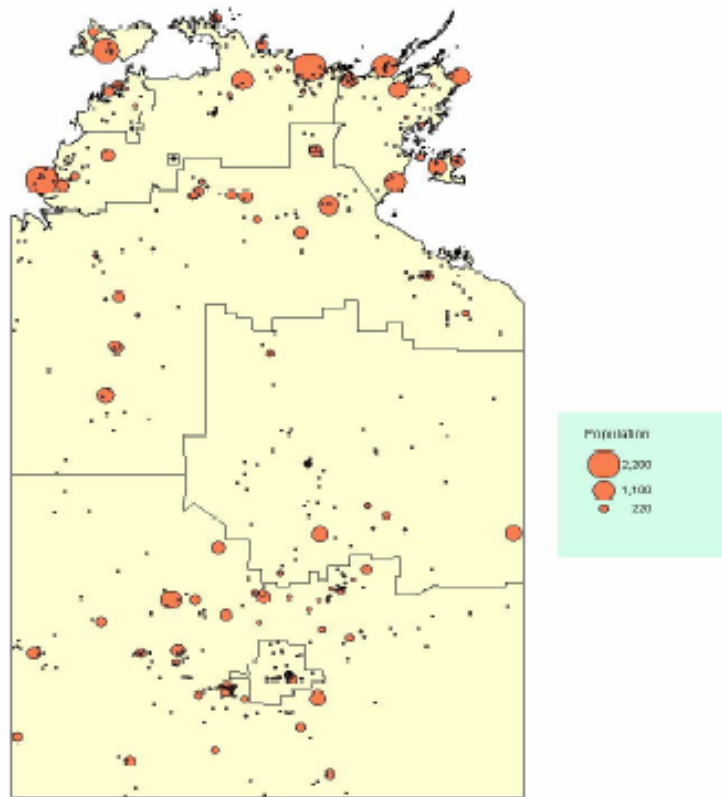
# Wadeye - Indigenous population projections



- overall growth 88.5% or 4.4% pa
- greatest numeric increase in working-age group
- highest growth in 50+ age group - 130.3% or 6.5% pa

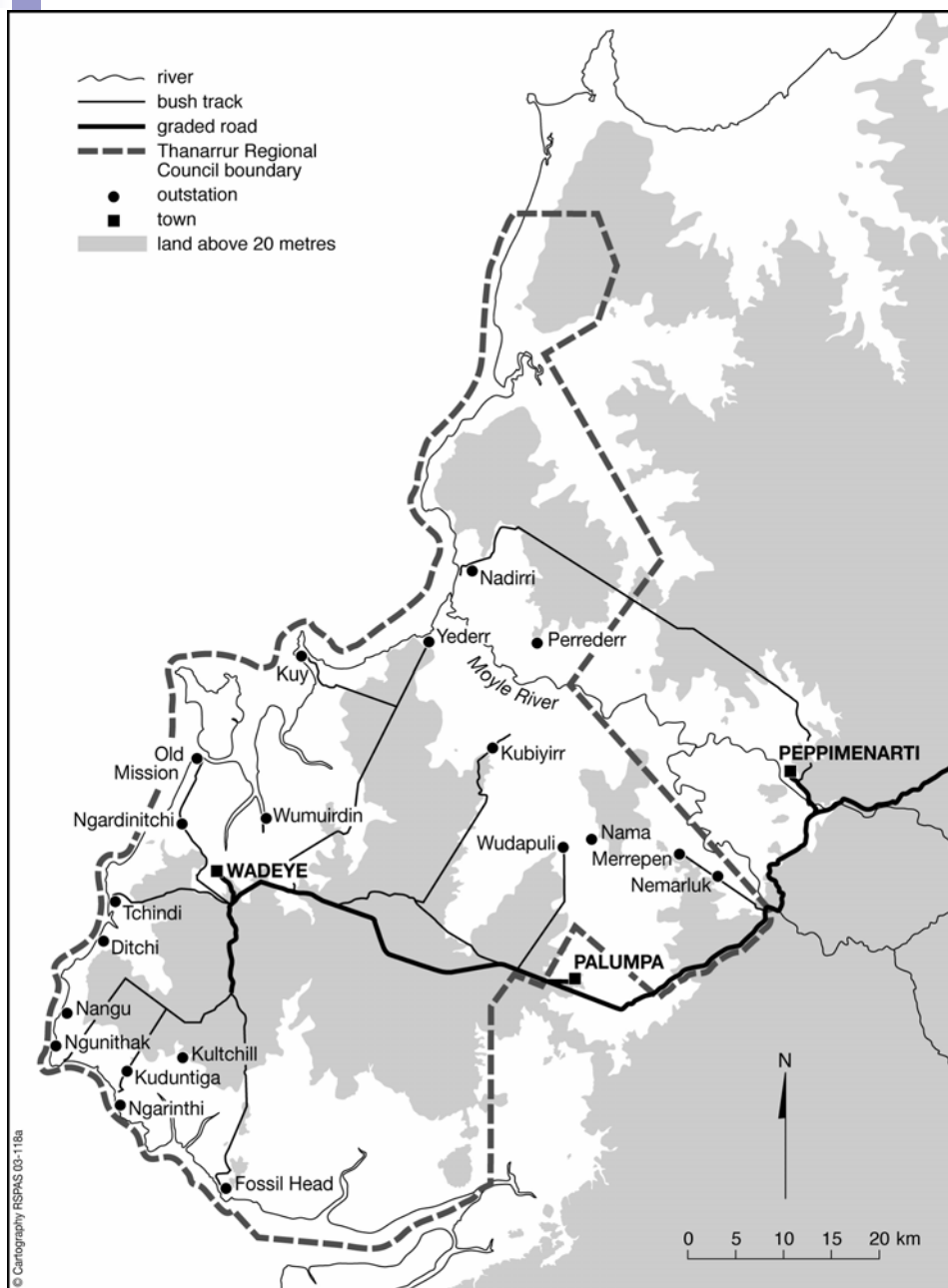
# Distribution of discrete Aboriginal communities, NT 2001

Northern Territory discrete Indigenous communities, 2001



Source: ATSC 2001 Community Housing and Infrastructure Needs Survey  
Map by ATSC

- 72% of Aboriginal population on Aboriginal land (freehold, excisions, SPLs – estimated 42,370)
- 9 towns of 1-2,000 (12,000 pop)
- 50 localities of 200-999 (20,000 pop)
- 570 places <200 (14,000 pop)
- 83% of non-Indigenous pop in Darwin and Alice

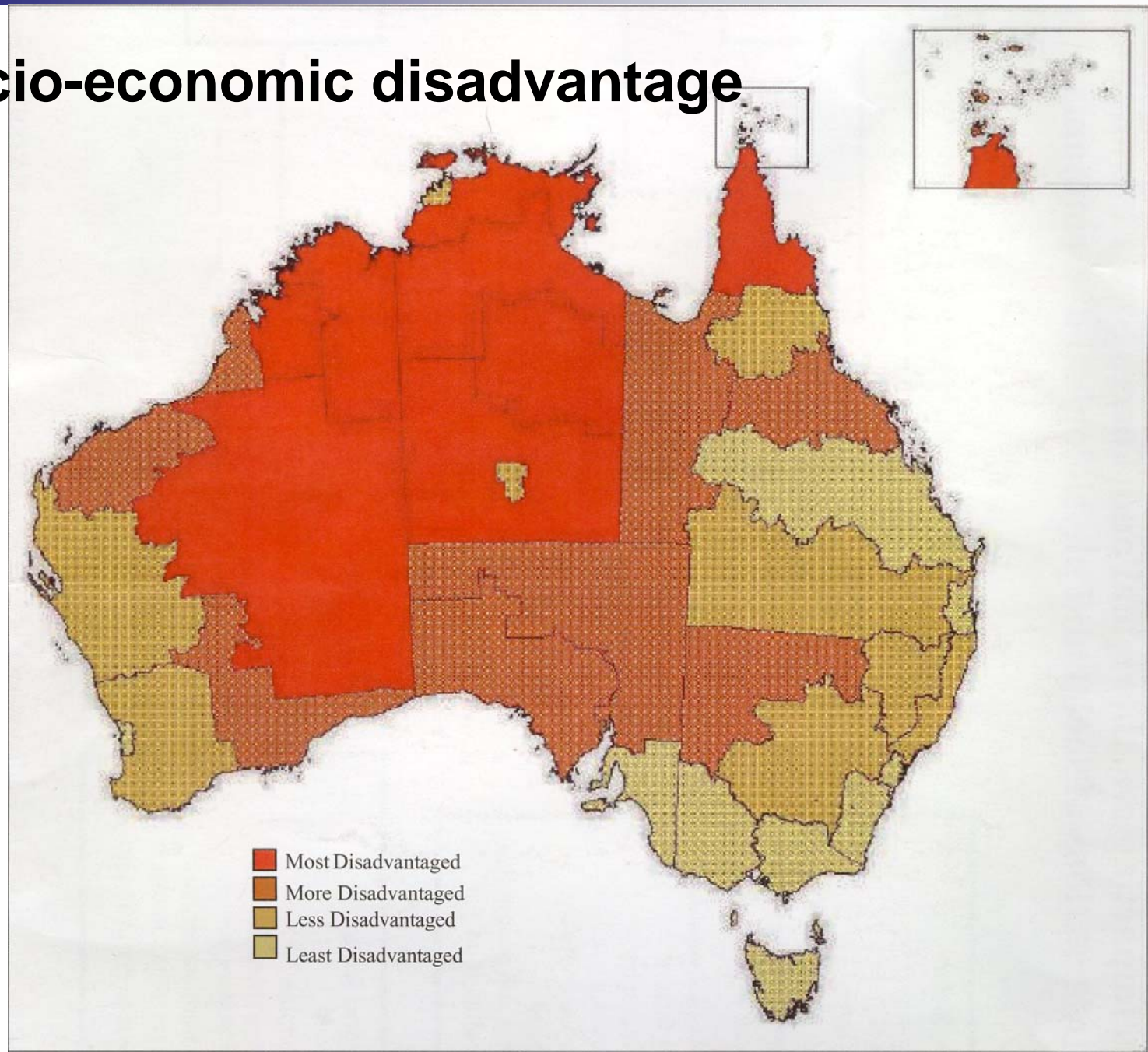


## Wadeye region – population dispersion

Wadeye	2,045
Ditchi	5
Nadirri	25
Perrederr	20
Ngardinitchi	6
Wudapuli	30
Nemarluk	47
Merrepen	19
Kultchill	0
Kuduntiga	3
Kuy	15
Ngarinthe	0

Nama	11
Ngunithak	6
Tchindi	0
Nangu	0
Wumuiridin	0
Yederr	0
Fossil Head	0
Kubiyirr	5
Old Mission	9
Total	2,260


# Socio-economic disadvantage





# Wadeye socio-economic data

- NT Indigenous birth rate highest in the nation (4.4 per woman of child bearing age, 9 at the turn of the century)
- Wadeye's population will double in the next generation. Profile equivalent to a vibrant and growing medium sized country town, but lacking the normal basic infrastructure and services.
- There are 146 habitable homes for a population of 2,260, meaning an occupancy rate of 16 persons per home. To maintain this current occupancy rate, an extra 122 dwellings will need to be constructed by 2023; to bring occupancy down to 7 persons per dwelling, and extra 465 dwellings would be required.



# Wadeye socio-economic data

- The current Indigenous welfare dependency ratio is 82%, rising to 90% if CDEP is counted as welfare income. If the Indigenous employment/population rate were to remain the same as in 2003 (16%, including CDEP as employed), there would need to be a total of 343 jobs in 2023 – nearly double what there is now.
- To bring the community into line with the total NT Indigenous employment, there would need to be an additional 500 jobs. Of the current 178 jobs, 133 (75%) were CDEP funded.
- The current school age population is 626, with only 57 regular attendees. The school age population is expected to grow to 1,140 by 2023. Only 4% of Indigenous adults have completed Years 11 or 12.
- Aged population (50+) will increase from 132 to 304 (130%).





# Broader implications

- current levels of unmet need disadvantage are merely going to worsen in the short and medium term without significant increased effort and resources being applied
- opportunity cost of continuing business as usual will be significant, not just for the NT but for the nation
- needs based funding vs per capita allocation
- recognition of need for “catch-up”



# Catch up

- “from an equalisation perspective,....giving it [the Territory] the same fiscal capacity as other States to deliver services to its citizens means maintaining pre-existing differentials. If this capacity is to be applied to communities facing very different circumstances, particularly with respect to access to services – and this is what we see in the Territory – outcomes will not narrow over time.”

Alan Morris 2003. *Powerhouse or Mendicant? Is the Territory an Engine of Growth or a 'drag' on Federation?* Address to the Charles Darwin Symposium, Beyond the Frontier – Sustainable Futures for north Australia, Darwin 17-18 July 2003





# Specific ageing implications

- prospect of disbursed ageing population in places with inadequate infrastructure (including fundamental infrastructure such as roads)
- productivity gains unlikely to be realised unless engagement with the mainstream economy improved
- continuing growth in disbursed young population meaning increased education budget



# COAG meeting 25 June

- COAG trials
- New Indigenous affairs arrangements
  - National framework principles
  - Negotiation of bilateral agreements
  - Negotiation on Indigenous representation



# Regional representation

- continue to collaborate with existing ATSIC Regional Councils
- prospective review of NT Local Government Act including expediting creation of Regional Authorities
- parallel development of enhanced arrangements for leasing of Aboriginal land
- transitional arrangements re representation that ensure minimum standards of service delivery
- capacity development fundamental requirement – pooling of ATSIC administrative funding and NT funds



# Service delivery principles

- delivery by one level of Government
- funds pooling
- allocation of funding according to need
- Indigenous involvement in high level policy decisions
- access to mainstream, not just Indigenous specific (or quarantined) funding
- recognition of catch up



# Whole of government approaches work when there is....

- high level commitment
- cooperative arrangements
- shared responsibility
- flexible approached/structures/systems
- staff with the necessary skills
- an understanding that time is required



# Ways forward

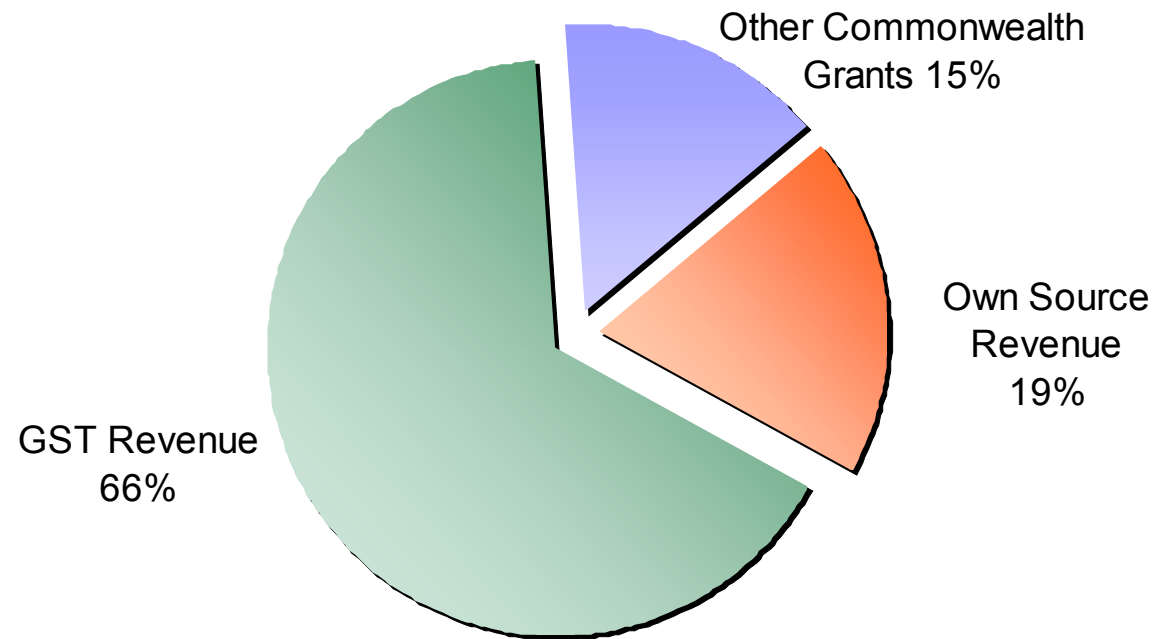
- bilateral agreements with the Australian Government to sort out roles and responsibilities
- trilateral “shared responsibility” agreements at the local level
- recognition of opportunity costs in not applying catch up funding in the short to medium term



# NT Revenue

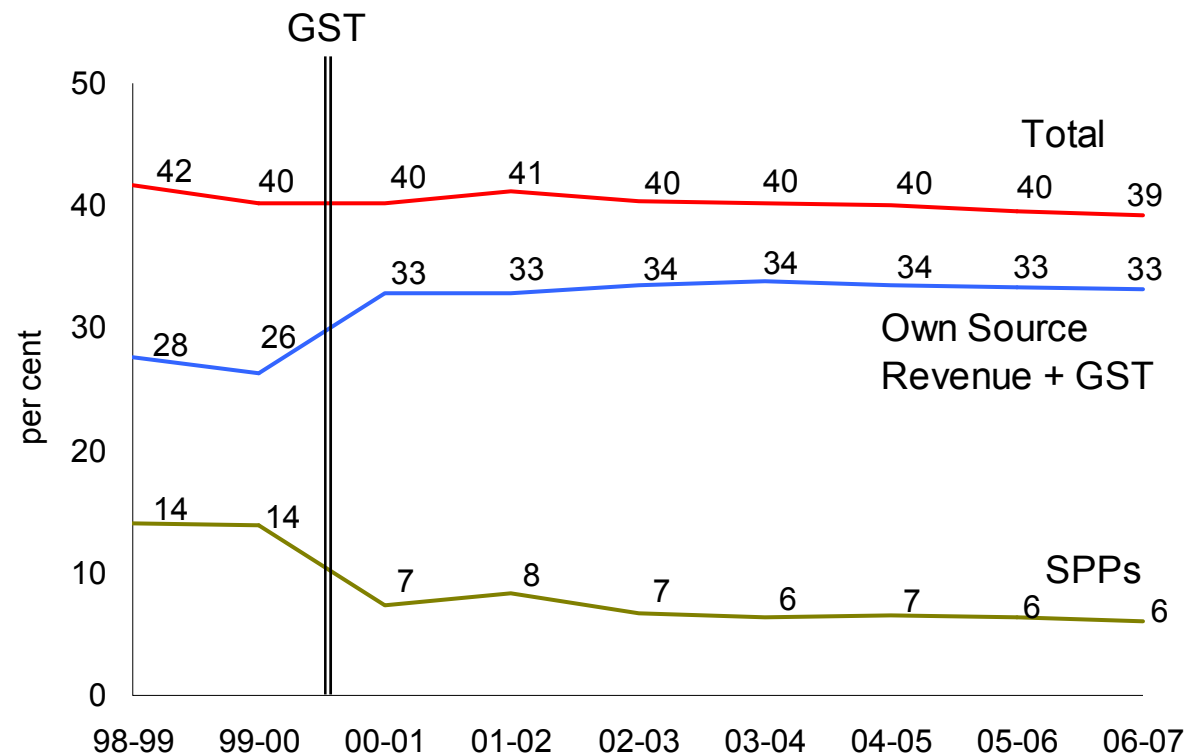
(Ashley Chamberlain – NT Treasury)

# Sources of Territory Revenue

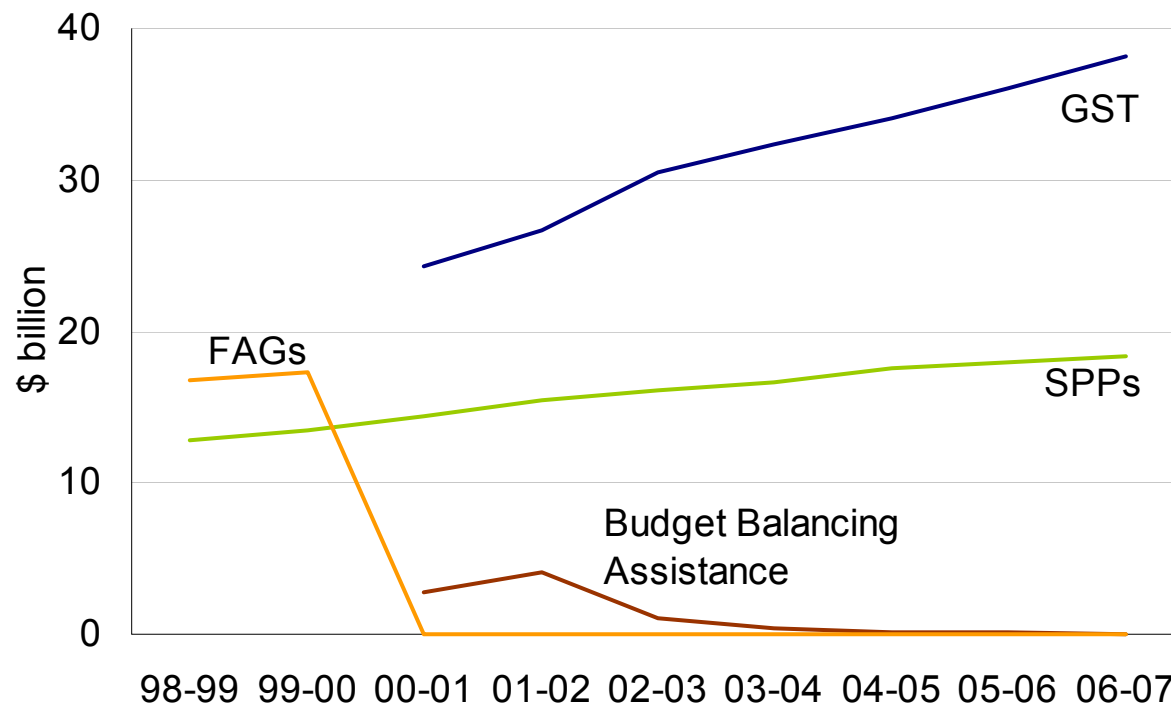




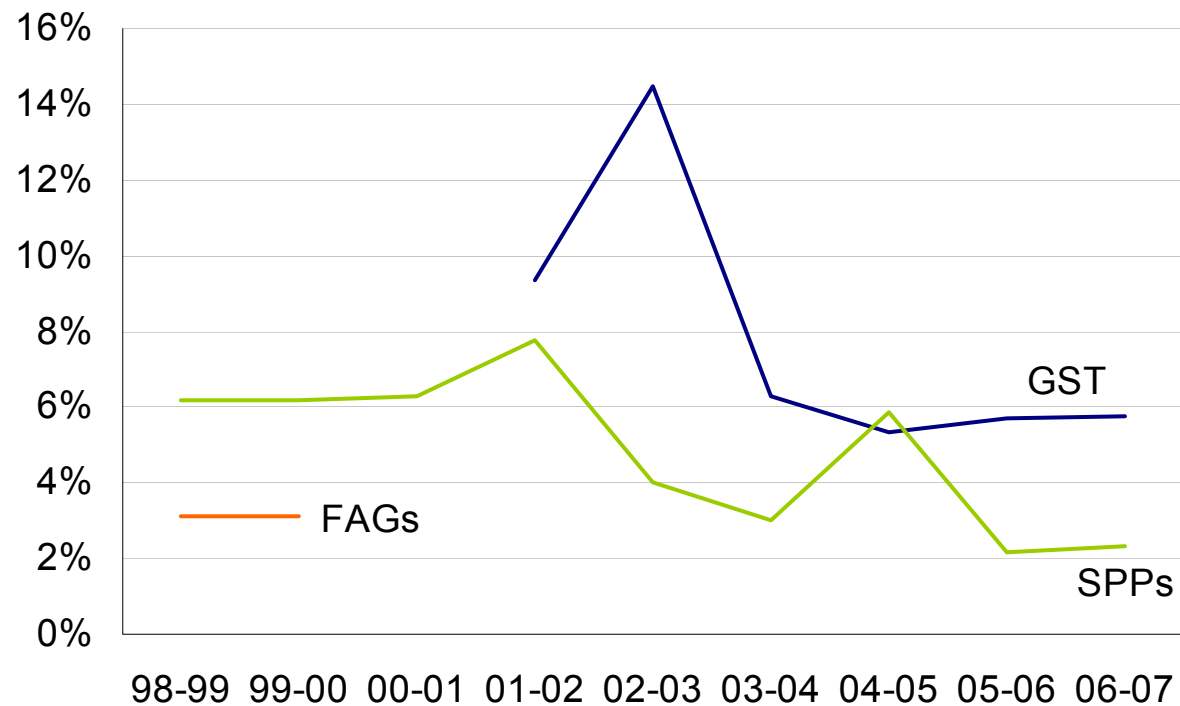
# States' Share of National Revenues



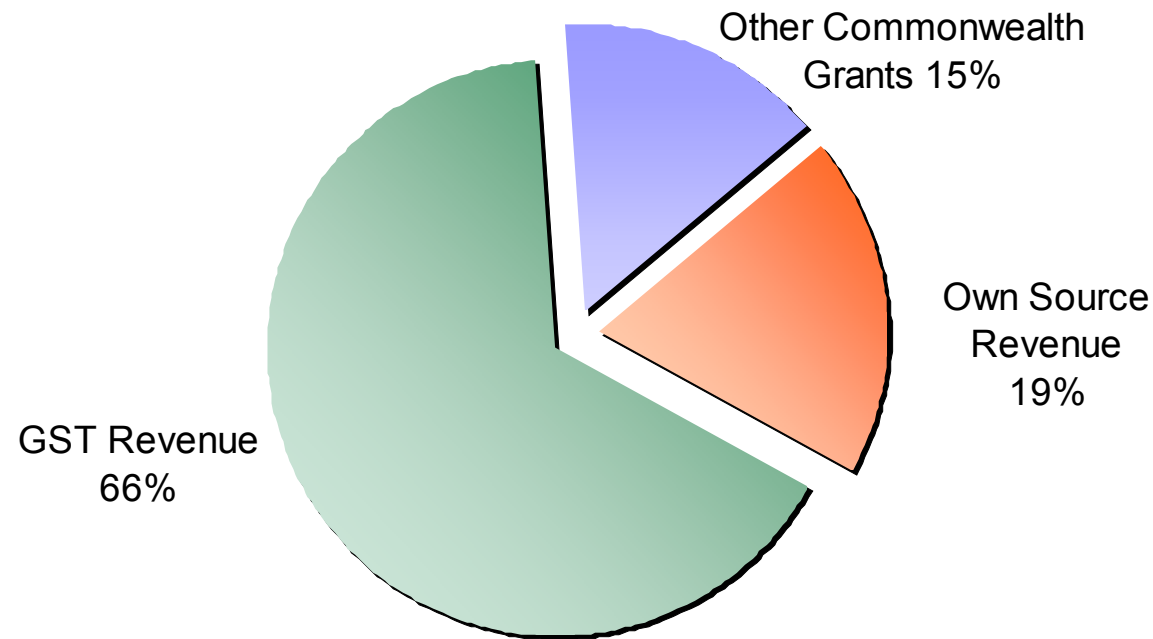
# Aggregates Commonwealth Grants to the States



# Aggregates Commonwealth Grants to the States: Growth



# Sources of Territory Revenue





# Unfunded Superannuation

(Tony Stubbin – NT Treasury)




# Superannuation

- Large unfunded Superannuation Debt as a % of yearly revenue
- Inherited a large portion of this debt from the Commonwealth via CSS.
- Most retirees leave the Territory and settle in other states.



# Superannuation in the Territory

- Prior to 1986 Territory Public Servants part of Commonwealth Superannuation Scheme (CSS) a contributory pension scheme.
- October 1986, CSS closed to new members and Northern Territory Government Public Authorities Superannuation Scheme (NTGPASS) established. A contributory lump-sum scheme.
- In 1984 unfunded CSS debt becomes responsibility of Territory Government.
- August 1999, NTGPASS closed to new members all new Government employees have choice of fund for 9% SGC.

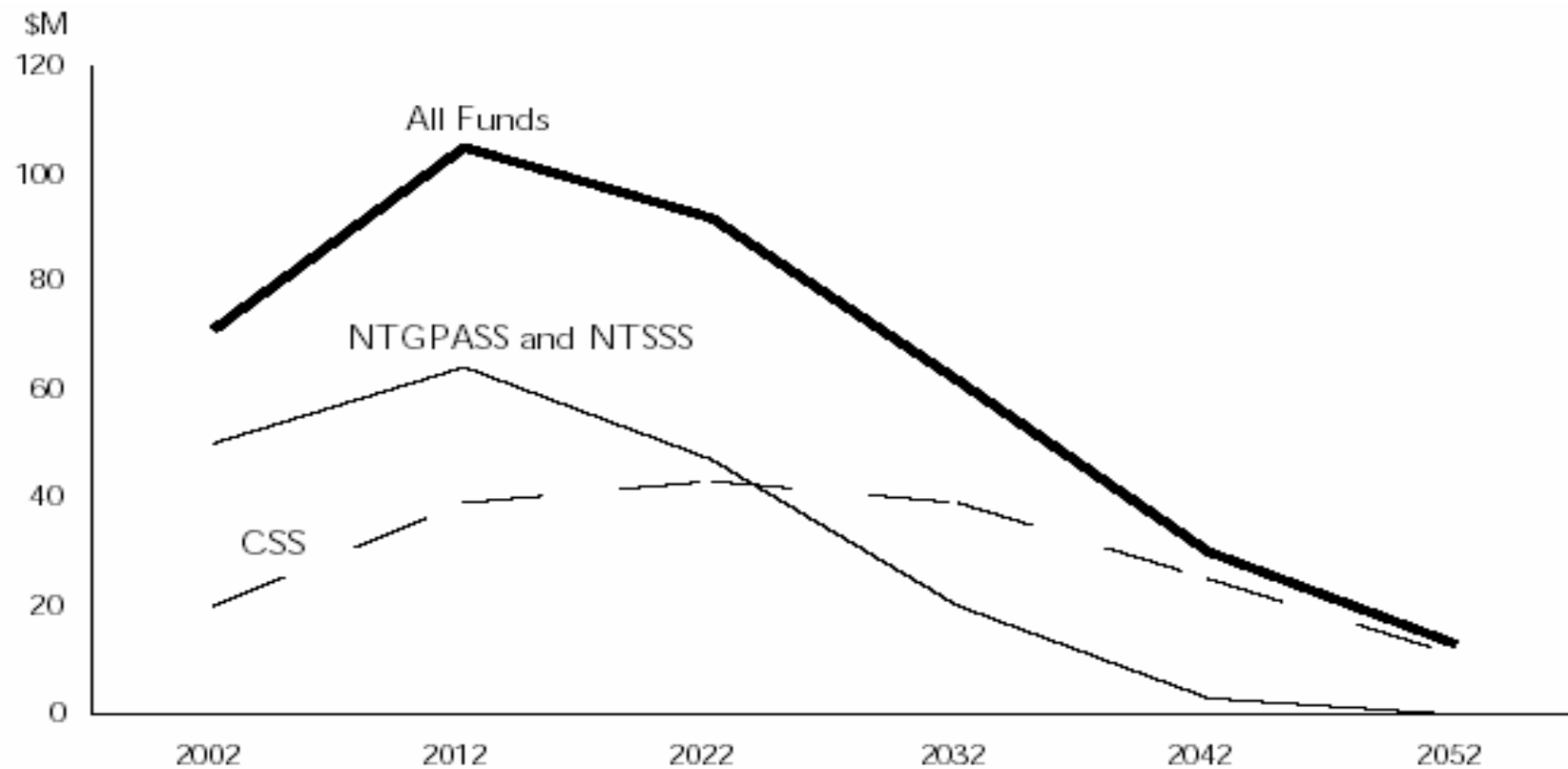


# Superannuation (% of Current Annual Revenue)

Government	Unfunded superannuation liability (\$b)	Unfunded liability as % of government operating revenue
NT	1.4	69%
NSW	11.5	33%
Qld	11.2	46%
SA	3.9	41%
Tas	2.2	78%
Vic	12.8	51%
WA	5.5	50%
Commonwealth	91.5	42%
Source: Standard & Poor's/Budget Papers 2003-2004		



# Superannuation





# Superannuation Economic Effects

- Based on current Demographics, most retiree's leave the Territory when they retire.
- It could be assumed about 50% leave and consume their Territory Government funded CSS pension or NTGPASS lump-sum in another State economy.