2014 Indigenous Expenditure Report

FACTSHEET

Safe and supportive communities

The 2014 Indigenous Expenditure Report was released on 12 December 2014. The Report is the third in a series providing estimates of expenditure on services provided to Aboriginal and Torres Strait Islander people by the Australian Government, and State and Territory governments.

The Report provides an overview of six broad areas of expenditure — early child development and education and training; healthy lives; economic participation; home environment; safe and supportive communities; and other government services.

This factsheet reports selected expenditure data for safe and supportive communities services. More detailed estimates, including data for individual jurisdictions and previous years are available from the project website.

Interpreting the results

Estimating the Indigenous component of expenditure — especially for mainstream services — is complex, and many data quality and methodological challenges are yet to be resolved. Some of these challenges are state-specific. The Report provides information to assist in interpreting the estimates, including the strengths and limitations of the data and method, and the context in which services are provided.

Direct government expenditure on safe and supportive communities

Safe and supportive community services promote an environment in which Australians can feel safe from violence, abuse and neglect, and are able to engage in the communities in which they live. The main expenditure categories for this service area are:

- *public order and safety* police services, law courts and legal services, prisons and other corrective services, other public order (including fire protection services)
- *community support and welfare* welfare for the aged (including nursing homes) and people with a disability, child protection and out-of-home care services, and family and youth support services
- recreation and culture national parks and wildlife, recreation facilities and services, cultural facilities and services, broadcasting and film production.

A more detailed description of these expenditure categories is provided in *Factsheet: Description of expenditure categories* and the *Expenditure Data Manual* (both available from the project website).

Expenditure per capita

Estimates in this factsheet are for expenditure per capita (per person in the population) and are not a measure of expenditure per user of services. Per capita estimates should not be interpreted as a proxy for unit cost, or for the amount individuals receive from government.

2014

Information in this factsheet is from the 2014 Indigenous Expenditure Report, published by the Steering Committee for the Review of Government Provision. The Report can be found on the project website: www.pc.gov.au/research/recurring/ier. Printed copies of the Report are available from Canprint Communications (ph 1300 889 873 or email: sales@infoservices.com.au). For further information contact the Secretariat: (03) 9653 2100.

Drivers of differences in expenditure

Differences in expenditure may be driven by:

- intensity of service use, which for home environment services vary across services:
 - public order and safety services the majority of these services relate to the operation of the criminal and civil justice systems police, courts and corrective services. Aboriginal and Torres Strait Islander intensity of service use is largely related to the over-representation of Aboriginal and Torres Strait Islander Australians among offenders. The younger age profile of the Aboriginal and Torres Strait Islander population accounts for part of this
 - community support and welfare services Aboriginal and Torres Strait Islander Australians, on average, use many of these services more intensively because of higher underlying levels of need and socioeconomic disadvantage
 - recreation and culture services the Report assumes that mainstream recreation and culture services
 are provided for the benefit of the community as a whole, and the Report method assumes that
 the Aboriginal and Torres Strait Islander share of mainstream expenditure on these services is
 proportional to the Aboriginal and Torres Strait Islander share of the population
- differences in the cost of service provision, which relate to the higher cost of providing mainstream services to Aboriginal and Torres Strait Islander Australians (including higher costs in remote areas), and the use of complementary Indigenous specific services.

Key results

- Government direct expenditure on all safe and supportive community services was \$69.6 billion in 2012-13. Direct expenditure on services to Aboriginal and Torres Strait Islander Australians made up \$8.0 billion (12 per cent) of the total.
- Government direct expenditure per person on safe and supportive community services in 2012-13 was \$11 463 per Aboriginal and Torres Strait Islander Australian and \$2745 per non-Indigenous Australian (a ratio of 4.18:1):
 - public order and safety \$4868 was spent per Aboriginal and Torres Strait Islander Australian compared with \$967 per non-Indigenous Australian (a ratio of 5.03:1).
 - community support and welfare \$5912 was spent per Aboriginal and Torres Strait Islander Australian compared with \$1421 per non-Indigenous Australian (a ratio of 4.16:1).
 - recreation and culture \$683 was spent per Aboriginal and Torres Strait Islander Australian compared with \$357 per non-Indigenous Australian (a ratio of 1.91:1).
- State and Territory governments provided \$5.6 billion (70 per cent) of direct Indigenous expenditure, and the Australian Government provided \$2.4 billion (30 per cent). On a per person basis, State and Territory governments provided \$8027 per Aboriginal and Torres Strait Islander Australian and the Australian Government provided \$3436.

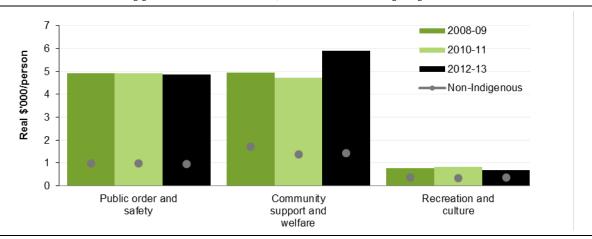
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- Most government direct Indigenous expenditure related to mainstream services (\$6.6 billion, 82 per cent), and Indigenous specific expenditure accounted for \$1.4 billion (18 per cent) of direct expenditure.
- After adjusting for inflation, government direct expenditure per Aboriginal and Torres Strait Islander Australian increased by 8 per cent from 2008-09 to 2012-13 (from \$10 627 in 2008-09 to \$11 463 in 2012-13). This compares with a decrease of 10 per cent in expenditure per non-Indigenous Australian (from \$3039 in 2008-09 to \$2745 in 2012-13).

Figure 1 shows that changes in expenditure per person from 2008-09 to 2012-13 varied across expenditure categories. Nationally, after adjusting for inflation, expenditure per Aboriginal and Torres Strait Islander Australian increased by 20 per cent for *community support and welfare*, decreased by 1 per cent for *public order and safety* and decreased by 11 per cent for *recreation and culture*.

Figure 1 Australian Government *plus* State/Territory Government direct Indigenous expenditure on safe and supportive communities, (2012-13 dollars per person)^{a, b, c}



^a Direct expenditure includes government outlays on services and programs (including income support) that are paid directly to individuals, non-government service providers, or local governments. ^b Per head of population expenditure is not the same as expenditure per user, and should not be interpreted as a proxy for unit cost. ^c Expenditure for 2008-09 and 2010-11 has been expressed in real (constant 2012-13 dollars) terms using the General Government Final Consumption Expenditure deflator (chain price index).

Source: 2014 Indigenous Expenditure Report database

Table 1 All government direct expenditure on *safe and supportive communities*, Australia, 2012-13^{a, b, c}

	Total expenditure \$m				\$	\$ per person d			
	Indig.	Non-Indig.	Total	Indig. share	Indig.	Non-Indig.	Ratio ^e		
Public order and safety	3 399	21 698	25 097	13.5	4868	967	5.03		
Community support and welfare	4 129	31 875	36 003	11.5	5912	1421	4.16		
Recreation and culture	477	8 011	8 488	5.6	683	357	1.91		
Total	8 004	61 584	69 589	11.5	11 463	2745	4.18		

Table 2 Australian Government *plus* State and Territory Government direct expenditure on *safe and supportive communities*, by government (dollars per person), 2012-13^{a, b, c, d}

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	All states
Indigenous expenditure (\$ per per	son)								
Aust Government	2 755	3 087	2 984	3 480	3 553	2 670	5 368	6 985	3 436
State & territory governments	7 198	8 280	6 308	12 358	9 234	3 088	10 571	10 427	8 027
All Governments	9 953	11 367	9 293	15 838	12 787	5 758	15 939	17 412	11 463
Non-Indigenous expenditure (\$ per person)									
Aust Government	1 164	1 155	1 103	983	1 319	1 317	928	669	1 137
State & territory governments	1 491	1 729	1 450	1 841	1 571	1 888	1 916	2 229	1 608
All governments	2 654	2 884	2 553	2 824	2 890	3 205	2 844	2 898	2 745

^a Direct expenditure includes government outlays on services and programs (including income support) that are paid directly to individuals, non-government service providers, or local governments. ^b Refer to the Report for more detail on the estimates and specific guidelines for the use and interpretation of these data. ^c Totals may not add due to rounding. ^d Per head of population expenditure is not the same as expenditure per user, and should not be interpreted as a proxy for unit cost. ^e The ratio of total Indigenous expenditure per person to total non-Indigenous expenditure per person.

Source: 2014 Indigenous Expenditure Report database.

Table 3 All government direct Indigenous expenditure on *safe and supportive communities*, 2008-09, 2010-11, 2012-13 (2012-13 dollars)^{a, b, c, d}

	Total expenditure \$m			\$ /				
	2008-09	2010-11	2012-13	2008-09	2010-11	2012-13		
Public order and safety								
Indigenous expenditure	3 158	3 304	3 399	4 914	4 934	4 868		
Non-Indigenous expenditure	20 440	21 311	21 698	971	984	967		
Total	23 599	24 615	25 097	1 088	1 102	1 085		
Community support and welfare								
Indigenous expenditure	3 179	3 162	4 129	4 946	4 722	5 912		
Non-Indigenous expenditure	35 806	29 751	31 875	1 701	1 373	1 421		
Total	38 985	32 913	36 003	1 797	1 473	1 556		
Recreation and culture								
Indigenous expenditure	493	550	477	767	821	683		
Non-Indigenous expenditure	7 711	7 683	8 011	366	355	357		
Total	8 205	8 233	8 488	378	369	367		
Total safe and supportive communities								
Indigenous expenditure	6 831	7 015	8 004	10 627	10 476	11 463		
Non-Indigenous expenditure	63 957	58 746	61 584	3 039	2 711	2 745		
Total	70 788	65 761	69 589	3 264	2 944	3 008		

^a Direct expenditure includes government outlays on services and programs (including income support) that are paid directly to individuals, non-government service providers, or local governments. ^b Refer to the Report for more detail on the estimates and specific guidelines for the use and interpretation of these data. ^c Totals may not sum due to rounding. ^d Expenditure for 2008-09 and 2010-11 has been expressed in real (constant 2012-13 dollars) terms using the General Government Final Consumption Expenditure deflator (chain price index). ^e Per head of population expenditure is not the same as expenditure per user, and should not be interpreted as a proxy for unit cost.

Source: 2014 Indigenous Expenditure Report database.

Additional detailed data for more specific expenditure sub-categories, individual states and territories and for mainstream and Indigenous specific expenditure are included in the 2014 Indigenous Expenditure Report database available on the project website.