

Service Use Measure Definitions Manual

2017 Indigenous
Expenditure Report

*Produced by the
Productivity Commission
for the Steering Committee
for the Review of Government
Service Provision*

October 2017

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This report generally uses the term 'Aboriginal and Torres Strait Islander Australians' to describe Australia's first peoples and 'non-Indigenous Australians' to refer to Australians of other backgrounds, except where quoting other sources. This Report uses the term Indigenous expenditure for government expenditure on services to Aboriginal and Torres Strait Islander Australians. Expenditure on services to non-Indigenous Australians is referred to as non-Indigenous expenditure.

Terms of reference

The following terms of reference were endorsed by the Council of Australian Governments at its 2 July 2009 meeting in Darwin.

The Indigenous Expenditure Report aims to contribute to better policy making and improved outcomes for Indigenous Australians, by:

1. reporting on expenditure on services which support Indigenous Australians, including in a manner consistent with the COAG Working Group on Indigenous Reform statement of objectives, outcomes and measures and the COAG Overcoming Indigenous Disadvantage report framework.
2. promoting the collection and reporting of robust Indigenous expenditure data through:
 - (a) determining and applying consistent methodology to the collection and reporting of data
 - (b) identifying necessary improvements to the collection and availability of relevant data
 - (c) developing and implementing strategies to address data deficiencies.

The Indigenous Expenditure Report will:

3. include expenditure by both Commonwealth and State/Territory governments (and local government if possible), and over time will:
 - (a) allow reporting on Indigenous and non-Indigenous social status and economic status
 - (b) include expenditure on Indigenous-specific and key mainstream programs
 - (c) be reconcilable with published government financial statistics.
4. focus on on-the-ground services in areas such as: education; justice; health; housing; community services; employment; and other significant expenditure.
5. report on a regular basis, including:
 - (a) completion of an initial ‘stocktake’ report for the first COAG meeting in 2009, setting out the reporting framework, principles, methodology, and survey of available data and strategies for data development
 - (b) staged reporting against the framework (having regard to considerations such as data availability, implementation requirements and costs of reporting)
 - (c) report on both Indigenous and non-Indigenous expenditure.

-
6. provide governments with a better understanding of the level and patterns of expenditure on services which support Indigenous Australians, and provide policy makers with an additional tool to target policies to Close the Gap in Indigenous Disadvantage.

The Indigenous Expenditure Report Steering Committee will:

7. provide regular updates to Heads of Treasuries on progress in developing the expenditure framework and to the Working Group on Indigenous Reform on progress on data issues
8. recommend to Heads of Treasuries appropriate institutional arrangements for annual reporting on Indigenous expenditure once the framework for reporting has been developed.

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Steering Committee

This report was produced under the direction of the Steering Committee for the Review of Government Service Provision (SCRGSP). The Steering Committee comprises the following current members:

Mr Peter Harris	Chairman	Productivity Commission
Mr Nicholas Hunt	Aust. Govt.	Department of Finance
Ms Joanne Evans	Aust. Govt.	The Treasury
Ms Dominique Lowe	Aust. Govt.	Department of the Prime Minister and Cabinet
Mr Rick Sondalini	NSW	NSW Treasury
Ms Anita Truninger	NSW	Department of Premier and Cabinet
Ms Brigid Monagle	Vic	Department of Premier and Cabinet
Mr Jeremy Nott	Vic	Department of Treasury and Finance
Ms Nicole Tabb	Qld	Department of the Premier and Cabinet
Ms Janelle Thurlby	Qld	Queensland Treasury
Ms Melissa Rudez	WA	Department of the Premier and Cabinet
Mr Kurt Sibma	WA	Department of Treasury
Ms Tammie Pribanic	SA	Department of Treasury and Finance
Mr Chris McGowan	SA	Department of the Premier and Cabinet
Ms Ruth McArdle	Tas	Department of Premier and Cabinet
Mr Geoffrey Rutledge	ACT	Chief Minister, Treasury and Economic Development Directorate
Ms Jean Doherty	NT	Department of the Chief Minister
Ms Linda Weatherhead	NT	Department of the Chief Minister
Ms Nardia Harris	NT	Department of Treasury and Finance
Mr Barry Sandison		Australian Institute of Health and Welfare
Dr Paul Jelfs		Australian Bureau of Statistics

People who also served on the Steering Committee during the production of this report include:

Ms Josephine Laduzko	Aust. Govt.	Department of the Prime Minister and Cabinet
Ms Emily Martin	Aust. Govt.	The Treasury
Ms Sam Reinhardt	Aust. Govt.	The Treasury
Mr Marty Robinson	Aust. Govt.	The Treasury
Mr Jonathan Rollings	Aust. Govt.	The Treasury
Mr Mark Thomann	Aust. Govt.	Department of Finance
Ms Michelle Dumazel	NSW	Department of Premier and Cabinet
Ms Bronwen FitzGerald	Vic	Department of Premier and Cabinet
Ms Marion Burchell	WA	Department of the Premier and Cabinet
Ms Lorissa Kelly	WA	Department of the Premier and Cabinet
Mr Barry Thomas	WA	Department of Treasury
Ms Katrina Ball	SA	Department of Treasury and Finance
Ms Nicole Hunter	SA	Department of the Premier and Cabinet
Ms Rebekah Burton	Tas	Department of Premier and Cabinet
Mr Sam Engele	ACT	Chief Minister, Treasury and Economic Development Directorate
Ms Kerry Flanagan		Australian Institute of Health and Welfare
Mr Andrew Kettle		Australian Institute of Health and Welfare
Mr Peter Harper		Australian Bureau of Statistics

Working Group

The Indigenous Expenditure Report Working Group undertakes the development and production of the Indigenous Expenditure Report under the auspice of the Steering Committee. The Working Group comprises the following members:

Ms Nina Davidson	Convenor	Productivity Commission
Ms Jody Hughes	Aust. Govt.	Department of the Prime Minister and Cabinet
Ms Katie Rae	Aust. Govt.	Department of Finance
Mr Timothy Goodland	Aust. Govt.	The Treasury
Mr Lawrence Freeman	NSW	NSW Treasury
Ms Claire Bickell	Vic	Department of Treasury and Finance
Ms Janelle Thurlby	Qld	Queensland Treasury
Ms Maria Lee	WA	Department of Treasury
Ms Tracey Scott	SA	Department of Treasury and Finance
Mr Damien Febey	Tas	Department of Treasury and Finance
Ms Natasha Bourke	ACT	Treasury and Economic Development Directorate
Ms Nardia Harris	NT	Department of Treasury and Finance
Mr Jonathan Khoo		Australian Bureau of Statistics
Ms Vicki Bennett		Australian Institute of Health and Welfare
Mr Tim Carlton		Commonwealth Grants Commission

People who also served on the Working Group during the production of this report include:

Mr Stephen Powrie	Aust. Govt.	Department of the Prime Minister and Cabinet
Ms Jessica Del Rio	Aust. Govt.	Department of Finance
Ms Michelle Craigie	Aust. Govt.	Department of Finance
Ms Veronica Glanville	Aust. Govt.	The Treasury
Ms Katarina Trinh	Aust. Govt.	The Treasury
Mr Nick Loan	Aust. Govt.	The Treasury
Ms Kamala Rangarajan	Aust. Govt.	The Treasury
Mr Karl Eaves	NSW	NSW Treasury
Ms Jennifer Wong	Vic	Department of Treasury and Finance

Ms Adriana Arantes	WA	Department of Treasury
Mr Jason Farren	SA	Department of Treasury and Finance
Mr Steven Rech	SA	Department of Treasury and Finance
Dr Adrian Webster		Australian Institute of Health and Welfare

1 Introduction

Despite the commitment of significant government expenditure over many years, disparities between outcomes for Aboriginal and Torres Strait Islander and non-Indigenous Australians persist (particularly in the areas of life expectancy, child mortality, educational attainment and economic participation). The reasons for these persistent gaps are complex, arising from a mix of historical, social and economic causes.

The Steering Committee for the Review of Government Service Provision — under the auspices of the Council of Australian Governments (COAG) — has developed a national framework for collecting and reporting government expenditure on services for Aboriginal and Torres Strait Islander and non-Indigenous Australians.¹

This manual describes the fundamental concepts, definitions and methods for prorating expenditure on mainstream services, in order to identify the share of expenditure related to Aboriginal and Torres Strait Islander Australians.

This manual relates to the 2017 Indigenous Expenditure Report (2017 Report), which contains estimates of the levels and patterns of government expenditure for 2008-09, 2010-11, 2012-13 and 2015-16. The 2017 Report was released on 26 October 2017, and is available from the Report web page at <http://www.pc.gov.au/research/ongoing/indigenous-expenditure-report/2017>.

A summary of updates from the 2014 Report *Service Use Measure Definitions Manual* is provided in section 1.1. An overview of the *Indigenous Expenditure Report* method is presented in section 1.2. Information about this manual and the 2017 Report *Expenditure Data Manual* — and how to obtain copies of these — is provided in section 1.3. Section 1.4 summarises the structure of the remainder of this manual.

¹ The responsibility for developing and reporting against the National Framework was transferred from the Indigenous Expenditure Report Steering Committee to the Steering Committee for the Review of Government Service Provision by COAG on 13 February 2011. The members of the Indigenous Expenditure Report Steering Committee continued their involvement as the Indigenous Expenditure Report Working Group which provides advice to the Review Steering Committee.

1.1 What's new

The Steering Committee is committed to continual improvement of the data and method employed for the *Indigenous Expenditure Report* estimates. A range of substantive changes were introduced in the 2014 Report *Service Use Measure Definitions Manual*. The method outlined in the 2017 Report *Service Use Measure Definitions Manual* is unchanged from 2014, however, data sources for particular expenditure categories have been updated where appropriate and are noted in appendix A.

1.2 Methodology overview

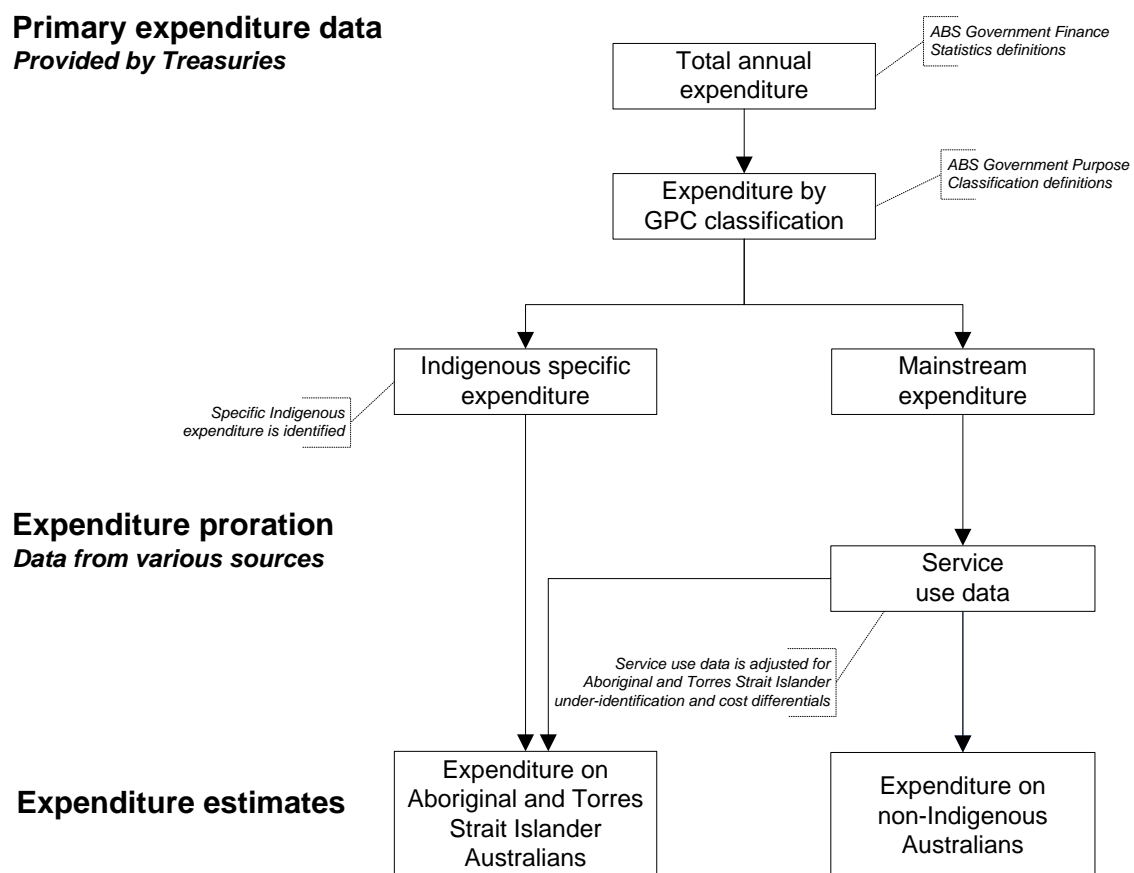
Identifying government expenditure on services related to Aboriginal and Torres Strait Islander Australians is difficult, and involves a process of estimation. The *Indigenous Expenditure Report* method is based on approaches used in similar exercises,² and involves two stages (figure 1.1):

1. identifying total expenditure by service area and, where applicable, total expenditure for Indigenous specific services and programs
2. prorating mainstream (that is, non-Indigenous specific) expenditure between Aboriginal and Torres Strait Islander and non-Indigenous Australians.

The Report defines expenditure as all expense transactions undertaken by the general government sector of the Australian Government and State and Territory governments, following the ABS Government Finance Statistics framework. This excludes capital expenditure but includes expenditure related to depreciation and asset maintenance and capital grants made outside the general government sector.

² For example, the Australian Institute of Health and Welfare (AIHW) estimates of expenditure on health services for Aboriginal and Torres Strait Islander peoples, and the Northern Territory Indigenous expenditure reviews.

Figure 1.1 Data collection and proration process



Indigenous specific and mainstream expenditure by service area

The 2017 Report provides estimates of government expenditure across more than 150 expenditure categories according to the ABS Government Purpose Classification (GPC).

Before this expenditure can be allocated to Aboriginal and Torres Strait Islander Australians and non-Indigenous Australians, it needs to be allocated to service areas (giving a measure of total expenditure for each service area). The next task is to identify (by service area) any expenditure on services that specifically target Aboriginal and Torres Strait Islander Australians. Taking this Indigenous specific expenditure from the total provides an estimate for mainstream expenditure in each service area.

The definition of ‘expenditure’ that is used for the 2017 Report is presented in chapter 2 of the 2017 Report Expenditure Data Manual.

Service areas

The *Indigenous Expenditure Report* method uses the ABS Government Purpose Classification (GPC) to categorise expenditure by service area. However, data collected under the National Framework are also mapped to the outcome categories agreed by the Council of Australian Governments (COAG) for the National Indigenous Reform Agreement (NIRA) and the Overcoming Indigenous Disadvantage (OID) framework. In some cases, the GPC framework does not provide sufficient disaggregation to map to these outcome categories.

The definitions and guidelines for the classification structure used in the Indigenous Expenditure Report are presented in chapter 4 of the 2017 Report Expenditure Data Manual.

Indigenous specific services and programs

Services for Aboriginal and Torres Strait Islander Australians are provided through a combination of targeted and mainstream services. Expenditure on Indigenous specific services can generally be assumed to be exclusively for Aboriginal and Torres Strait Islander Australians. There can however, be some use of these services and programs by non-Indigenous Australians in particular locations (for example, health services in remote communities).

The definition of Indigenous specific expenditure used for the 2017 Report is presented in chapter 3 of the 2017 Report Expenditure Data Manual.

Expenditure on mainstream services

Aboriginal and Torres Strait Islander Australians also receive support through services aimed at the broader community (mainstream services), such as Medicare. Expenditure on mainstream services for each expenditure category is calculated as the residual of total expenditure less any identified expenditure on Indigenous specific services.

The definition of expenditure on mainstream services that is used for the 2017 Report is presented in chapter 3 of the 2017 Report Expenditure Data Manual.

The share of expenditure on mainstream services explicitly related to Aboriginal and Torres Strait Islander Australians will be identified where possible (for example, the share of expenditure on Medicare that relates to services for Aboriginal and Torres Strait Islander Australians). However, this is often not possible because of the nature of the services (such as national defence, public transport, the operations of parliaments) or because of the limitations of existing information systems.

Where the Aboriginal and Torres Strait Islander share of expenditure on mainstream services cannot be identified, it must be estimated.

Prorating mainstream expenditure

The Aboriginal and Torres Strait Islander share of expenditure on mainstream services is rarely explicitly recorded and must be estimated on the basis of service use. Measures of service use provide a proxy of the distribution of costs (**not benefits**) among service users. Where possible, the service use measures should be adjusted for:

- *Indigenous under-identification* — the degree to which service users do not identify as Aboriginal and Torres Strait Islander. For example, a person's Indigenous status might not always be asked as part of the service delivery process. There might also be a disincentive for service users to identify as being Aboriginal and/or Torres Strait Islander
- *cost differential* — the extent to which the cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians varies. The provision of services to Aboriginal and Torres Strait Islander Australians might be more costly on average if they are disproportionately located in remote areas, or if Aboriginal and Torres Strait Islander service users have additional service needs (such as specific language requirements) regardless of their location
- *Indigenous specific service use adjustment factor* — the nature of a substitute Indigenous specific service is that it is given instead of a mainstream service. Because of this, it is necessary to remove the associated service use population if it is included in the mainstream population in order to avoid double counting.

The definitions, concepts and methods for prorating expenditure on mainstream services are discussed in more detail in chapter 2.

1.3 Indigenous Expenditure Report manuals

Two manuals have been produced that represent the nationally agreed definitions, concepts, methods and data sources used to estimate Indigenous expenditure for the 2017 Report:

- *Expenditure Data Manual* — provides a consistent set of agreed definitions and guidelines for jurisdictions to follow when providing expenditure data
- *Service Use Measure Definitions Manual* — documents the agreed measures used to prorate mainstream expenditure between Aboriginal and Torres Strait Islander and non-Indigenous Australians.

These manuals are revised for each edition of the Indigenous Expenditure Report. Readers should ensure that the manuals they are referencing correspond to the appropriate data year.

1.4 Structure of the manual

The definitions, concepts and methods for prorating expenditure on mainstream services are discussed in the following chapters:

- *prorating mainstream expenditure (chapter 2)* — an overview of the theoretical basis of the proration approach and discussion of key issues
- *identifying service use measures (chapter 3)* — presents the concepts, sources and methods used in identifying the service use measure for each expenditure category
- *adjusting for under-identification (chapter 4)* — provides guidelines and methods for adjusting service use measures for Indigenous under-identification
- *adjusting for cost differentials (chapter 5)* — provides guidelines and methods for adjusting service use measures to account for the difference in the cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians
- *Indigenous specific expenditure (chapter 6)* — an overview of the approach used to prorate mainstream expenditure between Indigenous and non-Indigenous services
- *Australian Government expenditure (chapter 7)* — an overview of the method for allocating Australian Government direct and indirect expenditure across states and territories
- *sensitivity analysis (chapter 8)* — a discussion of the benefits of, and approaches to, sensitivity analysis for the Indigenous Expenditure Report.

The manual also includes the following appendixes that provide supporting information:

- *service use measure definitions (appendix A)* — details the proration method and guidelines for each expenditure category
- *Indigenous under-identification adjustment methods (appendix B)* — a summary of how Indigenous under-identification was addressed for each service use measure data source.

2 Prorating mainstream expenditure

An overview of the Steering Committee’s approach to identifying government expenditure on services for Aboriginal and Torres Strait Islander Australians is provided in chapter 1 (section 1.2).

The proration of mainstream expenditure involves two stages:

1. identifying total expenditure by service area and, where applicable, total expenditure for Indigenous specific services and programs
2. prorating mainstream (that is, non-Indigenous specific) expenditure between Aboriginal and Torres Strait Islander Australians and non-Indigenous Australians.

This chapter focuses on the definitions, concepts and methods for prorating expenditure on mainstream services. Australian Government expenditure is allocated across states and territories using the approach described in chapter 7 before the methods described in this chapter are applied.

Definitions, concepts and methods for allocating expenditure to GPC categories, and for identifying Indigenous specific expenditure, are discussed in the 2017 Report *Expenditure Data Manual*.

An overview of the principles and parameters that are used for estimating the Aboriginal and Torres Strait Islander share of expenditure on mainstream services is provided in section 2.1. Estimates have their limitations and should be used with care. An overview of interpretation issues is provided in section 2.2.

2.1 Prorating expenditure on mainstream services

Mainstream services are typically targeted at individuals or groups with particular needs (such as people with disabilities), specific policy objectives (for example, public housing or income support) or toward services collectively consumed by the entire community (such as national defence).

For each service area, Australian, State and Territory governments provide total expenditure and Indigenous specific expenditure, allowing mainstream expenditure to be derived as a residual.

$$\begin{array}{l} \textit{Total mainstream} \\ \textit{expenditure} \end{array} = \begin{array}{l} \textit{Total} \\ \textit{expenditure} \end{array} - \begin{array}{l} \textit{Indigenous specific} \\ \textit{expenditure} \end{array} \quad [1]$$

For these mainstream services it is generally not possible to explicitly identify Aboriginal and Torres Strait Islander Australians' share of expenditure. As a consequence, the Aboriginal and Torres Strait Islander share of expenditure must be estimated.¹

Linking service use to expenditure

The terms of reference endorsed by the Council of Australian Governments (COAG) at its 2 July 2009 meeting, direct the Steering Committee to report on the share of expenditure directed to Aboriginal and Torres Strait Islander Australians, as distinct from the share of services, or benefit from services that Aboriginal and Torres Strait Islander Australians receive.²

The Indigenous Expenditure Report method estimates the share of expenditure on mainstream services that is attributed to Aboriginal and Torres Strait Islander Australians based on the impact that Aboriginal and Torres Strait Islander Australians have on total expenditure (not the benefit that service users receive). This requires an understanding of three important aspects of service delivery:

- *service cost drivers* — how Aboriginal and Torres Strait Islander Australians influence expenditure on services requires an understanding of the key service cost drivers. For many services, the number of service users will be a key cost driver (for example, the number of patients for each type of procedure treated in a hospital). For other services, the major cost driver might not be closely related to the number of service users at all (for example, expenditure on foreign aid is not directly related to the characteristics of any population group in Australia)
- *Indigenous service use* — how service use is defined and measured. Service use is defined differently for different services. For example, it could be based on:
 - actual use of service (number of students in schools, or hours of Technical and Further Education (TAFE) study)
 - potential use of service (all individuals in a given location are able to access fire protection services when they need them)
 - service use through community membership (some services, such as the operation of parliament, are provided to, or on behalf of, all members of society).
- *link between cost and service use* — the extent to which service use drives costs. The previous two points highlight that not all costs can be directly associated with individuals.

¹ Conceptually, the derivation of mainstream expenditure should also account for targeted services that specifically *exclude* Aboriginal and Torres Strait Islander Australians — non-Indigenous specific expenditure. The Report method currently assumes that non-Indigenous specific expenditure is zero, and its exclusion from the method does not have a material impact on estimates. By not accounting for non-Indigenous specific expenditure, the final estimate of the Aboriginal and Torres Strait Islander share of mainstream expenditure may be overstated

² The terms of reference are reproduced on page iii of this manual.

The Indigenous Expenditure Report employs the concept of a service use measure, which attempts to incorporate all three aspects described above in order to identify the Aboriginal and Torres Strait Islander share of mainstream expenditure.

A service use measure is a measure of the use of services that is closely linked with, or a proxy for, the impact that Aboriginal and Torres Strait Islander Australians have on the total expenditure of providing mainstream services.

General model for proration

The Steering Committee's method for proration uses the 'service use measure' to estimate the Aboriginal and Torres Strait Islander share of mainstream expenditure:

$$\begin{array}{l} \text{Aboriginal and Torres Strait} \\ \text{Islander share of mainstream} \\ \text{expenditure} \end{array} = \begin{array}{l} \text{Total mainstream} \\ \text{expenditure} \end{array} \times \begin{array}{l} \text{Service} \\ \text{use} \\ \text{measure} \end{array} \quad [2]$$

The approach in equation [2] is extended in practice to recognise that the service use measure might need to be adjusted for:

- *under-identification* —the degree to which service users do not identify as Aboriginal and Torres Strait Islander. For example, a person's Indigenous status might not always be asked as part of the service process. Alternatively, there might be a disincentive for service users to identify their Indigenous status
- *cost differential* — the extent to which the cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians varies. The provision of services to Aboriginal and Torres Strait Islander Australians might be more costly 'on average' if Aboriginal and Torres Strait Islander Australians are disproportionately located in remote areas, or if Aboriginal and Torres Strait Islander service users have additional needs regardless of their location
- *Indigenous specific service use adjustment factor* — the nature of a substitute Indigenous specific service is that it is given instead of a mainstream service. Because of this, it is necessary to remove the associated service use population if it is included in the mainstream population in order to avoid double counting.

$$\begin{array}{l} \text{Aboriginal and} \\ \text{Torres Strait} \\ \text{Islander share} \\ \text{of mainstream} \\ \text{expenditure} \end{array} = \begin{array}{l} \text{Mainstream} \\ \text{expenditure} \end{array} \times \begin{array}{l} \text{Service} \\ \text{use} \\ \text{measure} \end{array} \times \begin{array}{l} \text{Under} \\ \text{-identification} \end{array} \times \begin{array}{l} \text{Cost} \\ \text{differential} \end{array} \times \begin{array}{l} \text{Indigenous} \\ \text{specific} \\ \text{service use} \\ \text{adjustment} \\ \text{factor} \end{array} \quad [3]$$

The concepts and issues associated with the selection and application of service use measures and data for under-identification, cost differential factors and the Indigenous specific service use adjustment factor are discussed in chapters 4, 5 and 6 respectively.

2.2 Interpreting expenditure estimates

The Indigenous Expenditure Report method is based on approaches used in similar exercises and benefits from the contribution of a wide range of data and service delivery specialists. However, all estimation processes — including proration — have their strengths and weaknesses. An understanding of the strengths and weaknesses of proration is important for the correct interpretation of the results.

Strengths and weaknesses of proration

The strengths of the proration method include:

- an established approach of estimating components of total expenditure where limited data are available. The proration approach has been used in a number of similar exercises including:
 - the AIHW’s Expenditure on Health for Aboriginal and Torres Strait Islander peoples reports³
 - the NT Government’s Indigenous Expenditure Reviews.⁴
- a relatively inexpensive and timely approach to estimation, if sufficient data are available on the cost drivers of expenditure. Alternative methods, such as a survey of government service providers, could also yield Indigenous expenditure estimates, but it is unlikely that these could be achieved within the same timeframe or budget as for the Indigenous Expenditure Report.
- there are established data sources, or suitable proxies, to estimate many of the cost drivers required for the Indigenous Expenditure Report.

The weaknesses of the proration method include:

- greater difficulty in producing statistical measures of accuracy (such as relative standard errors) as compared to, for example, a sample survey. In future reports the Steering Committee could explore the use of Monte Carlo simulation, where appropriate, to provide quality indicators for the Indigenous expenditure estimates (chapter 5)
- the quality of the estimates is dependent on the selection of appropriate cost drivers and relevant data sources. Proration uses cost drivers as a proxy for the actual expenditure on Indigenous services — so it is possible that the actual delivery of services to Aboriginal and Torres Strait Islander Australians may not be related to the cost drivers selected. Appendix A of this manual outlines the choice of cost drivers for each service area

³ Australian Institute of Health and Welfare 2013, *Expenditure on Health for Aboriginal and Torres Strait Islander People 2010-11*, Health and Welfare Expenditure Series no. 57, Australian Institute of Health and Welfare, Canberra.

⁴ Northern Territory Treasury 2006 *Indigenous Expenditure Review*, September 2006, NT Treasury, Darwin.

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- proration will only provide reasonable estimates of Indigenous expenditure at the GPC subgroup (four-digit) level and above. More detailed analysis — at an individual program level — cannot be supported by the proration methodology.

Interpretation of results

The Indigenous Expenditure Report method has been designed to ensure good quality estimates of expenditure at the GPC subgroup (four-digit) level. A detailed assessment of the overall efficiency of particular government programs must be conducted on a case-by-case basis, taking into account the objectives and outcomes of the individual programs.

The estimates do provide a baseline of total Indigenous and non-Indigenous expenditure that, when combined with other data on use and outcomes, could be used to provide appropriate context for any particular study of efficiency and effectiveness. However, the expenditure estimates in themselves do not indicate whether the existing levels of expenditure are sufficient to meet the needs of Aboriginal and Torres Strait Islander or non-Indigenous Australians.

It is also important to note that many mainstream programs do not provide direct services to individuals. As such, the Indigenous status of users is largely irrelevant to the delivery of these government services. Any proration across Aboriginal and Torres Strait Islander or non-Indigenous populations is therefore a theoretical construct and is based on the Steering Committee's assessment of what drives the cost of these government services.

Sensitivity analysis

The estimation methodology draws on many parameters that include an inherent level of uncertainty because of the quality of the data available. Further information on sensitivity analysis is provided in chapter 8.

3 Identifying service use measures

An overview of the Steering Committee’s approach to prorating mainstream (that is, non-Indigenous specific) expenditure between Aboriginal and Torres Strait Islander and non-Indigenous Australians is provided in chapter 2.¹

The Steering Committee’s method uses a service use measure to identify the Aboriginal and Torres Strait Islander share of expenditure:

$$\begin{array}{l} \text{Aboriginal and Torres Strait} \\ \text{Islander share of mainstream} \\ \text{expenditure} \end{array} = \begin{array}{l} \text{Total mainstream} \\ \text{expenditure} \end{array} \times \begin{array}{l} \text{Service} \\ \text{use} \\ \text{measure} \end{array} \quad [1]$$

The approach in equation [1] is extended to recognise that the service use measure may need to be adjusted for:

- *Indigenous under-identification* — the degree to which the Aboriginal and Torres Strait Islander status of service users is not correctly identified or recorded in data collections
- *Indigenous cost differential* — to account for the fact that the average cost of providing a government service to Aboriginal and Torres Strait Islander Australians may be more/less than the cost of providing the same service to non-Indigenous Australians.

This chapter focuses on the concepts, sources and methods for identifying the service use measure for each expenditure category. The same methods are adopted for identifying service use measures for allocating Australian Government expenditure across states and territories (chapter 7).

A general overview of the concepts is provided in section 3.1. Section 3.2 discusses the data sources and estimation methods used for the 2017 Report.

3.1 Service use measure concepts

A service use measure is defined as ‘a measure of the use of services that is closely linked with, or a proxy for, the impact Aboriginal and Torres Strait Islander Australians have on the total cost of providing mainstream services’.

Linking service use to expenditure is difficult because of the diverse nature of government services (chapter 2). As the basis for a consistent approach to identifying service use

¹ Australian Government expenditure is allocated across states and territories using the approach described in chapter 7 before this method is applied.

measures, the method classifies all government expenditure under the following broad categories:

- services to individuals or their families
- collectively consumed services
- support to businesses or industry
- expenditure related to the operation of government
- a combination of the above.

Services to individuals or their families

Services to individuals or their families includes expenditure on services and programs directed to individuals or their families such as education services, health care services, and social security. The majority of services can be mapped to the National Indigenous Reform Agreement and Overcoming Indigenous Disadvantage report framework ‘building blocks’: *early childhood; schooling; health; economic participation; healthy homes; safe communities; and governance and leadership*. These services account for about 80 per cent of government expenditure.

The service users and cost drivers for these government services are:

- *service user* — in most cases an individual, family or household can be clearly identified as the service user
- *cost drivers* — the cost drivers of these government services are mainly associated with the people that receive the service — a clear link exists between the cost drivers and the service users.

The service use measure for services to individuals or their families are:

- the Aboriginal and Torres Strait Islander share of service users as measured/collected from government administrative systems or, where this is not available
- the Aboriginal and Torres Strait Islander share of the target population for the government service (for example, the Aboriginal and Torres Strait Islander proportion of Australian children under 5, for early childhood services).

Recipients might be identified as individuals, families or cohorts. Some measurement issues arise where recipients are not clearly identified as Aboriginal and Torres Strait Islander, or where data are not available.

Collectively consumed services

Collectively consumed services includes expenditure on services such as national defence and emergency preparedness and response.

The service users and cost drivers for these government services are:

- *service users* — in most cases, services of this type are for the community as a whole and therefore cannot be directly linked to individual users/recipients
- *cost drivers* — the cost drivers of these services are mainly associated with non-population related factors (for example, defence expenditure is mainly related to factors such as perceived international threat). Expenditure of this type is not directly related to the number of people that receive the service.

These services are received by, or provided on behalf of all Australians, so the Indigenous Expenditure Report method allocates the cost of these services equally across the population.

The service use measure for collectively consumed services is the Aboriginal and Torres Strait Islander proportion of the resident population.

Measurement issues and adjustments may be required where it is assessed that the costs are different for providing the services in different areas (for example, fire services in heavily forested areas).

Support to businesses or industry

Support to businesses or industry includes expenditure such as business support programs (for example, production subsidies, export facilitation programs) and industry regulation (for example, industry standards and enforcement).

The recipients and cost drivers for these government services are:

- *service users* — government services of this type are typically directly received by businesses (business subsidies)
- *cost drivers* — the cost drivers of these services are mainly related to industry factors (such as the size, complexity and competitive challenges of the industry).

Although the method does not focus on benefits, governments often justify such expenditure on the basis of the indirect benefits to the broader economy and community. As a consequence, services to business or industry are measured as collectively consumed services and the service use measure for services to business or industry is the Aboriginal and Torres Strait Islander proportion of the resident population.

Expenditure related to the operation of government

This includes expenditure on government institutional infrastructure or general government support (such as the operation of central agencies and parliaments).

The recipients and cost drivers for these government services are:

-
- *service users* — government services of this type are typically directly received by other government departments or parliamentarians
 - *cost drivers* — the cost drivers of these services are mainly related to government (such as the size and complexity of the public sector). While the costs of the machinery of government are influenced by population, a large proportion of the fixed costs are determined by institutional arrangements.

To the extent that the size of government is related to population and that general government services are collectively consumed, the method assumes that all Australians are equal recipients of these services.

The service use measure for these government services is the Aboriginal and Torres Strait Islander proportion of the resident population.

The service use measure may require adjustment where a greater share of general government operations is dedicated to delivering services to Aboriginal and Torres Strait Islander Australians — for example, where the administration of mainstream services is predominantly provided to Aboriginal and Torres Strait Islander Australians.

Government expenditure on services that are a combination of the above

Some government expenditure is focused on services that contain a combination of the service user–cost driver relationships discussed above.

3.2 Service use measure sources and methods

Data sources

The Steering Committee has endorsed a suite of service use measures. Appendix A of this manual provides information on the service use measures and data sources selected for use in the 2017 Report. A discussion of the data quality considerations relevant to the service use measure data is provided in chapter 8.

Appendix A provides a summary of:

- *government services provided in each expenditure category*
- *service use measures selected, the corresponding data sources and their appropriateness as a proxy for the service cost drivers.*

Process of selection

In selecting the factors used to prorate mainstream expenditure, the Steering Committee consulted widely with jurisdictional and subject matter experts.

The majority of the service use measures used in the Indigenous Expenditure Report are sought from national statistical agencies (including ABS, AIHW and NCVER). The use of established collections for service use measures helps the comparability of the Indigenous expenditure estimates. Making use of established collections also ensures that the Indigenous Expenditure Report can benefit from the data expertise and existing quality improvement processes associated with each collection.

Where an established collection is not available, some service use data will need to be sought directly from jurisdictions.

4 Adjusting for Indigenous under-identification

An overview of the Steering Committee’s approach to prorating mainstream expenditure between Indigenous and non-Indigenous services is provided in chapter 2.¹

Service use measures are used to identify the Aboriginal and Torres Strait Islander share of expenditure:

$$\begin{array}{c} \text{Aboriginal and Torres Strait} \\ \text{Islander share of} \\ \text{mainstream} \\ \text{expenditure} \end{array} = \begin{array}{c} \text{Total mainstream} \\ \text{expenditure} \end{array} \times \begin{array}{c} \text{Service} \\ \text{use} \\ \text{measure} \end{array} \quad [1]$$

The approach in equation [1] is extended to recognise that service use measure may need to be adjusted for:

- *Indigenous under-identification* — the degree to which the Aboriginal and Torres Strait Islander status of service users is not correctly identified or recorded in data collections
- *Indigenous cost differential* — to account for the fact that the average cost of providing a government service to Aboriginal and Torres Strait Islander Australians may be more/less than the cost of providing the same service to non-Indigenous Australians.

This chapter focuses on the concepts and methods used to adjust for Indigenous under-identification. The same methods are adopted for identifying service use measures for allocating Australian Government expenditure across states and territories (chapter 7).

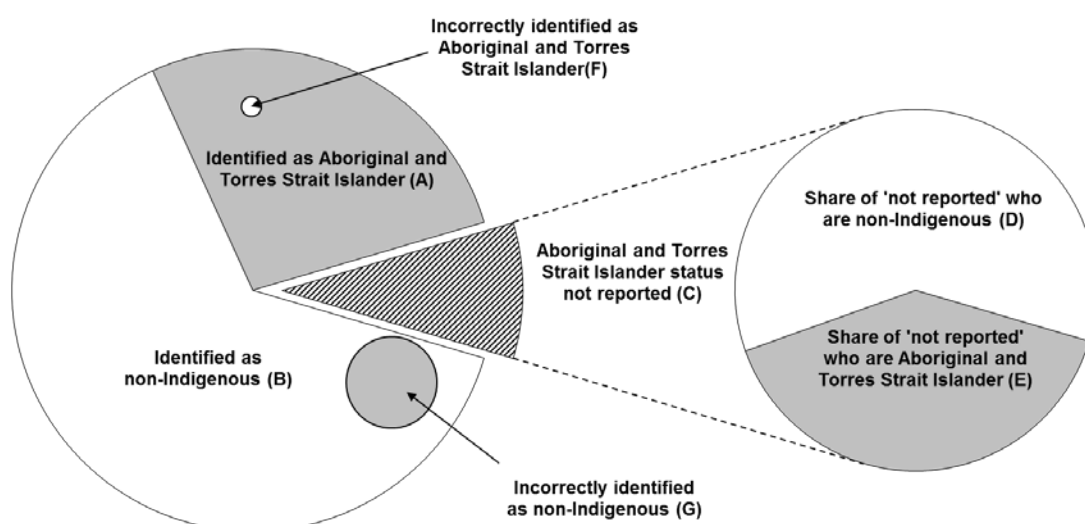
An overview of the concepts is provided in section 4.1. Section 4.2 discusses the data sources and estimation methods used for the 2017 Report.

4.1 Indigenous under-identification concepts

Indigenous under-identification is defined as a measure of the degree to which Aboriginal and Torres Strait Islander service users are not correctly identified or recorded in data collections.

¹ Australian Government expenditure is allocated across states and territories using the approach described in chapter 7 before this method is applied.

Figure 4.1 Aboriginal and Torres Strait Islander status of service users



The method for the proration of mainstream expenditure requires the service use measure to be adjusted for Indigenous under-identification where appropriate.

The key concepts relating to Indigenous under-identification are illustrated in figure 4.1. For a given cohort of services users, the Aboriginal and Torres Strait Islander status of individuals can be:

- *correctly identified* — people who are correctly identified and recorded in data collections as Aboriginal and Torres Strait Islander Australians or non-Indigenous (areas A and B)
- *incorrectly identified* — people who are incorrectly identified or recorded as Aboriginal and Torres Strait Islander Australians or non-Indigenous (areas F and G)

Incorrect identification can occur where a service administrator incorrectly assumes a service user is or is not an Aboriginal and Torres Strait Islander. This could also arise where information systems/survey instruments allocate non-responses to a default category.

The number of non-Indigenous Australians incorrectly identified as Aboriginal and Torres Strait Islander Australians (area F) is likely to be small

- *not known* — people who have **not** been recorded as either Aboriginal and Torres Strait Islander or non-Indigenous (area C). Some of these people will be Aboriginal and Torres Strait Islander (area E), and some will be non-Indigenous (area D).

Aboriginal and Torres Strait Islander status might not be reported for several reasons including lack of understanding, perceived service access implications, attitudes toward information collection or government agencies, or because the respondent was not asked.

Indigenous under-identification refers to the net effect on the number of Aboriginal and Torres Strait Islander service users of areas E, F and G in figure 4.1. This refers to the extent to which the number of Aboriginal and Torres Strait Islander service users (area A) is understated in the data.

While the collection of Aboriginal and Torres Strait Islander status can include non-response rates (areas D and E), accurate information on Indigenous under-identification can be difficult to ascertain and extrapolate. In practice, for some service areas, this information is based on expert judgement or on the known experience in similar services.

Improving Aboriginal and Torres Strait Islander identification will require the ongoing cooperation of agencies and bodies responsible for administering the collections from which service use measures are drawn (box 4.1).

Box 4.1 Identifying Aboriginal and Torres Strait Islander service users

Adhering to national standards in collecting and recording responses to the Aboriginal and Torres Strait Islander status of Australians will help ensure that the same concept of Indigeneity is measured across data collections. Self-reporting is regarded as the most accurate means of ascertaining an individual's Aboriginal and Torres Strait Islander or non-Indigenous status. A standard question is used to collect Aboriginal and Torres Strait Islander status data by the Australian Bureau of Statistics (ABS) in the Census and household surveys, and Australian Institute of Health and Welfare (AIHW) national administrative data sets.

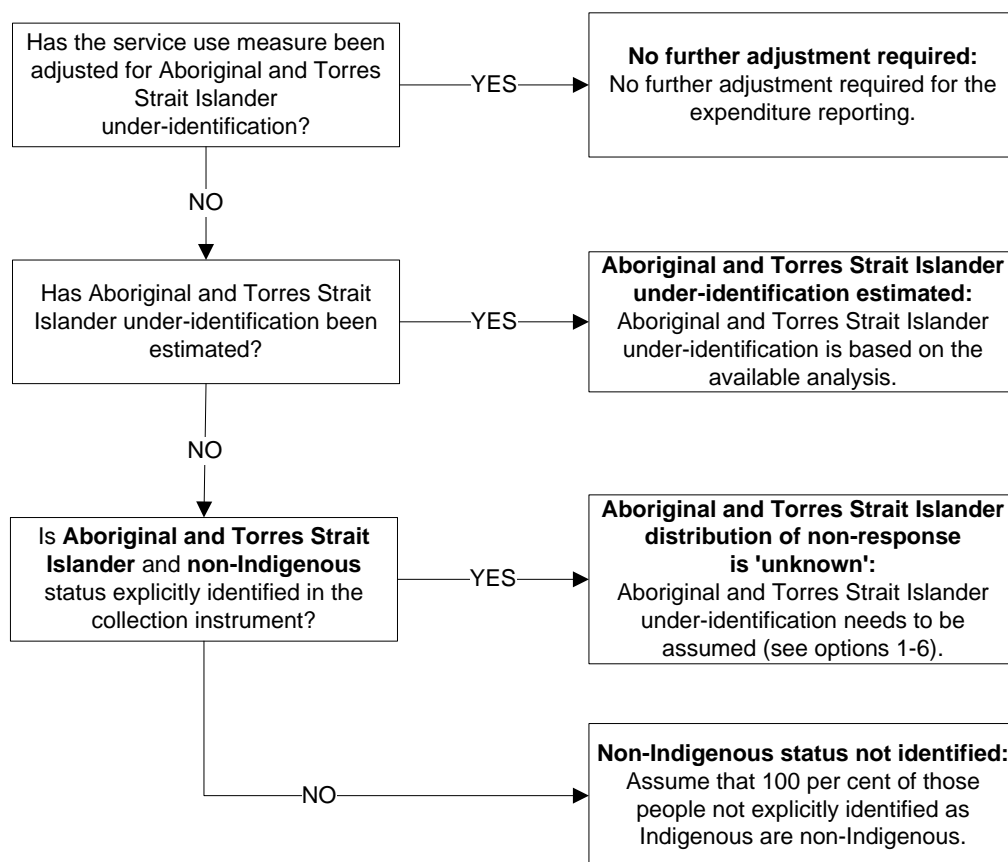
In order to collect accurate data, the standard question should be asked of the respondent as it is worded, and the response must be correctly recorded. The Australian standards for the Aboriginal and Torres Strait Islander identification question wording and recording are available from the ABS and AIHW.

Source: National best practice guidelines for collecting Aboriginal and Torres Strait Islander status in health data sets (AIHW Cat. no. AIHW 29).

4.2 Indigenous under-identification information and adjustments

A range of collection methods are used to identify the extent of Indigenous under-identification. Each method has implications for the way in which Indigenous under-identification can be estimated. Figure 4.2 illustrates these approaches and the assumptions the Indigenous Expenditure Report uses to calculate Indigenous under-identification.

Figure 4.2 **Indigenous under-identification**



No further adjustment required

Some collection methods include explicit processes to adjust service use data for the extent of Indigenous under-identification and incorporate these adjustments in final data estimates.

Where the service use data has been adjusted for Indigenous under-identification no additional adjustment is required.

Indigenous under-identification estimated

Some agencies conduct research and analysis to identify the extent of Indigenous under-identification in data collections, but do not adjust the service use measure. For example, the ABS conducts a post-enumeration survey to measure the extent of Indigenous under-identification in the population Census, but does not adjust the Census estimates themselves.

For some collections the analysis is restricted to those people who have not responded to the Aboriginal and Torres Strait Islander identification question. For these collections, it is

implicitly assumed that all people have correctly identified as Aboriginal and Torres Strait Islander or non-Indigenous, but adjustment is required to account for the non-response.

Where existing analysis provides the necessary information, the Indigenous under-identification adjustment is based on this.

Aboriginal and Torres Strait Islander status of non-response is unknown

Collections generally have little information on the Aboriginal and Torres Strait Islander status of people that have not responded to the Aboriginal and Torres Strait Islander identification question in their collection.

For these collections it is implicitly assumed that all people have correctly identified as Aboriginal and Torres Strait Islander or non-Indigenous, but adjustment is required to account for the non-response.

If the distribution of non-respondents is not known, one of six possible approaches is taken for treating the data relating to those non-respondents. Under these different approaches, the Indigenous Expenditure Report method assumes that the non-response population can be described as:

1. *Requires no further adjustment* — the service use data have already been adjusted for Indigenous under-identification
2. *Estimated based on analysis* — Indigenous under-identification has been estimated and is based on the available analysis
3. *100 per cent Aboriginal and Torres Strait Islander* — it is assumed that 100 per cent of the non-responses are Aboriginal and Torres Strait Islander
4. *Same as known response distribution* — the unknown responses are distributed in the same proportion as the known responses
5. *Same as the resident population distribution* — the unknown responses are distributed in the same proportion as the resident population
6. *No adjustment* — where the level of Indigenous non-response is unknown (or not published) or the level of Indigenous under-identification has not been estimated, no adjustment to the Aboriginal and Torres Strait Islander service use has been made. Conceptually, this is equivalent to assuming that 100 per cent of the non-response is non-Indigenous.

Six options for the treatment of non-response data have been identified for collections where the Aboriginal and Torres Strait Islander distribution of non-response is unknown.

Non-Indigenous status not identified

Many collections record people that identify as Aboriginal and Torres Strait Islander, but some collections do not record the status of the other service users, whether they are non-Indigenous or did not respond.

In these collections it is assumed that all people not explicitly identified as Aboriginal and Torres Strait Islander are non-Indigenous.

Where the status of non-Indigenous Australians is not explicitly collected, the Indigenous Expenditure Report assumes that 100 per cent of those people not identified as Aboriginal and Torres Strait Islander are non-Indigenous.

AIHW health expenditure data

The Indigenous under-identification factors used for the calculation of health expenditure estimates based on data from the AIHW are unique to the AIHW methodology, and differ from the treatment in other categories of the Indigenous Expenditure Report.

Under identification factors have been applied to the Medicare VII data to adjust expenditure for medical services (including general practitioners, specialists, pathology and imaging) based on the percentages of VII coverage — disaggregated by sex, state, territory, and age group. Additional information addressing this and other aspects of the AIHW method is included in section 5.1 of this manual, and in the specific details in Appendix A for service use measure data sourced from the AIHW.

Presentation of Indigenous under-identification sources and methods

Appendix B provides a summary of the Indigenous Expenditure Report approach to measuring Indigenous under-identification for each service use measure selected for each expenditure category.

5 Adjusting for cost differentials

An overview of the Steering Committee’s approach to prorating mainstream expenditure between services to Aboriginal and Torres Strait Islander and non-Indigenous Australians is provided in chapter 2.¹

Service use measures are used to identify the Aboriginal and Torres Strait Islander share of expenditure:

$$\begin{array}{c} \text{Aboriginal and Torres Strait} \\ \text{Islander share of mainstream} \\ \text{expenditure} \end{array} = \begin{array}{c} \text{Total mainstream} \\ \text{expenditure} \end{array} \times \begin{array}{c} \text{Service} \\ \text{use} \\ \text{measure} \end{array} \quad [1]$$

The approach in equation [1] is extended to recognise that the service use measure might need to be adjusted for:

- *Indigenous under-identification* — the degree to which the Aboriginal and Torres Strait Islander status of service users is not correctly identified or recorded in data collections
- *Indigenous cost differential* — to account for the fact that the average cost of providing a government service to Aboriginal and Torres Strait Islander Australians may be more/less than the cost of providing the same service to non-Indigenous Australians.

This chapter focuses on the concepts, sources and methods used to adjust measures of service use to reflect the difference in the cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians for each expenditure category.

An overview of the concepts is provided in section 5.1. Section 5.2 discusses the data sources and estimation methods for the Indigenous Expenditure Report. Section 5.3 contains frequently asked questions on appropriate use of cost differentials.

5.1 Cost differential concepts

An Indigenous cost differential factor is defined as ‘a measure of the relative cost of providing mainstream services to an Aboriginal and Torres Strait Islander person compared to the cost of providing the same service to a non-Indigenous person’.

The provision of services to Aboriginal and Torres Strait Islander Australians might be more costly on average, than providing the same services to non-Indigenous Australians, due to:

¹ Australian Government expenditure is allocated across states and territories using the approach described in chapter 7 before this method is applied.

-
- *usage patterns* — Aboriginal and Torres Strait Islander Australians often access a different range of services from government agencies than non-Indigenous Australians, which may lead to greater/lesser case complexity and different costs to the service provider
 - *culturally appropriate service delivery* — government service providers may tailor service delivery for people from diverse backgrounds, including Aboriginal and Torres Strait Islander Australians. For example, incorporating Aboriginal and Torres Strait Islander cultural perspectives in designing and delivering programs, or providing specific materials or services in a culturally appropriate manner (such as to cater for Aboriginal and Torres Strait Islander languages)
 - *location* — a higher proportion of Aboriginal and Torres Strait Islander Australians are located in remote areas compared with non-Indigenous Australians, where the cost of providing government services may be greater
 - *interactions between the above* — in remote areas there are generally fewer, less accessible, services compared to urban areas, and further distances to travel to access those services. This also affects the required case mix and need for culturally appropriate services.

Cost differentials should seek to reflect each of these components based on the actual population distribution within each jurisdiction.

Cost differentials should not reflect differences in service use (which may also relate to location and service need) as this is explicitly captured by the service use measure (chapter 3).

Incorporating location

One of the main issues with calculating cost differentials is separating which service costs are related to general high cost factors (such as location) and which service costs are associated with the Indigenous status of service users. For example, the more remote an area is, the higher the cost of service delivery is likely to be, regardless of the Indigenous status of service users.

The extent to which location should be included in the estimation of cost differentials is a complex issue. On the one hand, the cost of providing services in rural and remote areas can generally be higher regardless of the Indigenous status of the service user. This mainly reflects factors such as lower economies of scale and higher input costs.

On the other hand, a larger proportion of Aboriginal and Torres Strait Islander Australians than non-Indigenous Australians live in remote communities. The service needs of Aboriginal and Torres Strait Islander Australians living in remote locations can also be different from the service needs of Aboriginal and Torres Strait Islander Australians in urban settings. This influences the jurisdiction-wide average cost of providing services to

Aboriginal and Torres Strait Islander Australians compared with non-Indigenous Australians.

Location should be considered in cost differentials in situations where Aboriginal and Torres Strait Islander Australians are over-represented in the client populations in remote locations and where service requirements interact with location.

AIHW health expenditure method and parameters

The service use factors, Indigenous under-identification factors and cost differential factors used for the calculation of health expenditure estimates based on data from the Australian Institute of Health and Welfare (AIHW) are unique to the AIHW methodology, and differ from the treatment of service use data in all other expenditure categories of the Indigenous Expenditure Report. In particular, the AIHW service use measures incorporate some aspects of service delivery cost differential (such as location and case-mix), which could not be separately identified for the Indigenous Expenditure Report.

These parameters were estimated by the AIHW using information collected for Expenditure on Health for Aboriginal and Torres Strait Islander people, 2008-09 (AIHW Cat. no. HWE 53), 2010-11 (AIHW Cat. no. HWE 57) and 2013-14 (unpublished).

The descriptions of health expenditure data provided by AIHW in Appendix A include additional information addressing the applicable service use factors, Indigenous under-identification factors and cost differential factors for the 2017 Report.

Service use measures

The general method used by the AIHW to estimate service use by Aboriginal and Torres Strait Islander Australians for each of the health expenditure categories is:

- *admitted patient services* — the Hospital Morbidity Cost Model is used to calculate estimates for admitted patient expenditure in each jurisdiction. The model makes adjustments to estimated expenditure in each Diagnostic Related Group for length of stay, the specific costs of the hospital where services are provided and for Indigenous specific costs
- *non-admitted patient services* — the method for estimating Indigenous expenditure varies between jurisdictions:
 - NSW, Queensland, SA, Tasmania and ACT — the Indigenous share of admitted patient services (as obtained from the Hospital Morbidity Cost Model), plus a 10 per cent adjustment factor, is used. The adjustment factor was calculated after examining the Indigenous non-admitted patient proportions (compared to the Indigenous admitted patient proportions) from available surveys in different states in different years

-
- Victoria and WA — Indigenous emergency department presentations (as obtained from the jurisdictions) is used
 - NT — Indigenous non-admitted patient services expenditure as estimated by the NT is used without adjustment.
 - *Medicare and the Pharmaceutical Benefits Scheme (PBS)* — Medicare Voluntary Indigenous Identifier (VII) data are used for these Australian Government programs. Fees and benefits paid to Aboriginal and Torres Strait Islander patients registered with the VII are multiplied by scaled-up factors
 - *other health expenditure* — for all other expenditure categories jurisdictions have provided their own estimates of Indigenous expenditure in consultation with the AIHW. These estimates are generally based on the available administrative data for the health programs in question.

Indigenous under-identification factors

Under-identification factors have been applied to the Medicare VII data to adjust expenditure for medical services (including general practitioners, specialists, pathology and imaging) based on the percentages of VII coverage — disaggregated by sex, state, territory, and age group.

Section 4.2 of this manual discusses in detail Indigenous under-identification concepts and treatment for under-identification used for the Indigenous Expenditure Report. Additional information addressing this and other aspects of the AIHW method is also included in the specific details in Appendix A for service use measure data sourced from the AIHW.

Cost differential

The AIHW method includes many of the calculations for cost differential as part of the service use estimate. For the Hospital Morbidity Cost Model it is only the co morbidity costs (estimated at 5 per cent extra) that are separately identified as an identifiable cost differential.

5.2 Cost differential information and adjustments

Existing data sources

For most mainstream services, it is difficult to identify the magnitude of any differences in the cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians. To date:

- *relatively little work has been done in this area* — there has been little research into cost differentials across Australia in many service areas. The Steering Committee has

identified relevant work by the Commonwealth Grants Commission on cost impediments that could be usefully built upon. Many factors can create cost differentials for each program or service area. These can vary across jurisdictions and even between small areas

- *identifying appropriate data sources can be difficult* — the Steering Committee has identified few relevant data sources. Given the range of influences that could potentially affect cost differentials, targeted research projects may be required in specific service areas to identify cost drivers (for example, targeted activity-based costing surveys).

Sources and methods

Each jurisdiction has provided their own estimates of the service cost differential for each service area of expenditure — taking into account their own circumstances of providing government services and the available data for their jurisdiction.

A range of possible methods are used for estimating the cost differential for various expenditure areas, each with different resource requirements and implications for reliability. These include:

- administrative data that links costs to Aboriginal and Torres Strait Islander/non-Indigenous users
- government funding and/or policy settings
- studies/analysis of service delivery cost drivers
- proxies using cost differential information from similar exercises or services
- seeking expert opinion.

Administrative data that links costs to Aboriginal and Torres Strait Islander/non-Indigenous users

Government administrative systems might record the amount of expenditure made for each recipient of a government service. This is most likely to occur where governments provide subsidies or payments to individuals (either directly or via a service provider). Where the Indigenous status of the recipients (and the type and level of payments or subsidies) is recorded, it may be possible to calculate the average payment made to Aboriginal and Torres Strait Islander recipients compared to non-Indigenous recipients of the service.

The reliability of this approach depends on the quality of the administrative system and the identification of Aboriginal and Torres Strait Islander clients.

Government funding and/or policy setting

Government funding mechanisms might explicitly provide extra funding to government services provided to Aboriginal and Torres Strait Islander Australians. For example, an aged care provider might receive 1.25 times the standard government subsidy for each Aboriginal and Torres Strait Islander client.

It is appropriate to use funding weights as the cost differential where this reflects the actual expenditure of government in providing services to Aboriginal and Torres Strait Islander Australians. Where funding weights are used as cost differentials, jurisdictions are asked to report information explaining the basis of the funding weight and how this relates to Indigenous service provision.

The reliability of this approach is dependent on the alignment between the government's funding mechanism and the actual delivery of services to Aboriginal and Torres Strait Islander Australians.

Studies/analysis of service delivery cost drivers

Governments might have empirical information that can be used to assess the relative cost of providing a particular government service to Aboriginal and Torres Strait Islander Australians. Such analysis could look at the different cost drivers (such as location, time, level and type of service) and the Aboriginal and Torres Strait Islander representation associated with each cost driver (for example, the number of Aboriginal and Torres Strait Islander Australians receiving low cost services). This information can then be brought together to estimate the average government expenditure in providing services to Aboriginal and Torres Strait Islander Australians compared to non-Indigenous recipients of the government service.

If existing information is not available, governments could conduct a survey of their service providers to better understand their cost drivers, including the Indigenous status of the service users.

The reliability of this approach depends on the quality of the overall analysis and, in particular, the appropriateness of any assumptions made within the analysis.

Proxies using cost differential information from similar exercises or services

Governments might use cost differential data collected from similar exercises as a proxy for the Indigenous Expenditure Report. For example, the Commonwealth Grants Commission calculates assessed differences for expenses for a range of government services (box 5.1).

The reliability of this approach depends on similarity between the two exercises and the quality/accuracy of the cost differential data originally estimated.

Governments may also use cost differential data collected from similar services as a proxy for another service in the Indigenous Expenditure Report. For example, the cost differential in providing primary school services could be used as a proxy for the cost differential of providing special education services.

Box 5.1 Commonwealth Grants Commission

As part of its work to measure the differences in expenses that States and Territories would incur if they provided the national average level of government services, the Commonwealth Grants Commission (CGC) takes into account the impact of Aboriginal and Torres Strait Islander Australians on State government expenditure. The concept is related to that measured in the Indigenous Expenditure Report (IER) but there are differences between the two concepts:

- The CGC considers only State and Territory spending. Commonwealth government spending is not relevant to the CGC exercise.
- The CGC measures the average spending patterns of all States. It asks what a State would spend on its Aboriginal and Torres Strait Islander population if it provided the average standard of service. The IER approach asks what each State actually spends.
- The CGC measures the impact attributable to Indigeneity, not the total cost of Indigenous service provision. For example, Aboriginal and Torres Strait Islander Australians have a younger age profile, and are more likely to live in remote areas. To the extent to which these factors increase costs, the CGC attributes these factors to age and remoteness. The IER approach attempts to measure the total cost of delivering services to Aboriginal and Torres Strait Islander Australians, given their age profile and where they live.
- The CGC analysis is undertaken at a higher level. The IER collects Indigenous expenditure in more than 200 different GPC/GPC+ categories of government expenditure. The CGC analysis is done for around 14 categories (some of which are disaggregated further).

In most other ways, however, the approach is broadly similar.

The reliability of this approach depends on the similarity of the cost drivers between the two services and the quality/accuracy of the cost differential data originally estimated.

Seeking expert opinion

Governments may use surveys of local experts to estimate the cost differential data.

The reliability of this approach depends on the knowledge and expertise of those surveyed. Reliability may also be affected if the local experts have an incentive to overestimate or underestimate the true cost differential ratio — for example, to obtain a more favourable budget allocation in future years.

Cost differential default assumptions

As discussed, it is currently difficult for jurisdictions to quantify the magnitude of any differences in the cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians without detailed analysis.

As an interim measure, the Steering Committee has assessed that mainstream services in the GPC major groups align to one of the two default assumptions. These are:

- *non cost differential* — for mainstream services where there is no strong conceptual basis to assume that the average cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians is different (that is, the relative cost equals one)
- *up to 10 per cent cost differential* — for those mainstream services where there is a conceptual basis to assume a cost differential, but the jurisdiction has been unable to provide data, it is assumed that the average cost of providing mainstream services is up to 10 per cent greater for Aboriginal and Torres Strait Islander Australians than for non-Indigenous Australians (that is, the relative cost is 1.1).

No cost differential was used for about 80 per cent of the 2015-16 expenditure estimates, while a cost differential factor of 1.1 (10 per cent differential) was used for about 10 per cent of estimates and other differentials used for remaining estimates. There were some variations to the use of cost differentials across the six service areas, including:

- no cost differential was most frequently applied for estimates in Economic participation, Home environment, and Other government services
- a cost differential factor of 1.1 was used most frequently for Early child development, and education and training, and for Safe and supportive communities (although used for only 20-25 per cent of estimates in these two service areas)
- other cost differential factors (other than 1.0 and 1.1) were most frequently used in the Healthy lives service area, accounting for about 40 per cent of estimates in this service area.

Presentation of Indigenous cost differential sources and methods

Jurisdictions that reported cost differential factors other than the defaults have been asked to identify the method of estimation following the guidelines in section 5.2.

5.3 Frequently asked questions on cost differentials

What is a cost differential and why is it needed?

The cost of providing mainstream services to Aboriginal and Torres Strait Islander Australians and non-Indigenous Australians can vary, and this difference in cost is known as a *service cost differential*. In practice, cost differentials generally reflect the additional cost of providing mainstream services to Aboriginal and Torres Strait Islander Australians. Cost differentials are used in the IER to estimate the Aboriginal and Torres Strait Islander share of mainstream expenditure.

For example, a social security payment cost differential reflects the difference between the average social security payment to Aboriginal and Torres Strait Islander and non-Indigenous recipients. Payments received vary according to criteria such as recipients' income, assets and dependents and the average payment is often higher for Aboriginal and Torres Strait Islander than non-Indigenous recipients.

A cost differential is a measure of relative cost of service provision and reflects the average expenditure per Aboriginal and Torres Strait Islander service user compared to the average expenditure per non-Indigenous service user for mainstream services. A cost differential is reported as a number to indicate the relative cost:

- a cost differential of 1.0 means there is no difference in the average cost of providing mainstream services to Aboriginal and Torres Strait Islander Australians and non-Indigenous Australians.
- a cost differential of 1.1 means the average cost of providing mainstream services to Aboriginal and Torres Strait Islander Australians is 10 per cent greater than for non-Indigenous Australians.
- a cost differential of 0.9 means the average cost of providing mainstream services is 10 per cent less for Aboriginal and Torres Strait Islander Australians than for non-Indigenous Australians.

Why would the cost of providing services be different for Aboriginal and Torres Strait Islander and non-Indigenous Australians?

Location is a major reason for differences in the service delivery cost for Aboriginal and Torres Strait Islander and non-Indigenous Australians. A higher proportion of Aboriginal and Torres Strait Islander Australians are located in geographically isolated areas, where the cost of providing government services may be greater.

Tailoring services to meet the needs of Aboriginal and Torres Strait Islander clients can contribute to a cost differential. Services may be tailored for people from diverse backgrounds, including Aboriginal and Torres Strait Islander Australians, so that they are

culturally appropriate (for example, providing specific materials or services to cater for Aboriginal and Torres Strait Islander languages), resulting in additional costs.

Different patterns of service use within a GPC category may contribute to a cost differential. GPC categories used in the IER are broad, covering a range of services. Aboriginal and Torres Strait Islander clients may have different needs and require a different range of services that fall within a GPC category than non-Indigenous clients, affecting the case mix and costs for service providers. Service use measures in the IER are often the *number of users of the service/s* covered by a GPC category. However, within a GPC category are a mix of services of varying costs, which Aboriginal and Torres Strait Islander and non-Indigenous clients use differently. This different detailed pattern of use within a GPC category may require the use of a cost-differential.

In remote areas there are generally fewer, less accessible, services compared to urban areas, and further distances to travel to access those services. This can affect the required case mix and need for culturally appropriate services.

How do I pick a cost differential?

Generally, there is little evidence on cost differentials available, and it can be difficult to identify the magnitude of any differences in the cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians without detailed analysis.

A jurisdiction can estimate its own cost differentials for each area service area, taking into account its own circumstances of providing government services and the data available for the jurisdiction. There are a various sources and methods for estimating cost differentials, including:

- administrative data that link costs to Aboriginal and Torres Strait Islander/non-Indigenous users
- government funding and/or policy settings
- studies/analysis of service delivery cost drivers
- proxies using cost differential information from similar exercises
- proxies using cost differential information from similar services
- seeking expert opinion.

Cost differentials should reflect factors such as location and culturally appropriate service delivery, based on the population distribution within each jurisdiction. Cost differentials should not reflect differences in overall service use for a GPC category, as this is captured by the service use measure.

How are cost differentials used in the IER?

Cost differentials are used to estimate the Aboriginal and Torres Strait Islander share of mainstream expenditure. Cost differentials are collected for each GPC expenditure category and then applied to mainstream expenditure in estimating the Aboriginal and Torres Strait Islander share of mainstream expenditure.

Default assumptions:

- In the absence of evidence to support a cost differential, the IER assumes that there is no cost differential for mainstream services where there is no strong conceptual basis to suggest that there is a difference between the average cost of providing services to Aboriginal and Torres Strait Islander and non-Indigenous Australians (cost differential equals 1.0). A majority of jurisdictions use a cost differential of 1.0 for all GPC codes.
- The IER method allows a cost differential of up to 10 per cent for those mainstream services where there is a conceptual basis to assume a cost differential, but the jurisdiction has been unable to provide data or evidence. In these cases, it is assumed that the average cost of providing mainstream services is up to 10 per cent greater for Aboriginal and Torres Strait Islander Australians than for non-Indigenous Australians (that is, the cost differential is 1.1).

Why do I need to report values for low, most likely and high?

The IER collects data on low, most likely and high cost differential values to allow for sensitivity testing of Indigenous expenditure estimates. Currently, the IER model uses only the *most likely* value in estimating the Aboriginal and Torres Strait Islander share of mainstream expenditure. The low and high values continue to be collected to allow for sensitivity analysis to be performed in future.

The 'high' and 'low' estimates should be selected such that you are 90 per cent confident that the true value falls between them. The 'most likely' estimate may or may not be the midpoint between these estimates.

6 Indigenous specific expenditure

An overview of the Steering Committee’s approach to prorating mainstream expenditure between services received by Aboriginal and Torres Strait Islander and non-Indigenous Australians is provided in chapter 2.¹

Service use measures are used to identify the Aboriginal and Torres Strait Islander share of expenditure:

$$\begin{array}{c} \text{Aboriginal and Torres Strait} \\ \text{Islander share of mainstream} \\ \text{expenditure} \end{array} = \begin{array}{c} \text{Total mainstream} \\ \text{expenditure} \end{array} \times \begin{array}{c} \text{Service} \\ \text{use} \\ \text{measure} \end{array} \quad [1]$$

The approach in equation [1] is extended to recognise that the service use measure might need to be adjusted for:

- *Indigenous under-identification* — the degree to which the Aboriginal and Torres Strait Islander status of service users is not correctly identified or recorded in data collections
- *Indigenous cost differential* — to account for the fact that the average cost of providing a government service to Aboriginal and Torres Strait Islander Australians may be more/less than the cost of providing the same service to non-Indigenous Australians
- *use of substitute Indigenous specific services* — the degree to which the service use measure includes users of substitute Indigenous specific services.

A detailed definition of Indigenous specific expenditure is provided in chapter 3 of the 2017 Report *Expenditure Data Manual*.² Chapter 3 of the 2017 Report *Expenditure Data Manual* also includes frequently asked questions about Indigenous specific and mainstream expenditure.

This chapter focuses on the concepts, sources and methods used to adjust measures of service use to account for Aboriginal and Torres Strait Islander and non-Indigenous use of Indigenous specific programs, services and payments.

An overview of the concepts is provided in section 6.1. Section 6.2 discusses the data sources and estimation methods used for the Indigenous Expenditure Report.

¹ Australian Government expenditure is allocated across states and territories using the approach described in chapter 7 before this method is applied.

² Steering Committee for the Review of Government Service Provision, 2017, *Expenditure Data Manual*, 2017 Indigenous Expenditure Report, Productivity Commission.

6.1 Indigenous specific expenditure concepts

A detailed definition of Indigenous specific expenditure is provided in chapter 3 of the 2017 Report *Expenditure Data Manual*. The manual states that Indigenous specific programs, services and payments are explicitly targeted to Aboriginal and Torres Strait Islander Australians.³

Indigenous specific expenditure is ‘expenditure on programs, services and payments that are explicitly targeted to Aboriginal and Torres Strait Islander Australians’.

The service use measure needs to be adjusted where participants of a substitute Indigenous specific program, service or payment are counted as a mainstream service user. This may occur in the following circumstance:

- *the service use measure only accounts for total service users* — which may include Indigenous specific programs, services and payments

The service use measure needs to be adjusted where participants of a substitute Indigenous specific program, service or payment are counted as a mainstream service user.

There are circumstances where the service use measure does not need to be adjusted, despite the existence of Indigenous specific programs, services and payments. These include:

- *complementary Indigenous specific programs, services and payments* — complementary services are provided in addition to mainstream services. As such, Aboriginal and Torres Strait Islander users of the Indigenous specific program are also users of the mainstream program and should be counted in the service use measure
- *the service use measure excludes participants of Indigenous specific programs, services and payments* — some service use measures relate to use of a specific service or range of services, which can be specified to explicitly exclude the Indigenous specific service.

6.2 Indigenous specific expenditure information and adjustment methods

Substitute Indigenous specific expenditure adjustment data source

The following information is required to be collected for each Indigenous specific program, service or payment in each jurisdiction:

- *program expenditure* — total expenditure on the program in whole dollars:
 - program expenditure related to Aboriginal and Torres Strait Islander Australians

³ There can, however, be some use of these services and programs by non-Indigenous Australians in particular locations (for example, Indigenous specific health services in remote communities).

-
- program expenditure related to non-Indigenous Australians
 - total program expenditure.
 - *relationship of Indigenous specific program to mainstream services* — whether the program is a:
 - *complementary service* — provided in addition to mainstream services
 - *substitute service* — provided as an alternative to a mainstream service.

Where a service is identified as a substitute service, data providers identify whether the users of the Indigenous specific program are counted in the service use measure.

If the users are counted in the service use measure data, data providers include estimates of one of the following:

- ... *number of Indigenous specific program service users*
- ... *Indigenous specific service cost differential* — if the above is not available, jurisdictions provide an estimate of the additional cost per Aboriginal and Torres Strait Islander user of the Indigenous specific service as compared to the cost per Aboriginal and Torres Strait Islander user of mainstream services.

Mainstream service use measure adjustment factor for users of substitute Indigenous specific services

The Secretariat calculates a substitute Indigenous specific service use adjustment factor where the service use measure data source includes Aboriginal and Torres Strait Islander users of substitute programs, services and payments.

The following cases demonstrate how the substitute adjustment factor is calculated:

- *no substitute Indigenous specific services* — no adjustment required
 - substitute service user adjustment = 1
- *substitute Indigenous specific service users already excluded from mainstream service use measure data* — no adjustment required
 - substitute service user adjustment = 1

Where substitute Indigenous specific service users are included in the mainstream service use measure data, the substitute adjustment factor is calculated such that they are excluded.

This preferred method of calculating the substitute service use adjustment factor is provided in equation [2]:

$$\text{Substitute service user adjustment} = \frac{A}{B} \times \frac{B - C}{A - D} \quad [2]$$

Where:

- A = Total Aboriginal and Torres Strait Islander and non-Indigenous specific and mainstream service users
- B = Aboriginal and Torres Strait Islander service users of Indigenous specific and mainstream services
- C = Aboriginal and Torres Strait Islander users of Indigenous specific services
- D = Total (Aboriginal and Torres Strait Islander and non-Indigenous) users of Indigenous specific services

However, in some circumstances this method is not possible as either:

- the number of users of the Indigenous specific program is unknown
- the users of the Indigenous specific program cannot be subtracted from the mainstream service use measure (as the two data sources may be incompatible).

Where this information is not available, it is possible to calculate the substitute service use adjustment factor by estimating the extent to which the Indigenous mainstream expenditure would be over-estimated using the following approach:

$$\text{Substitute service user adjustment} = \frac{A - B}{A} \quad [3]$$

Where:

- A = Mainstream Indigenous expenditure (unadjusted)
- B = Mainstream Indigenous expenditure overestimate

Calculation of Mainstream Indigenous expenditure overestimate:

$$\text{Mainstream Indigenous expenditure overestimate} = A \times \frac{B}{C} \times \frac{1}{D} \quad [4]$$

Where:

- A = Indigenous specific expenditure
- B = Non-Indigenous service users
- C = Total (Aboriginal and Torres Strait Islander and non-Indigenous) service users
- D = Indigenous specific expenditure cost differential

7 Australian Government expenditure by state and territory

This chapter focuses on the definitions, concepts and methods for prorating total Australian Government expenditure across each state and territory.¹ Definitions, concepts and methods for allocating expenditure to GPC categories, and for identifying Indigenous expenditure, are discussed in the 2017 Report *Expenditure Data Manual*.²

An overview of the Australian Government expenditure is provided in section 7.1. In section 7.2, the method for estimating Australian Government expenditure in each state and territory is explained. Key interpretation issues are discussed in section 7.3.

7.1 Australian Government expenditure in each state and territory

The Australian Government provides funding for a range of mainstream services that support Aboriginal and Torres Strait Islander and non-Indigenous Australians across each state and territory. Funding is also provided through programs and services targeted at individuals or groups with particular needs, including Aboriginal and Torres Strait Islander Australians.

Australian Government expenditure in each state and territory comprises two components:

- *direct expenditure* — expenditure on services and programs (including income support) that is provided directly to individuals, non-government service providers or local governments. This also includes the operation of the machinery of the Australian Government
- *indirect expenditure* — payments ‘to’ and ‘through’ the State and Territory governments, including:
 - *payments for specific purposes* — National Specific Purpose Payments (SPPs) and National Partnership payments provided ‘to’ or ‘through’ State and Territory governments for specific purposes such as to pursue policy objectives and delivery of services in major service areas: health, education, community services, housing,

¹ In this manual lower case state and territory refers to the geographical boundaries of jurisdictions, and upper case State and Territory refers to the jurisdictional governments.

² Steering Committee for the Review of Government Service Provision, 2017, *Expenditure Data Manual*, 2017 Indigenous Expenditure Report, Productivity Commission, Canberra.

infrastructure and environment. Also included are financial assistance grants to local governments

- *general revenue assistance* — includes a broad category of payments, such as GST payments, which are provided to State and Territory governments without conditions, to spend according to their own budget priorities.

7.2 Estimating Australian Government expenditure in each state and territory

The Indigenous Expenditure Report employs the concept of a service use measure to identify and estimate the Aboriginal and Torres Strait Islander share of Australian Government expenditure in each state and territory. Measures of service use provide a proxy for the distribution of costs (not benefits) among service users.

Where possible, service use measures should be adjusted for:

- *state differential* — to account for funding per user differences between states and territories due to underlying economic, social and demographic conditions
- *cost differential* — to account for the fact that the average cost of providing a government service to Aboriginal and Torres Strait Islander Australians may be more/less than the cost of providing the same service to non-Indigenous Australians
- *under-identification* — the degree to which Aboriginal and Torres Strait Islander service users are not correctly identified or recorded in data collection.

In most cases, the service use measure and corresponding data source identified for prorating the Aboriginal and Torres Strait Islander share of mainstream expenditure is also used to estimate each state and territory share of Australian Government expenditure.

A service use measure is a measure of the use of services that is closely linked with, or a proxy for, the impact that Aboriginal and Torres Strait Islander Australians have on the total cost of providing mainstream services.

General model for proration

Australian Government expenditure on services related to Aboriginal and Torres Strait Islander Australians in each state and territory is the sum of:

- *Indigenous specific expenditure* — this expenditure is assumed to relate solely to Aboriginal and Torres Strait Islander Australians, although there could be some use of these services and programs by non-Indigenous Australians. For example, Indigenous specific health services in remote communities. This comprises:
 - *Indigenous specific indirect expenditure* — no estimation is required for this expenditure group because payments ‘to’ and ‘through’ each State and Territory

government can be identified, and the expenditure relates solely to Aboriginal and Torres Strait Islander Australians

- *Indigenous specific direct expenditure* — **equals** total Indigenous specific expenditure **less** Indigenous specific indirect expenditure. The expenditure relates solely to Aboriginal and Torres Strait Islander Australians but the state and territory share of this expenditure must be estimated using information on the state and territory share of service users:

$$\begin{array}{ccccc} \text{State or territory share of} & & & & \\ \text{Australian Government} & & & & \\ \text{Indigenous specific} & = & \text{National Australian} & \times & \text{State or territory share} \\ \text{direct expenditure} & & \text{Government Indigenous} & & \text{of total Indigenous specific} \\ & & \text{specific direct expenditure} & & \text{service users} \end{array} \quad [1]$$

The total Indigenous specific expenditure in a state or territory is:

$$\begin{array}{ccccc} \text{Total Indigenous} & & & & \\ \text{specific expenditure} & = & \text{State or territory share of} & + & \text{State or Territory} \\ \text{in a state or territory} & & \text{Australian Government} & & \text{Government Indigenous} \\ & & \text{Indigenous specific direct} & & \text{specific expenditure} \\ & & \text{expenditure} & & \end{array} \quad [2]$$

- *Indigenous mainstream expenditure* — **equals** total expenditure **less** total Indigenous specific expenditure. The state and territory Aboriginal and Torres Strait Islander share of this expenditure is estimated in three steps:

3. *Estimate total mainstream indirect and direct expenditure:*

- ... *total mainstream indirect expenditure* — this expenditure can be identified from information on payments ‘to’ and ‘through’ State and Territory governments
- ... *total mainstream direct expenditure* — **equals** total mainstream expenditure **less** mainstream indirect expenditure.

4. *Estimate state and territory share of mainstream indirect and direct expenditure:*

- ... *state and territory share of mainstream indirect expenditure* — no estimation is required for this expenditure because payments ‘to’ and ‘through’ each State and Territory government can be identified
- ... *state and territory share of mainstream direct expenditure* — must be estimated using information on the state and territory share of service users:

$$\begin{array}{ccccc} \text{State or territory share of} & & & & \\ \text{Australian Government} & = & \text{National Australian} & \times & \text{State or territory} \\ \text{mainstream direct expenditure} & & \text{Government mainstream} & & \text{share of mainstream} \\ & & \text{direct expenditure} & & \text{service users} \end{array} \quad [3]$$

The total mainstream expenditure in a state or territory is:

$$\begin{array}{ccccc} \text{Total mainstream} & & & & \\ \text{expenditure in a} & = & \text{State or territory share of} & + & \text{State or Territory} \\ \text{state or territory} & & \text{Australian Government} & & \text{Government mainstream} \\ & & \text{mainstream direct expenditure} & & \text{expenditure} \end{array} \quad [4]$$

- 5. *Estimate Aboriginal and Torres Strait Islander share of Australian Government mainstream expenditure in each state and territory* — must be estimated using

service use measures. Where possible, adjustments should be made to service use measures to account for under-identification and cost differential factors:

$$\begin{array}{ccccccc}
 \text{Aboriginal and Torres} & & & & \text{State or territory} & & \\
 \text{Strait Islander share of} & & & & \text{Aboriginal and Torres} & & \\
 \text{Australian Government} & = & \text{Australian Government} & \times & \text{Strait Islander share of} & \times & \text{Service use cost} \\
 \text{mainstream expenditure} & & \text{mainstream expenditure} & & \text{mainstream} & & \text{differential} \\
 \text{in each state or territory} & & \text{in each state or territory} & & \text{service users} & & \\
 & & & & & & [5]
 \end{array}$$

7.3 Interpreting expenditure estimates

The service use measures used to estimate the Australian Government Indigenous expenditure in each state and territory have their limitations and should be interpreted with care. Information on the strengths and weaknesses of the proration method are provided in section 2.2 of this manual.

Although this estimation method can be used to calculate the general government Indigenous expenditure in each state and territory, it does not allow for the identification of the Australian Government, State, or Territory government share of expenditure in a state or territory. That is, how much is contributed by the Australian Government and how much by the State or Territory government, in a state or territory.

The estimation of the Australian Government, State, or Territory government share of all governments' expenditure in a state or territory is a complex task. Significant work needs to be undertaken to estimate this expenditure, including development of an estimation method, establishment of additional data collections, and specific improvements to resolve issues associated with timing, capital transfers, and Government Purpose Classification allocation. The Working Group may investigate the feasibility of estimating this expenditure for future reporting.

8 Sensitivity analysis

The Indigenous Expenditure Report method defines total expenditure on services to Aboriginal and Torres Strait Islander Australians as the sum of:

- *Indigenous specific expenditure* — which includes expenditure on services explicitly targeted at Aboriginal and Torres Strait Islander Australians, plus any expenditure on more broadly targeted services that can be identified as relating to Aboriginal and Torres Strait Islander Australians
- *the Aboriginal and Torres Strait Islander share of mainstream expenditure* — the proportion of expenditure on mainstream services that is estimated to relate to services for Aboriginal and Torres Strait Islander Australians.

Total Indigenous specific expenditure is assumed to relate solely to services for Aboriginal and Torres Strait Islander Australians. As a consequence, the Aboriginal and Torres Strait Islander share of this expenditure is known, and does not have to be estimated. The Aboriginal and Torres Strait Islander share of mainstream expenditure is not known with certainty and must be estimated.

The Indigenous Expenditure Report proration method is based on approaches used in similar exercises and benefits from the contributions of a wide-range of data and service delivery specialists. This method can therefore be expected to provide reliable estimates of the Aboriginal and Torres Strait Islander share of mainstream expenditure. However, any estimation process contains an inherent level of uncertainty.

The sources of uncertainty and benefits of sensitivity analysis are explored in section 8.1. The Monte Carlo simulation technique is described in section 8.2. In section 8.3, the limitations of sensitivity analysis are discussed. An overview of qualitative assessments of the appropriateness of service use measures and data sources is presented in section 8.4.

8.1 Why do sensitivity analysis?

Benefits of sensitivity analysis

An example of the potential impact of uncertainty is provided in box 8.1. In the example, the Indigenous Expenditure Report proration method is employed to estimate the Aboriginal and Torres Strait Islander share of government mainstream expenditure for a single hypothetical service.

Box 8.1 **Estimating the Aboriginal and Torres Strait Islander share of mainstream expenditure on a hypothetical service**

Total mainstream expenditure on the hypothetical service is \$100 million, which is known with certainty. Administrative information systems also indicate that 20 per cent of service users were Aboriginal and Torres Strait Islander Australians.

However, the Indigenous status of a number of service users was not identified. Some of these were Aboriginal and Torres Strait Islander and some were not. As a consequence, the Aboriginal and Torres Strait Islander share of service users should be adjusted. The exact adjustment is unknown, however information based on expert judgment suggests that the adjusted Aboriginal and Torres Strait Islander share is most likely to be 122 per cent. However, it could be as low as 120 per cent, or as high as 130 per cent.

Further information also suggests that it costs more to provide the hypothetical service to Aboriginal and Torres Strait Islander recipients. Once again the exact cost difference is uncertain, but is most likely to be 150 per cent. The available data suggests that this could be as low as 130 per cent or as high as 160 per cent.

	<i>Total expenditure</i>	<i>Service use measure</i>	<i>Under- identification adjustment</i>	<i>Cost differential adjustment</i>	<i>Estimated Indigenous expenditure</i>
	\$m	%	%	%	\$m
Known	100	20	..	..	..
Low	..	..	120	130	31
Most likely	..	..	122	150	37
High	..	..	130	160	42

This information suggests that the Aboriginal and Torres Strait Islander share of expenditure on the hypothetical service could be as low as \$31 million ($\$100 \text{ million} \times 0.2 \times 1.2 \times 1.3$) or as high as \$42 million ($\$100 \text{ million} \times 0.2 \times 1.3 \times 1.6$). There are actually a further seven ‘what if’ scenarios that fall between these bounds, given the available data. The combination of the most likely estimates would be \$37 million ($\$100 \text{ million} \times 0.2 \times 1.22 \times 1.5$).

This example suggests that the ‘most likely’ estimate of the Aboriginal and Torres Strait Islander share of expenditure is \$37 million. However, because of the uncertainty associated with the Indigenous under-identification and cost differential factors, it is possible that the Aboriginal and Torres Strait Islander share of expenditure could be as low as \$31 million or as high as \$42 million.

Sensitivity analysis could help Indigenous Expenditure Report users to understand:

- *the extent of uncertainty* — by defining the range of values that the Aboriginal and Torres Strait Islander share of expenditure is likely to take
- *the comparability of estimates* — by providing the information to determine whether Indigenous expenditure is significantly different to other estimates (for example, the expenditure of another jurisdiction)

- *the source of uncertainty* — by determining which data contribute the majority of the uncertainty in the Indigenous expenditure estimates.

8.2 Measuring uncertainty

Over the longer term, the Indigenous Expenditure Report Working Group could employ Monte Carlo methods to statistically assess the level of uncertainty (box 8.2).

The Indigenous Expenditure Report method uses a relatively simple proration method. The Aboriginal and Torres Strait Islander share of the mainstream expenditure is estimated using a service use measure (chapter 3):

$$\begin{array}{c} \text{Indigenous} \\ \text{mainstream} \\ \text{expenditure} \end{array} = \begin{array}{c} \text{Total} \\ \text{mainstream} \\ \text{expenditure} \end{array} \times \begin{array}{c} \text{Service} \\ \text{use} \\ \text{measure} \end{array} \quad [1]$$

The service use measure is adjusted for:

- *Indigenous under-identification* — the degree to which Indigenous service users are not correctly identified or recorded in data collections

Box 8.2 Comparison of ‘what if’ and Monte Carlo analysis

An extension of the example in box 8.1 to three government services is presented below. Methods of assessing the sensitivity of estimates to model parameters include:

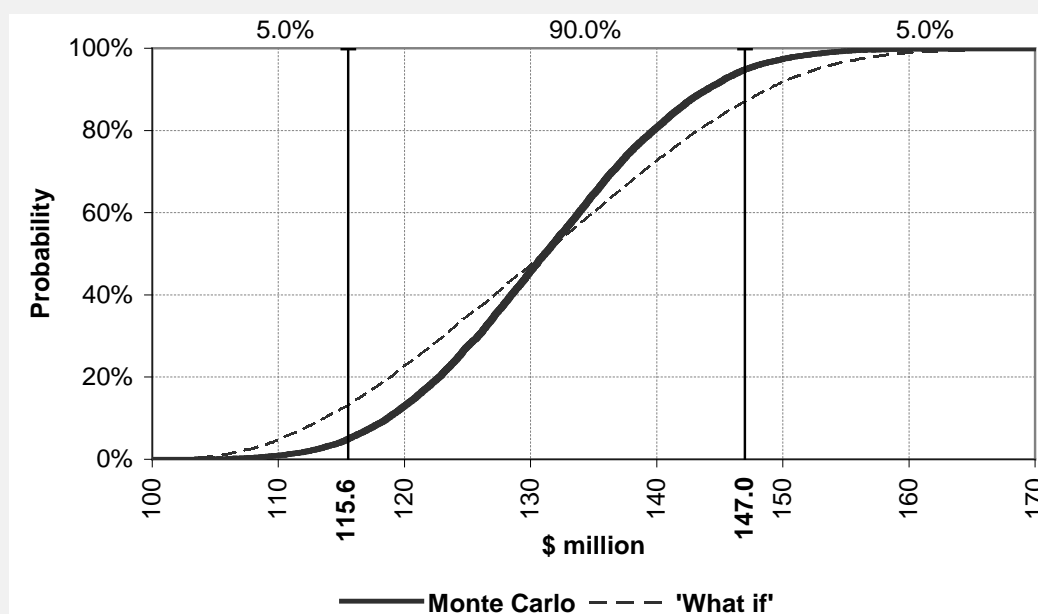
- *‘what if’ analysis* — expenditure is estimated for a series of scenarios to determine the possible different combinations of model parameters^a. For the example, total expenditure can range between \$98 million and \$171 million. Although the ‘modal’ (most likely) outcome is \$130 million, there is no information about the likelihood of other outcomes (that is, \$171 million is as likely as \$131 million).
- *Monte Carlo analysis* — is similar to the ‘what if’ approach, however it includes information about the probability that model parameters will take certain values. This allows a range of possible values for expenditure to be estimated, as well as the likelihood that any particular value of estimated expenditure will be ‘true’.

	Total expenditure	Service use measure			Under-identification adjustment			Cost differential adjustment		
		Low	Most likely	High	Low	Most likely	High	Low	Most likely	High
Service 1	100	20	25	30	120	125	130	200	215	220
Service 2	150	15	18	20	100	100	110	105	118	120
Service 3	86	15	16	20	105	106	120	195	210	220

(continued next page)

Box 8.2 (continued)

Comparison — the figure below compares the ‘what if’ and Monte Carlo analysis results. The probability information incorporated into Monte Carlo analysis illustrates that while the extreme values of \$98 million and \$171 million are possible, they are far quite unlikely.



^a The number of possible scenarios is defined as $(\text{possible values}^{\text{Proration factors}})^{\text{Services}}$. For the example above this is $(3^3)^3 = 19\,683$ possible ‘what if’ scenarios.

- *Indigenous cost differential* — to account for the fact that the average cost of providing a government service to Aboriginal and Torres Strait Islander Australians may be more/less than the cost of providing the same service to non-Indigenous Australians.

$$\text{Indigenous mainstream expenditure} = \text{Total mainstream expenditure} \times \text{Service use measure} \times \text{Under-identification} \times \text{Cost differential} \quad [2]$$

The Monte Carlo analysis assumes that the total mainstream expenditure is known with certainty.¹ If the proration factors (the service use measure, Indigenous under-identification and Indigenous cost differential) are known with absolute certainty, there is no need for Monte Carlo analysis.

Imperfect data (or the absence of data) mean that, in some cases, the values of the proration factors are estimates. While these data are the best available, the lack of knowledge regarding

¹ The allocation of government expenditure to the appropriate ABS GPC categories is the key issue relating to expenditure data quality. The agreed guidelines for these allocations are set out in the 2017 Report Expenditure Data Manual. Over time, jurisdictions are expected to be able to improve their reporting against these guidelines, but this might require improvements in information systems and processes. In the interim, deviations from the agreed guidelines will be detailed in explanatory notes to the reported data.

the precise value of the proration factors introduces uncertainty into the estimated Aboriginal and Torres Strait Islander share of expenditure.

Reliable data on proration factors can be limited for a number of reasons, including:

- *mainstream services are broadly focused* — there might not be an imperative to collect information on Aboriginal and Torres Strait Islander services users where the service or programs are targeted at all Australians. As a consequence, government administrative systems do not necessarily record the number of Aboriginal and Torres Strait Islander users, or the cost of services to Aboriginal and Torres Strait Islander Australians
- *some services are not directly targeted to individuals* — it is administratively more difficult to capture information on service recipients when the service targets the community (police services), families (some welfare services, community amenities) or people with a transient involvement with the service (some health services, some emergency services)
- *information on Aboriginal and Torres Strait Islander service users might not be a priority* — where information is collected, the quality of the Aboriginal and Torres Strait Islander data can be poor as the imperatives for collecting high quality data may not be apparent to those delivering the service
- *reliable survey information can be difficult to obtain* — supplementary statistical collections provide an alternative to administrative data collections, but also have limitations (and costs). Where the Aboriginal and Torres Strait Islander population is small, it is more difficult to collect high quality statistics as:
 - service providers may be less attuned to collecting Indigenous statistics
 - sample surveys are less likely to produce reliable Indigenous estimates, unless they have been specifically designed to do so.

A more detailed analysis of the material sources of uncertainty (those that have a significant impact on the reliability of the expenditure estimates) will be important for prioritising areas for improvement.

8.3 Limitations of sensitivity analysis

Sensitivity analysis cannot identify unknown errors in data or model specification

Sensitivity analysis can be used to assess the range of possible outcomes for estimates using the Indigenous Expenditure Report proration method. However, it cannot identify uncertainty associated with:

-
- *incorrectly specified estimation model* — sensitivity analysis cannot be used to identify whether one service use measure should be used over another, or whether the proration method itself is sound.
 - *unknown data errors* — sensitivity analysis cannot be used to identify incorrect choice of data sources, data coding and allocation errors or unknown variations in the data.

Sensitivity analysis assumes that the data are correct and accurate except for the information provided for each proration factor.

The Indigenous Expenditure Report method addresses these issues by engaging a wide-range of data and service delivery specialists in the development and specification of the estimation framework. The method also places a high priority on identifying areas and strategies for continual improvement in order to minimise errors in the current report and/or improve processes for future reports.

8.4 Qualitative description of uncertainty

The *ABS Data Quality Framework* has been used to assess the level of uncertainty associated with the data that underpin the expenditure estimates.

The *ABS Data Quality Framework* is a general framework to enable a qualitative assessment of the quality of statistical data. The framework describes seven dimensions of quality:

- *institutional environment* — institutional and organisational factors which may have a significant influence on the effectiveness and credibility of the agency producing the statistics
- *relevance* — how well the statistical product or release meets the needs of users in terms of the concept(s) measured, and the population(s) represented
- *timeliness* — the delay between the reference period and the date at which the data become available
- *accuracy* — the degree to which the data correctly describe the phenomenon they were designed to measure
- *coherence* — the internal consistency of a statistical collection, product or release, as well as its comparability with other sources of information, within a broad analytical framework and over time
- *interpretability* — the availability of information to help provide insight into the data
- *accessibility* — the ease of access to data by users.

The ABS advises that all seven dimensions should be included for the purpose of quality assessment and reporting. However, the seven dimensions are not necessarily equally weighted, as the importance of each dimension may vary depending on the data source and context.

Further information on the data quality framework can be found in the ABS *Data Quality Framework, May 2009* documentation.²

Appropriateness of service use measures and data sources

The Indigenous Expenditure Report prorates mainstream expenditure between Aboriginal and Torres Strait Islander and non-Indigenous Australians using service use measures. Therefore, the quality of the estimates depends on the selection of appropriate service use measures (as proxies for the cost drivers) and relevant, good quality, data sources.

The reliability of estimates for all published expenditure categories has been examined in relation to:

6. *appropriateness of each service use measure* — how well the service use measure for each expenditure category represents the link between service use and cost. The assessment of the appropriateness of service use measures was based on the strength of the link between the service use measure and the service costs. That is, whether the measure of service use provides a good proxy for the distribution of costs (expenditure) among service users (in particular, Aboriginal and Torres Strait Islander users).
7. *quality of the service use measure data source* — does the data source provide good quality estimates of the service use measure, including Indigenous identification.

The 2014 Report *Service Use Measure Definitions Manual* (<http://www.pc.gov.au/research/recurring/ier/indigenous-expenditure-report-2014>) includes additional information on data quality assessment for the Report (Appendix D), and reliability of estimates (Appendix E). While some of the material in that manual specifically addressed the 2014 Report, much of the general discussion is applicable to this edition.

The role of continual improvement

Sensitivity analysis can help identify which proration factors contribute the most to uncertainty. The Indigenous Expenditure Report Working Group will use this information to help develop the Indigenous Expenditure Report annual work plan. The work plan will identify the key sources of uncertainty and target these for data quality improvements.

² ABS 2009, *ABS Data Quality Framework, May 2009*, ABS Cat. no. 1520.0, Canberra.

A Service use measure definitions

The Indigenous Expenditure Report method for prorating mainstream expenditure between services for Aboriginal and Torres Strait Islander and non-Indigenous Australians uses the relative share of service users as a proxy for the impact that Aboriginal and Torres Strait Islander Australians have on total expenditure (chapter 2).

This appendix describes the service use measures that have been used for each expenditure category (table A.1). Information is presented in a template format, which includes a description of the service, the service cost drivers, and the selected service use measures for each expenditure category.

The measures of service use need to be adjusted for Indigenous under-identification and service use cost differentials. Information relating to adjustment for Indigenous under-identification is provided in appendix B.

Table A.1 Expenditure categories

<i>GPC major group</i>	<i>Page</i>
General public services (GPC 01)	55
Defence (GPC 02)	59
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GPC 01

GENERAL PUBLIC SERVICES

0110 Government superannuation benefits

The information on this category was last updated on:

31 August 2017

Service description

Historically, all government superannuation transactions were classified to this category. However, superannuation transactions should be classified to the relevant GPC.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual <http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on government superannuation benefits is the number of government employees in general public services receiving payments under Australian, State and Territory government superannuation schemes.

Given that these payments should be classified to the relevant GPC, expenditure in this category will be considered as driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0190 Other general public services

The information on this category was last updated on:

31 August 2017

Service description

The ABS GPC definition identifies six types of other general public services:

- legislative and executive affairs
- financial and fiscal affairs
- external affairs
- foreign economic aid
- general research
- general services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

Other general public services cover a range of programs. As a consequence, the key cost drivers are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 02

DEFENCE

0200 Defence

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government has the constitutional responsibility to provide defence services.

The ABS GPC definition identifies three types of defence expenditure that should be included under this category:

- *military and civil defence affairs* — includes expenditure on land, sea, air and reservist combat personnel, engineering, transport, communications, intelligence, training and recruitment, and other non-combatant personnel and associated services
- *foreign military aid* — includes expenditure on military aid missions and military aid grants, and advances and contributions to international peace-keeping forces
- *defence research* — includes expenditure on research and experimental development related to the armed forces and civil defence.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on defence are not linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 03

PUBLIC ORDER AND SAFETY

0311 Police services

The information on this category was last updated on:

31 August 2017

Service description

In Australia, police services cover four broad areas of law enforcement.

1. *Major crime and corruption* — Investigation and apprehension of offenders engaged in major crime or corruption undertaken by public service agencies.
2. *Law enforcement integrity* — Handling and investigation of complaints regarding the conduct of law enforcement agencies (such as by Ombudsman Offices).
3. *Border control* — Activities related to the enforcement of Australia's border control legislation.
4. *General policing services* — General activities of police agencies that relate to:
 - *criminal investigation* — activities related to the detection and investigation of offences and identifying and apprehending offenders
 - *traffic and commuter services* — activities related to maximising road safety and maintaining traffic flow, as well as the safety of commuters using public transport
 - *community safety and support* — activities aimed at preserving public order and promoting a safer community including crime prevention and community support.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

Police services activities are diverse and consequently have a broad range of cost drivers:

- *population size* — where services are provided to the entire community
- *population characteristics* — some population groups are over-represented in the offender population for particular types of offences
- *level and character of criminal activity* — where police activity focuses on crime investigation and prevention and the characteristics of criminal offenders and offences (including the likelihood of offences and incidents)
- *location* — the cost will be greater in areas where the likelihood and seriousness of crime is higher. They can also be higher in more remote locations and smaller communities (where economies of scale cannot easily be realised).

To reflect the complicated mix of cost drivers, the 2017 Report prorates expenditure on these services on the basis of four unpublished expenditure sub-categories:

1. *strategic services (prorated using resident population)* — services such as 'major crime or corruption', 'law enforcement integrity' and 'alien registration and border control' are provided for strategic reasons or on behalf of the community as a whole. The agreed service use measure for this expenditure is the Aboriginal and Torres Strait Islander share of the resident population. All Australian Government expenditure falls into this category of expenditure.

General policing services expenditure — the activities of police agencies (excluding support to the judiciary) is prorated on the basis of the following sub-categories:

2. *criminal investigation (prorated using offenders)* — cost is assumed to be driven by criminal activity. The agreed service use measure for this expenditure is the Aboriginal and Torres Strait Islander share of offenders.
3. *traffic and commuter services (prorated resident population)* — while cost is likely to be driven by traffic and commuter offences, data in this area are not available. As a proxy, the agreed service use measure for this expenditure is the Aboriginal and Torres Strait Islander share of the resident population.

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4. *community safety and support (prorated using a combination of offenders and resident population)* — includes expenditure related to preserving public order and promoting a safer community including crime prevention and community support, managing and coordinating major events, incidents and emergencies, and responding to calls for assistance.

Some of these services relate to criminal activity (or the risk of criminal activity), while others are provided on behalf of the community as a whole. The agreed service use measure for this expenditure is a combination of the Aboriginal and Torres Strait Islander share of offenders and Aboriginal and Torres Strait Islander share of the resident population.

Service use measures

Measure	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Resident population ^a	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016
Criminal defendants ^b	CGC Criminal Courts Appearances Collection (unpublished)	2008-09	2008-09	2008-09	2012-13

^a Non-Indigenous population estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases. ^b Data on criminal defendants are not collected for all years. Where data are not available for a particular year, data for the closest available year will be used (for Victoria, Tasmania and the ACT, 2008-09 data are used for 2015-16 estimates and for WA the latest year of data are 2011-12).

0312 Fire protection services

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments have the primary responsibility for delivering fire protection services. The role of fire service organisations varies across jurisdictions, but mainly includes:

- *urban fire incidents* — activities related to residential and commercial structure fires, incidents involving hazardous materials, and road accidents within major urban centres
- *rural fire incidents* — activities related to local structure fires and other events outside major urban centres, rural non-structure fires (including crop, bushland and grassland fires on private property), and fires in national parks and State forests.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on fire protection services are mainly associated with non-population related factors (for example, weather, topography, house design/construction and so on). Expenditure in this category is not linked closely with a particular service area or cohort of service users. However, there is likely to be a difference between the nature of fire incidents in urban versus non-urban locations.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis, in urban and non-urban locations, respectively.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
'Major city' resident population ('Inner regional' for Tas, 'outer regional' for NT) ^b	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> , (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016
Other than 'major city' resident population (other than 'inner regional' for Tas & 'outer regional' for NT) ^c	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> , (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (Cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016

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Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Resident population ^d	ABS Estimates and Projections, Indigenous Australians, 1991 to 2021 (Cat. no. 3238.0); Australian Demographic Statistics (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.^b For metropolitan fire services ^c For rural fire services ^d For fire protection services not elsewhere classified.

0320.1 Criminal courts services

The information on this category was last updated on:

31 August 2017

Service description

Criminal courts services is a sub-category of law courts and legal services (GPC 0320). Criminal courts services are law court and legal services provided in relation to criminal justice prosecutions.

Law courts and legal services covers the activities of a broad range of agencies and institutions involved in the operation of the justice system. This includes the cost of administering and providing the judicial process and the cost of representing the government's public position in litigations.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

Criminal courts services costs are largely driven by the number and complexity of criminal cases, which influence the evidentiary requirements, the number of sitting days, and so on. The link between case characteristics and individuals is information on criminal courts defendants.

Costs might also be influenced by location and the characteristics of the defendants (particularly those with special cultural or language needs and those financially unable to fund their own defence).

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Criminal defendants ^a	CGC Criminal Courts Appearances Collection (unpublished)	2008-09	2008-09	2008-09	2012-13

^a Data on criminal defendants are not collected for all years. Where data are not available for a particular year, data for the closest available year will be used (for Victoria, Tasmania and the ACT, 2008-09 data are used for 2015-16 estimates; for WA the latest year of data are 2011-12).

0320.2 Other courts and legal services

The information on this category was last updated on:

31 August 2017

Service description

Other courts and legal services is a sub-category of law courts and legal services (GPC 0320). Other courts and legal services include services in relation to civil actions. This category also includes a large number of legal administrative services, such as registration of legal titles to property, births, deaths and marriages, as well as the administration of probate and trusteeship services.

Law courts and legal services covers the activities of a broad range of agencies and institutions involved in the operation of the justice system. This includes the cost of administering and providing the judicial process and the cost of representing the government's public position in litigations.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

Other courts and legal services costs are largely driven by the number and complexity of civil cases. However, this category also includes a large number of legal administrative services. As a consequence, it is difficult to link the costs of these services to a unique cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	<i>ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	<i>ABS Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0320.3 Access to justice services

The information on this category was last updated on:

31 August 2017

Service description

'Access to justice' services are a range of legal services that assist people to formally enforce rights such as courts, tribunals and legal representation; services that assist people to resolve disputes, such as alternative dispute resolution processes and legal assistance and advice; services which assist people to participate effectively in law reform processes; and services that enhance the justice quality of people's social, civic and economic relations such as counselling, advocacy, information and education services. Examples of specific services are:

- Indigenous legal aid services
- Legal education and legal information services
- Legal advice and assistance services (including duty lawyer services)
- Legal representation services
- Family dispute resolution (FDR) services
- Alternative dispute resolution services (ADR)
- Community legal services
- Policy and law reform services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost drivers of expenditure on legal assistance services are mainly associated with the number of people using legal assistance services.

It is assumed that the costs associated with expenditure on policy and law reform processes are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Resident population ^a	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016
National legal aid ^b	National legal aid statistics (unpublished)	2008-09	2010-11	2012-13	2015-16

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases. ^b Number of legal aid applications approved, by law type, by Indigenous status.

0330.1 Juvenile corrective institutions

The information on this category was last updated on:

31 August 2017

Service description

Juvenile corrective institutions is a sub-category of prisons and corrective services (GPC 0330).

In Australia, juvenile justice processes is governed by State and Territory legislation. This legislation applies to young people aged 10–18 (10–17 in Queensland). However, it is possible to remain under juvenile justice supervision beyond 18 years (beyond 17 years in Queensland) as the legislation refers to the age at which the offence occurred rather than the current age of the individual.

Young people who are not diverted from the juvenile justice system can come under supervision arrangements at various stages during the justice process:

- *pre-court/pre-sentence supervision* — juveniles on remand awaiting court appearance, hearing or outcome for an alleged offence. The individual can be released on supervised/conditional bail or held or remanded in a custodial facility
- *sentenced supervision* — juveniles completing a supervision order following the finalisation of the case. This can be either:
 - community-based supervision (for example, probation, youth supervision order)
 - home detention
 - detained in a custodial facility.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on juvenile corrective institutions are closely linked to the number of young people under supervision. The impact of young offenders on cost varies by the duration of supervision and the level of supervision required (that is facility-based detention compared with community-based service). There may also be cost differences associated with scale and location of juvenile corrective institutions, or with the characteristics of the offenders (such as cultural or physical needs).

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Juveniles in community-based corrections	AIHW <i>Juvenile Justice in Australia: 2008-09</i> (Cat. no. JUV 7) AIHW <i>Juvenile Justice in Australia: 2010-11</i> (Cat. no. JUV 10) AIHW <i>Youth Justice in Australia: 2011-12</i> AIHW <i>Youth Justice in Australia: 2014-15</i> SCRGSP (2017) <i>Report on Government Services 2017</i>	2008-09	2010-11	2011-12	2014-15

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Measure	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Juveniles in facility-based detention	AIHW <i>Juvenile Justice in Australia: 2008-09</i> (Cat. no. JUV 7) AIHW <i>Juvenile Justice in Australia: 2010-11</i> (Cat. no. JUV 10) AIHW <i>Youth Justice in Australia: 2011-12</i> ; AIHW <i>Youth Justice in Australia: 2014-15</i> SCRGSP (2017) <i>Report on Government Services 2017</i>	2008-09	2010-11	2011-12	2014-15

0330.2 Other prisons and corrective services

The information on this category was last updated on:

31 August 2017

Service description

Other prisons and corrective institutions is a sub-category of prisons and corrective services (GPC 0330).

In Australia, State and Territory governments are responsible for correctional services to support the judicial process. These services can be provided by government directly, or through contractual arrangements with the private sector (or a combination of both).

Prison and corrective services under this category relate to adult contact with either:

- *facility based detention* — includes full-time and periodic detention in prisons, prison farms, remand centres and centres for offenders requiring involuntary mental health treatment
- *community-based correction services* — include a range of non-custodial sanctions and deliver post-custodial interventions under which prisoners released into the community continue to be subject to corrective services supervision.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on other prisons and corrective services are closely linked to the number of offenders under supervision. The impact of supervised offenders on cost varies by the duration of supervision and the level of supervision required (low security compared with high security services). There may also be cost differences associated with scale and location of the service, or with the characteristics of the offenders (such as cultural or physical needs).

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Adults in community-based corrections	SCRGSP Report on Government Services Corrective Services Collection (State and Territory Governments unpublished)	2008-09	2010-11	2012-13	2015-16
Adults in facility-based detention	SCRGSP Report on Government Services Corrective Services Collection (State and Territory Governments unpublished)	2008-09	2010-11	2012-13	2015-16

0390 Other public order and safety

The information on this category was last updated on:

31 August 2017

Service description

Other public order and safety services relate to a diverse range of activities, including:

- *animal control programs* — animal welfare
- *beach safety* — beach inspectors and lifesaving patrols
- *emergency services* — coordination of infrastructure and services and state emergency service agencies.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The services included under other public order and safety are diverse and it is difficult to identify a link between costs and any unique cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 04

EDUCATION

0411 Primary education

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments provide, regulate, and administer primary education provided in government schools and the regulation of non-government schools.

Expenditure on primary education in government schools is primarily made through State and Territory governments, through a range of models. Australian government expenditure on primary education in government schools is made through specific purpose payments to states and territories.

Expenditure on primary education in non-government schools are primarily made through the Australian Government. State and territory government expenditure on primary education in non-government schools generally takes the form of grants to schools.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on primary education provided in government schools are the number of students and (for State and Territory governments) the location and size of schools.

The key cost drivers of expenditure on primary education provided in non-government schools are the number of students and (for the Australian Government) the location and size of schools and the socio-economic profile of their students.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Students enrolled at government primary schools ^a	ABS <i>Schools, Australia</i> (Cat. no. 4221.0)	2008-09	2010-11	2012-13	2015-16
Students enrolled at non-government primary schools ^a	ABS <i>Schools, Australia</i> (Cat. no. 4221.0)	2008-09	2010-11	2012-13	2015-16

^a Data are the average of two years of enrolments.

0412 Secondary education

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments provide, regulate, and administer secondary education provided in government schools and the regulation of non-government schools.

Expenditure on secondary education in government schools is primarily made through State and Territory governments, through a range of models. Australian Government expenditure on secondary education in government schools is made through specific purpose payments to states and territories.

Expenditure on secondary education in non-government schools is primarily made through the Australian Government. State and territory government expenditure on secondary education in non-government schools generally take the form of grants to schools.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on secondary education provided in government schools are the number of students and (for State and Territory governments) the location and size of schools.

The key cost drivers of expenditure on secondary education provided in non-government schools are the number of students and (for the Australian Government) the location and size of schools and the socio-economic profile of their students.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Students enrolled at government secondary school ^a	ABS <i>Schools, Australia</i> (Cat. no. 4221.0)	2008-09	2010-11	2012-13	2015-16
Students enrolled at non-government secondary school ^a	ABS <i>Schools, Australia</i> (Cat. no. 4221.0)	2008-09	2010-11	2012-13	2015-16

^a Data are the average of two years of enrolments.

0419 Primary and secondary education nec

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments provide a range of services that support both primary and secondary education in Australia. School education regulation and support services include:

- curriculum development and support
- student assessment, examinations and certification
- school registration and accreditation
- teacher training and support.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of Australian, State and Territory government expenditure in this category is the number of students enrolled at primary and secondary schools.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Students enrolled at government primary and secondary schools ^a	ABS <i>Schools, Australia</i> (Cat. no. 4221.0)	2008-09	2010-11	2012-13	2015-16
Students enrolled at non-government primary and secondary schools ^a	ABS <i>Schools, Australia</i> (Cat. no. 4221.0)	2008-09	2010-11	2012-13	2015-16
Students enrolled at primary and secondary schools ^a	ABS <i>Schools, Australia</i> (Cat. no. 4221.0)	2008-09	2010-11	2012-13	2015-16

^a Data are the average of two years of enrolments.

0421 University education

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments provide expenditure on universities, but they are autonomous institutions with governing bodies responsible for their performance and independence.

The majority of government expenditure on universities is made by the Australian Government. Australian Government expenditure includes outlays on teaching and learning, research and research training, improving access and participation, and infrastructure.

State and territory governments expenditure on university education varies in its size and nature. Some jurisdictions invest in joint development projects where the university matches their contribution, whilst other cases include provision of leasehold land and capital funding.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of government expenditure on university education is the number of students enrolled at universities.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Students enrolled at university	DEEWR Higher Education Statistics Collection	2008-09	2010-11	2012-13	2015-16

0422 Technical and further education

The information on this category was last updated on:

31 August 2017

Service description

Technical and Further Education (TAFE) is provided in institutes that are owned and operated by the government and non-government sector.

The majority of expenditure on TAFE is made and administered by State and Territory governments. Most Australian Government expenditure on TAFE is administered by states and territories through the National Agreement on Skills and Workforce Development. Australian, State and Territory government expenditure on TAFE in government institutes also occurs through specifically targeted programs, such as the Productivity Places Program, which delivers training places for job-seekers and workers.

Prior to 2009, Australian Government expenditure on TAFE was administered by State and Territory governments through the Commonwealth-State Agreement for Skilling Australia's Workforce and other specific purpose payments outside these agreements.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on Australian, State and Territory government expenditure on government and non-government TAFE is the number of students enrolled in each course, the average hours of study per student, and the level of government expenditure for each type of course.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Hours of TAFE undertaken by students at government institutes ^a	NCVER Student and courses collection	2008-09	2010-11	2012-13	2015-16
Hours of TAFE undertaken by students at non-government institutes ^a	NCVER Student and courses collection	2008-09	2010-11	2012-13	2015-16

^a Data are the average of two years of enrolments.

0429 Tertiary education nec

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments may provide services that support tertiary education in Australia that cannot be allocated to university education or Technical and Further Education.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on Australian, State and Territory government expenditure on tertiary education not elsewhere classified are the number of students enrolled in university education and the number of students enrolled at Technical and Further Education.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Students enrolled at university plus students enrolled at Technical and Further Education.	DEEWR <i>Higher Education Statistics Collection</i>	2008-09	2010-11	2012-13	2015-16
	NCVER <i>Student and courses collection</i> ^a	2008-09	2010-11	2012-13	2015-16

^a Data are the average of two years of enrolments.

0431 Preschool education

The information on this category was last updated on:

31 August 2017

Service description

Preschool education is designed to bridge the gap between a home and school atmosphere and is generally attended the year before primary school. In Australia, preschools are owned and operated by either the government or non-government sector. Australian, State and Territory governments provide, regulate and fund government and non-government preschools (through a range of models).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on State and Territory government expenditure on education in government preschools are the number of students enrolled and the location of preschools.

The key cost driver of Australian Government expenditure on education in both government and non-government preschools is the number of students.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Students enrolled in government preschool education	DEEWR <i>National Preschool Census</i> Technical Report –earlier years ABS <i>Preschool Education Australia, 2016</i> (Cat. no. 4240.0)	August 2008	August 2010	August 2012	August 2016
Students enrolled in non-government preschool education	DEEWR <i>National Preschool Census</i> Technical Report – earlier years ABS <i>Preschool Education Australia, 2016</i> (Cat. no. 4240.0)	August 2008	August 2010	August 2012	August 2016

0432 Special education

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments provide, regulate, and administer special education. A school specifically established to provide special education can be owned and operated by the government or the non-government sector. This category does not include integrated funding support, where students with disability receive support to attend mainstream preschool, primary or secondary school classes.

State and territory government expenditure on special education occurs through a variety of funding models and some grants are also provided to non-government special schools.

Australian Government expenditure on special education is provided to both government and non-government special schools and occurs through targeted programs. Australian Government expenditure on special education in government special schools, such as schools grants, national projects and non-government support centres, is administered by the states and territories.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of Australian, State and Territory government expenditure on education in government special schools is the number of students enrolled in government special schools and (for State and Territory governments) the location of government special schools.

The key cost driver of Australian, State and Territory government expenditure on education in non-government special schools is the number of students enrolled in non-government special schools.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Special education students	Students enrolled at special schools administrative data (unpublished)	2008-09	2010-11	2012-13	2015-16

0439 Other education not definable by level

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments may have administration, inspection, support, operation of education programs that are not definable by level. For example, adult education courses which are essentially non-vocational and associated with leisure-time activities.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost driver of Australian, State and Territory government expenditure on other education not definable by level is the number of students enrolled in educational programs, which are not definable by level.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Resident population aged 0–24	ABS Australian Demographic Statistics (Cat. no. 3101.0); ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
No. of tertiary students	DEEWR Higher Education Statistics Collection	2008-09	2010-11	2012-13	2015-16

0441 Transportation of non-urban school students

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments provide transport services, such as contract bus services, and concessions, for school students in rural (non-urban) areas. In some jurisdictions, transport services (particularly concessions) may be offered by a private provider paid by the government.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>). Additional information is available in the Frequently Asked Questions addressing *Allocating State and Territory Government household concessions*, in chapter 5 of the Expenditure Data Manual.

Cost drivers

The key cost drivers of expenditure on transportation of non-urban school students are the number of school students using government subsidised non-urban transport and the average subsidy per student.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Other than 'major city resident population aged 5–19 (other than 'inner regional' for Tas & 'outer regional' for NT)	ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0); ABS Australian Demographic Statistics (Cat. no. 3101.0); Estimates of Aboriginal and Torres Strait Islander Australians, June 2011 (Cat. no. 3238.0.55.001); and ABS Population by Age and Sex, Regions of Australia, 2013 (Cat. no. 3235.0)	June 2009	June 2011	June 2013	June 2016

0449 Transportation of other students

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments provide transport services, such as contract bus services, and concessions, for school students in urban areas. In some jurisdictions, transport services (particularly concessions) may be offered by a private provider paid by the government.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>). Additional information is available in the Frequently Asked Questions addressing *Allocating State and Territory Government household concessions*, in chapter 5 of the Expenditure Data Manual.

Cost drivers

The key cost drivers of expenditure on transportation of other students are the number of students using government subsidised transport and the average subsidy per student.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
'Major city' resident population aged 5–19 ('Inner regional' for Tas, 'outer regional' for NT)	ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0); ABS Australian Demographic Statistics (Cat. 3101.0); ABS Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011 (Cat. no. 3238.0.55.001); and ABS Population by Age and Sex, Regions of Australia, 2013 (Cat. no. 3235)	June 2009	June 2011	June 2013	June 2016
'Major city' tertiary students ('Inner regional' for Tas, 'outer regional' for NT)	DEEWR Higher Education Statistics Collection; NCVER Student and courses collection	2008-09	2010-11	2012-13	2015-16

0449.1 Other transportation for school students

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments provide transport services, such as contract bus services, and concessions, for school students in urban areas. In some jurisdictions, transport services (particularly concessions) may be offered by a private provider paid by the government.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>). Additional information is available in the Frequently Asked Questions addressing *Allocating State and Territory Government household concessions*, in chapter 5 of the Expenditure Data Manual.

Cost drivers

The cost driver of expenditure related to *transportation of other students* (GPC 0449) are the number of students using government subsidised transport and the average subsidy per student.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
'Major city' resident population aged 5–19 ('Inner regional' for Tas, 'outer regional' for NT)	ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0); ABS Australian Demographic Statistics (Cat. 3101.0); ABS Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011 (Cat. no. 3238.0.55.001); and ABS Population by Age and Sex, Regions of Australia, 2013 (Cat. no. 3235)	June 2009	June 2011	June 2013	June 2016

0449.2 Transportation of tertiary students

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments provide transport services, such as contract bus services, and concessions, for those undertaking university education or technical and further education in urban areas. In some jurisdictions, transport services (particularly concessions) may be offered by a private provider paid by the government.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>). Additional information is available in the Frequently Asked Questions addressing *Allocating State and Territory Government household concessions*, in chapter 5 of the Expenditure Data Manual.

Cost drivers

The cost driver of expenditure related to *transportation of other students* (GPC 0449) are the number of students using government subsidised transport and the average subsidy per student.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
'Major city' resident population aged 5–19 ('Inner regional' for Tas, 'outer regional' for NT)	ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0); ABS Australian Demographic Statistics (Cat. 3101.0); ABS Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011 (Cat. no. 3238.0.55.001); and ABS Population by Age and Sex, Regions of Australia, 2013 (Cat. no. 3235)	June 2009	June 2011	June 2013	June 2016
'Major city' tertiary students ('Inner regional' for Tas, 'outer regional' for NT)	DEEWR Higher Education Statistics Collection; NCVER Student and courses collection	June 2009	June 2011	June 2013	June 2016

0490 Education nec

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments may provide services that support education in Australia that cannot be classified elsewhere.

This category includes Australian government financial assistance — such as income support payments to students (for example Austudy and ABSTUDY).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost driver of student financial assistance expenditure in this category is the number of students receiving student assistance and average level of that assistance.

The cost driver of all other education nec expenditure is the number of students using education services that cannot be allocated elsewhere.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Students receiving financial assistance	Australian Government Students receiving financial assistance administrative data	2008-09	2010-11	2012-13	2015-16
Resident population aged 0-24 ^a	ABS Australian Demographic Statistics (Cat. no. 3101.0); ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016

^a For all other education not elsewhere classified.

0490.1 Assistance for school education

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments may provide services that support education in Australia that cannot be classified elsewhere.

This category includes Australian government financial assistance — such as income support payments to students (for example Austudy and ABSTUDY).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost drivers of expenditure related to education nec (GPC 0490) were:

- *student financial assistance* — the number of students receiving student assistance and average level of that assistance, and
- *other assistance* — resident population aged 0–24.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
School students receiving financial assistance ^a	Australian Government Students receiving financial assistance administrative data	2008-09	2010-11	2012-13	2015-16
Resident population aged 0-24 ^b	ABS Australian Demographic Statistics (Cat. no. 3101.0); ABS Population estimates and projections, Aboriginal and Torres Strait Islander Australians, 2001-2026 (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016

^a For student financial assistance. ^b For all other education not elsewhere classified.

0490.2 Assistance for tertiary education

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments may provide services that support education in Australia that cannot be classified elsewhere.

This category includes Australian government financial assistance — such as income support payments to students (for example Austudy and ABSTUDY).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost driver of expenditure related to education nec (GPC 0490) were:

- *student financial assistance* — the number of students receiving student assistance and average level of that assistance, and
- *other assistance* — resident population aged 0–24.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Tertiary students receiving financial assistance ^a	Australian Government Students receiving financial assistance administrative data	2008-09	2010-11	2012-13	2015-16
No. of tertiary students	DEEWR Higher Education Statistics Collection (unpublished); NCVER Student and courses collection.	2008-09	2010-11	2012-13	2015-16

^a For student financial assistance. ^b For all other education not elsewhere classified.

GPC 05

HEALTH

0511 Admitted patient services in acute care institutions

The information on this category was last updated on:

31 August 2017

Service description

All people eligible for Medicare are entitled to a choice of free accommodation, medical, nursing, and other care as admitted patients in either State/Territory-owned hospitals, designated non-government religious and charitable hospitals, or in private hospitals that have made arrangements with governments to care for public patients. It is also possible to access treatment as a private patient in public or private hospitals with some assistance from government.

Australian, State and Territory government expenditure for this component of Medicare is administered under the National Healthcare Agreement and National Health Reform Agreement and relates to services provided by:

- hospitals, including psychiatric units in general hospitals
- drug and alcohol treatment facilities
- dental hospitals offering acute care
- free standing hospices offering palliative care to children and adults suffering from terminal illnesses
- free standing or same day clinics.

The AIHW maps this GPC category to NMDS codes 101, 102 and 199.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on admitted patient services in acute care institutions are:

- the number of admitted patients receiving services
- the nature of the treatment received
- the complexity of the underlying medical condition(s) on presentation (and possibly the extent of co-morbidity of the patient, if co-morbidity exists).

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

Measure	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measure used by the AIHW as a proxy for the cost driver of expenditure on admitted patient services in acute care institutions is:</p> <ul style="list-style-type: none">• data on hospital separations by Diagnosis Related Group.
<i>Indigenous status under-identification:</i>	<p>The AIHW completed an assessment of the level of Indigenous under-identification in admitted patient separations data in all states and territories by comparing hospital records with results from patient interviews (the hospital audit study).</p> <p>The audit of Indigenous identification levels in hospital admission records was undertaken by interviewing a sample of admitted patients in public hospitals about their Indigenous status and comparing it with the Indigenous status information recorded on the hospital's admission records. The audit is used to derive under-identification factors, which are then used in the compilation of admitted patient expenditure estimates in public hospitals.</p>
<i>Service delivery cost differential:</i>	<p>The AIHW calculates the cost differential using the Hospital Morbidity Costing Model, which applies Diagnosis Related Group weights and length of stay adjustment to both Aboriginal and Torres Strait Islander and non-Indigenous cases at the hospital levels. Therefore, the Hospital Morbidity Costing Model takes into account case-mix differences and the differences in the cost of providing treatment in different hospital types and in different regions.</p>

0512 Non-admitted patient services in acute care institutions

The information on this category was last updated on:

31 August 2017

Service description

Government provides expenditure on non-admitted patient services in acute care institutions for a range of purposes, including:

- *accident and emergency services* — non-admitted patients accessing accident and emergency services generally do so through a hospital emergency department, but who are not relocated to a hospital ward and are not admitted
- *outpatient clinics* — specialist outpatient clinics are provided free of charge to all public patients who are eligible for Medicare
- *outreach services* — outpatient assessment and treatment as well as home visits to acute care patients who cannot attend hospital clinics
- *other services* — community health services that are provided to non-admitted patients in the setting of an acute care institution, including community nursing services, public dental clinics, and alcohol and drug treatment services.

The AIHW maps services in this category to NMDS codes 302, 303, 304, 305, 306, 307, 308 309, 388 and 399.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost drivers of expenditure on non-admitted patient services in acute care institutions are:

- the number of non-admitted patients receiving services
- the nature of the treatment received
- the complexity of the underlying medical condition(s) on presentation (and possibly the extent of co-morbidity of the patient, if co-morbidity exists).

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measures that are used by the AIHW as proxies for the cost drivers of expenditure on non-admitted patients in acute care institutions are:</p> <ul style="list-style-type: none">• <i>NSW, Qld, SA, Tas and ACT</i> — hospital separations by Diagnosis Related Group (using a 10 per cent scale-up factor)• <i>Vic and WA</i> — emergency department presentations• <i>NT</i> — hospital separations by Diagnosis Related Group (using their own Aboriginal and Torres Strait Islander non-admitted patient proportion). <p>The AIHW derives Aboriginal and Torres Strait Islander non-admitted patient expenditure estimates using data provided from the states and territories and other information contained in the AIHW's health expenditure database.</p> <p>From analyses conducted by the AIHW it was found that, in general excluding the NT, non-admitted patient data shows a higher Aboriginal and Torres Strait Islander proportion compared to the Aboriginal and Torres Strait Islander proportion of admitted patient expenditure. In the NT, which is the jurisdiction with the most accurate information, it is consistently shown that there is a lower proportion of non-admitted patient services for Aboriginal and Torres Strait Islander Australians compared to the Aboriginal and Torres Strait Islander proportion of admitted patient costs.</p> <p>The Indigenous expenditure estimates for non-admitted patients in NSW, Qld, SA, Tasmania and the ACT were derived through the application of a 10 per cent scale-up factor to the admitted patient expenditure data from the AIHW's Hospital Morbidity Cost Model.</p> <p>The NT provided additional information which was then applied to derive a non-admitted patient estimate for the NT.</p> <p>For Victoria and WA, the non-admitted Indigenous expenditure estimate was derived using the emergency department presentation data from each jurisdiction to produce non-admitted patient expenditure estimates.</p>
<i>Indigenous status under-identification:</i>	<p>The AIHW completed an assessment of the level of Indigenous under-identification in admitted patient separations data in all states and territories by comparing hospital records with results from patient interviews (the hospital audit study).</p> <p><i>Note: the under-identification factors for non-admitted patients in acute-care institutions are assumed to be the same as the factors for admitted patients in acute care institutions.</i></p> <p>The audit of Indigenous identification levels in hospital admission records was undertaken by interviewing a sample of admitted patients in public hospitals about their Indigenous status and comparing it with the Indigenous status information recorded on the hospital's admission records. The audit is used to derive Indigenous under-identification factors, which are then used in the compilation of admitted patient expenditure estimates in public hospitals.</p>
<i>Service delivery cost differential:</i>	<p>The AIHW calculates the cost differential using estimates from the Hospital Morbidity Costing Model, which applies Diagnosis Related Group weights and length of stay adjustments to both Aboriginal and Torres Strait Islander and non-Indigenous cases at the individual hospital level.</p> <p>This approach takes into account differences in case-mix and also the cost of providing treatment in different types of hospitals in different regions.</p>

0520 Mental health institutions

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments have primary responsibility for:

- *psychiatric hospitals* — about 20 specialised psychiatric hospitals are operating nationwide. Public psychiatric facilities are provided by State and Territory health departments
- *psycho-geriatric nursing homes* — State and Territory health departments have expenditure on government-run psycho-geriatric nursing homes, with part of this funding coming from Commonwealth grants for general nursing home care.

The AIHW maps services in this category to NMDS codes 101 and 104.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for mental health institutions are:

- the number of patients receiving treatment in mental health institutions
- the extent of their needs and length of care.

The costs are assumed to be proportional to the number of patients in hospital (weighted by the nature of their treatment).

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
<ul style="list-style-type: none">• the number of patients receiving treatment in mental health institutions• the extent of their needs and length of care	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measures that are used by the AIHW as proxies for the cost drivers of expenditure on mental health institutions are:</p> <ul style="list-style-type: none">• the number of patients receiving treatment in mental health institutions• the extent of their needs and length of care.
<i>Indigenous status under-identification:</i>	<p>The AIHW completed an assessment of the level of Indigenous under-identification in admitted patient separations data in all states and territories by comparing hospital records with results from patient interviews (the hospital audit study).</p> <p>The audit of Indigenous identification levels in hospital admission records was undertaken by interviewing a sample of admitted patients in public hospitals about their Indigenous status and comparing it with the Indigenous status information recorded on the hospital's admission records. The audit is used to derive Indigenous under-identification factors, which are then used in the compilation of admitted patient expenditure estimates in public hospitals.</p>
<i>Service delivery cost differential:</i>	<p>The AIHW calculates the cost differential using estimates from the AIHW Hospital Morbidity Costing Model, which applies Diagnosis Related Group weights and length of stay adjustments to both Aboriginal and Torres Strait Islander and non-Indigenous cases at the individual hospital level.</p> <p>This approach takes into account differences in case-mix and also the cost of providing treatment in different types of hospitals in different regions.</p>

0530 Nursing homes for the aged

The information on this category was last updated on:

31 August 2017

Service description

Activities of State and Territory owned and operated residential aged care facilities — that are predominantly for high care needs. Note that all other activities related to the provision of residential aged care, including Australian Government subsidies, are allocated to *welfare services for the aged* (GPC 0622).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The costs of nursing homes for the aged are driven by the number of people receiving the respective service; the service mix provided to each recipient (that is, the specific level of each service component that makes up the total service package); and the average cost to government for these services. Average costs are determined by:

- the level of care required/provided
- the provision of culturally appropriate care
- the capacity of each recipient to pay for their own care
- the geographic and physical location of services.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
People receiving residential aged care services — permanent residents	AIHW <i>Residential Aged Care in Australia</i> (Cat. no. AGE 56) Australian Government administrative data for aged care (unpublished) (for data years 2010-11 and 2012-13) SCRGSP (2017) Report on Government Services 2017 Department of Health (unpublished); Victorian and WA governments (unpublished) (for 2015-16)	30 June 2009	30 June 2011	30 June 2013	30 June 2016

0541 Community mental health services

The information on this category was last updated on:

31 August 2017

Service description

For community mental health services in Australia, government has primary responsibility for:

- *mobile acute assessment services* — involving the coordination, monitoring and review of patients in the community mental health system, as well as mobile crisis treatment
- *treatment and case management services* — aim to organise appropriate treatment plans for patients — according to their specific needs — through a special case manager (such as social worker, psychiatric nurse, consultant psychiatrist, occupational therapist, medical officer or psychologist)
- *outreach programs* — community mental health outreach programs are identified separately from other health-related outreach services, which are categorised under non-admitted patient services in acute care institutions (GPC 0512)
- *community based residential services* — patients residing in 24-hour staffed mental health residential facilities are considered under this category. One example of this is Grow, a nationwide, independent community mental health organisation offering a live in rehabilitation program for those suffering mental illness. It relies heavily on community donations to fund its operation. Another example is Chiron, a community based residential facility run through the Victorian Department of Human Services for those living with psychiatric disability.

The AIHW maps services in this category to NMDS codes 201 and 301.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for community mental health services are:

- the number of patients receiving community mental health treatment
- the location where community mental health treatment is delivered. For example, whether in capital cities, remote or very remote locations
- the extent of patients' needs and length of care.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander Peoples reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measure used by AIHW for community mental health services is <i>Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions</i>.</p> <p>Estimation methods vary, but included identified Indigenous specific programs and grants and an estimation of the Aboriginal and Torres Strait Islander share of mainstream services based on service use.</p> <p>The AIHW does not explicitly publish expenditure estimates for Aboriginal and Torres Strait Islander community mental health services in its <i>Expenditure on Health for Aboriginal and Torres Strait Islander People</i> reports.</p> <p>However, information is provided by the states and territories which identifies expenditure on community mental health programs. It is relatively straightforward to estimate expenditure on community health services funded through Australian Government programs — as grants to Aboriginal Community Controlled Health Organisations (ACCHOs) fund the majority of them. However, funding to ACCHOs is also received from states and territories and medical services provided in ACCHOs are billed to Medicare. It is also assumed that around 12 per cent of all client contacts in ACCHOs are non-Indigenous Australians, which must be taken account when developing expenditure estimates.</p> <p>Data provided by the states and territories depends on the accuracy of information collected in administering community mental health programs and providing services to Aboriginal and Torres Strait Islander patients. The quality of this information varies across states and territories.</p>
<i>Indigenous status under-identification:</i>	<p>It is assumed that there is no Indigenous under-identification for this GPC category.</p>
<i>Service delivery cost differential:</i>	<p>It is assumed that there is no cost differential for this GPC category.</p>

0542 Patient transport

The information on this category was last updated on:

31 August 2017

Service description

Emergency transport in Australia is largely provided through State and Territory expenditure on patient transport via ambulance. However, people receiving ambulance care are obligated to pay a fee for the service, unless they are in receipt of selected welfare benefits or eligible for government subsidised transport. Governments may also allocate expenditure to not-for-profit organisations that provide patient transport services to the community.

Non-emergency patient transport services may include carrying patients on stretchers or in wheelchairs, road or air transport to medical treatment and standby services at public and sporting events. The cost of ambulance services present at events is met privately by the event organisers.

The non-emergency patient transport industry is managed by human services departments in each jurisdiction, where private patient transport providers are regulated to ensure operators are licensed and accredited. Private providers may also operate under contract with State ambulance services, international air ambulance and patient transport services, and the Department of Veterans' Affairs.

The AIHW maps services in this category to NMDS codes 501 and 502.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on patient transport are:

- the number of patients requiring patient transport services
- the type of services provided during transportation (chronic conditions or simple conditions)
- the type of transport required
- the location where the transport is provided and distance to hospital.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measure for patient transport is the <i>Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions</i>.</p> <p>Patient transport (or ambulance) services associated with out-patient or residential episodes to and from, health care facilities are provided by public or registered non-profit organisations.</p> <p>The AIHW obtains information about patient transport expenditure from the following sources:</p> <ul style="list-style-type: none">• at the Commonwealth level, data are provided by the Department of Health and Ageing and from the Department of Veterans' Affairs• at the state/territory level, data are provided by the jurisdictions• non-government expenditure on patient transport services undertaken by households, insurance funds (30 per cent rebate) and non-profit organisations. <p>The AIHW allocates patient transport for Aboriginal and Torres Strait Islander patients on a 50:50 split between primary care expenditure and secondary/tertiary expenditure. For non-Indigenous patients, a significant proportion of public expenditure on patient transport is spent on transport to, or between, hospitals or special units. That is, around 80 per cent falls into the tertiary care sector.</p>
<i>Indigenous status under-identification:</i>	<p>It is assumed that there is no Indigenous under-identification for this GPC category.</p>
<i>Service delivery cost differential:</i>	<p>It is assumed that there is no cost differential for this GPC category.</p>

0549.1 Other community health services — medical services subsidies

The information on this category was last updated on:

31 August 2017

Service description

In Australia, expenditure on community health services (0549) may include:

- *domiciliary nursing services*
- *well baby clinics*
- *family planning services*
- *alcohol and drug treatment programs*
- *federal subsidies for private medical and dental practitioners, optometrists, psychologists and other allied health practitioners* (GPC 0549.1) — Medicare subsidies are available through the Australian Government for a range of private medical, dental and allied health services.

Other community health services — medical services subsidies (GPC+ 0549.1) is a sub-category of other community health services (GPC 0549).

The AIHW map services in this category to NMDS codes 303 and 304.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for medical services are:

- the number of patients receiving medical services
- the extent of their needs and length of care
- the extent of co-morbidity (if present).

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of Medicare expenditure and adjusted based on Medicare's Voluntary Indigenous Identifier (VII)	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	The service use measure for medical services subsidies is derived from Medicare data that have been flagged with Medicare's Voluntary Indigenous Identifier (VII).
<i>Indigenous status under-identification:</i>	It is assumed that there is no Indigenous under-identification for this GPC category.
<i>Service delivery cost differential:</i>	It is assumed that there is no cost differential for this GPC category.

0549.2 Other community health services — other health practitioners

The information on this category was last updated on:

31 August 2017

Service description

In Australia, expenditure on community health services (GPC 0549) may include:

- *domiciliary nursing services* — provided to parents of newborn babies following birth, to prepare and support families in caring for their baby
- *well baby clinics* — to provide information and support to new parents on topics such as breastfeeding and child health, as well as offering services such as growth and weight developmental checks and immunisations
- *family planning services* — generally run by independent organisations that receive funding from government budgets to provide free information, advice and testing for pregnancy and sexually transmitted disease
- *alcohol and drug treatment programs* — these facilities may be managed by Human Services departments, local drug and alcohol administrative bodies, or through charitable organisations such as the Salvation Army. The services offered through these facilities may include: withdrawal management (detoxification); individual and group counselling; rehabilitation; pharmacotherapy (such as methadone treatment); education; and assessment in a non-residential setting
- *federal subsidies for private medical and dental practitioners, optometrists, psychologists and other allied health practitioners* — Medicare subsidies are available through the Australian Government for a range of private medical, dental and allied health services.

Other community health services — other health practitioners (GPC+ 0549.2) is a sub-category of other community health services (GPC 0549).

The AIHW map services in this category to NMDS codes 305, 308 and 388.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

This cost driver is based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measure for other community health practitioners is the <i>Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions</i>.</p> <p>Data are obtained principally from the State and Territory jurisdictions, along with non-government expenditure, which are sourced from data relating to private providers. Expenditure estimates in this category are calculated by the AIHW for both Aboriginal and Torres Strait Islander and non-Indigenous Australians.</p>
<i>Indigenous status under-identification:</i>	<p>It is assumed that there is no Indigenous under-identification for this GPC category.</p>
<i>Service delivery cost differential:</i>	<p>It is assumed that there is no cost differential for this GPC category.</p>

0549.3 Other community health services — community health

The information on this category was last updated on:

31 August 2017

Service description

In Australia, expenditure on community health services (GPC 0549) may include:

- *domiciliary nursing services* — provided to parents of newborn babies following birth, to prepare and support families in caring for their baby
- *well baby clinics* — to provide information and support to new parents on topics such as breastfeeding and child health, as well as offering services such as growth and weight developmental checks and immunisations
- *family planning services* — generally run by independent organisations that receive funding from government budgets to provide free information, advice and testing for pregnancy and sexually transmitted disease
- *alcohol and drug treatment programs* — these facilities may be managed by Human Services departments, local drug and alcohol administrative bodies, or through charitable organisations such as the Salvation Army. The services offered through these facilities may include: withdrawal management (detoxification); individual and group counselling; rehabilitation; pharmacotherapy (such as methadone treatment); education; and assessment in a non-residential setting

Other community health services — community health(GPC+ 0549.3) is a sub-category of other community health services (GPC 0549).

The AIHW maps services in this category to NMDS code 303, 304, 309, 503 and 599.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for other community health — community health are:

- the number of patients receiving community health care
- the extent of their needs
- the location of the patients and the community health centre (capital city or remote location)
- the length of care provided to the patient.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measure for community health is the <i>Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions</i>.</p> <p>Information is obtained from Commonwealth Government agencies such as the Department of Health and Ageing and the Department of Veterans' Affairs on expenditure for community health programs. For example, Aboriginal Controlled Community Health Organisations (ACCHOs). At the State and Territory level of expenditure on community health, the AIHW has found that it is more difficult to obtain precise information about expenditure on community health services as there are some deficiencies in patient-level data and records. However, the states and territories provide the AIHW with their best available estimates of expenditure given the lack of patient-level records and incomplete information.</p>
<i>Indigenous status under-identification:</i>	<p>It is assumed that there is no Indigenous under-identification for this GPC category.</p>
<i>Service delivery cost differential:</i>	<p>It is assumed that there is no cost differential for this GPC category.</p>

0549.4 Other community health services — dental services

The information on this category was last updated on:

31 August 2017

Service description

Medicare subsidies are available through the Australian Government for a range of private dental health services.

The AIHW map services in this category to NMDS code 306.

Other community health services — dental health (GPC+ 0549.4) is a sub-category of other community health services (GPC 0549).

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for dental services are:

- the number of patients receiving dental services
- the nature of the dental treatment (whether a simple or complex dental procedure)
- the location of the patient and dental service provision
- the length or treatment required to correct dental problems.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

AIHW method

<i>Service use measures:</i>	The service use measure for dental health is the <i>Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions</i> . Data are obtained principally from the State and Territory jurisdictions, along with non-government expenditure, which are sourced from data relating to private providers. Expenditure estimates in this category are calculated by the AIHW for both Aboriginal and Torres Strait Islander and non-Indigenous Australians.
<i>Indigenous status under-identification:</i>	It is assumed that there is no Indigenous under-identification for this GPC category.
<i>Service delivery cost differential:</i>	It is assumed that there is no cost differential for this GPC category.

0550 Public health services

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government Department of Health and Ageing is responsible for a number of health initiatives to promote population health issues. At the State and Territory level, different jurisdictions have their own arrangements in regard to population health.

Within states and territories, local government bodies have a role in providing public health services, as determined by the respective Health Acts and Local Government Acts. The role of local councils will vary in accordance with their type (rural or metropolitan) and the nature and scope of local needs.

Similarly, preventative health activities are also split between different levels of government. The Australian Government Department of Health and Ageing educates consumers and health practitioners about preventative health issues including: minimising the spread of influenza; publishing national guidelines on nutrition and physical activity requirements; and program implementation.

Expenditures are made by all levels of government in the following public health service areas:

- health promotion campaigns
- occupational health and safety
- food standards regulation
- environmental health
- nutrition services
- communicable disease surveillance and control
- immunisation
- breast cancer
- screening for childhood diseases.

The AIHW maps services in this category to NMDS codes 401 to 409 and 499.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for public health services are:

- the size of the target populations within the defined scope of the public health program
- the number of people expected to receive services from the public health program
- the cost of the program's delivery to the target (and actual) population of recipients
- operational, legal and administrative costs involved in the programs
- the length of time that the program is conducted.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

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Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

AIHW method

Service use measures:	<p>The service use measure for public health services is the <i>Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions</i>.</p> <p>The AIHW produces estimates of public health expenditure (split by Aboriginal and Torres Strait Islander and non-Indigenous Australians) as part of its <i>Expenditure on Health for Aboriginal and Torres Strait Islander People</i> report.</p> <p>Data are obtained for Commonwealth and state/territory government expenditure on public health programs at an aggregate level. However, the AIHW does not obtain information that would enable it to produce splits by Aboriginal and Torres Strait Islander/non-Indigenous for each of the nine public health reporting categories, as this information is not available across all jurisdictions.</p> <p>Attempting to produce Indigenous expenditure estimates for the nine reporting categories would result in estimates not considered robust enough for publication and use by stakeholders.</p>
Indigenous status under-identification:	<p>It is assumed that there is no Indigenous under-identification for this GPC category.</p>
Service delivery cost differential:	<p>It is assumed that there is no cost differential for this GPC category.</p>

0560.1 Pharmaceuticals, medical aids and appliances — benefit-paid pharmaceuticals

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government has expenditures on pharmaceuticals provided outside of hospitals through the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS). This allows Medicare patients to purchase pharmacy prescription medications that have been approved under the scheme at a standard subsidised price.

The AIHW maps services in this category to NMDS code 503.

Pharmaceuticals, medical aids and appliances — benefit-paid pharmaceuticals is a sub-category of pharmaceuticals, medical aids and appliances (GPC 0560).

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for benefit-paid pharmaceuticals are:

- the demand for PBS and RPBS medications in the Australian community
- the cost of subsidising PBS and RPBS medications as part of the programs (and patient contributions to the cost of supplying the pharmaceutical)
- whether a patent is held for a specific pharmaceutical (if a patent has expired, then it is possible for generic versions of the pharmaceutical to enter the market and lower costs of supply)
- the number of approved pharmaceuticals included on the PBS and RPBS lists
- operational and administrative costs associated with running the schemes
- whether competition exists in the pharmaceuticals market (branded and generic pharmaceuticals)
- standards and regulations legislated by the Commonwealth Government.

Patient contributions — under the PBS, there is a maximum cost for a pharmaceutical benefit item at a pharmacy for general patients and concessional patients. The remainder is paid by the Government.

General patients who reach the Safety Net threshold and have a Safety Net concession card only pay the standard concessional patient contribution for PBS items.

Concessional patients who reach the Safety Net threshold and have a Safety Net entitlement card receive PBS items for free. The concessional Safety Net threshold also applies to gold, white, or orange card holders under the RPBS.

The patient contribution rates are usually adjusted on 1 January each year.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

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Service use measures

Measure	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of Medicare expenditure and adjusted based on Medicare's Voluntary Indigenous Identifier (VII)	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

AIHW method

<i>Service use measures:</i>	<p>The service use measure for benefit-paid pharmaceuticals is derived from Medicare data that have been flagged with Medicare's Voluntary Indigenous Identifier (VII).</p> <p>The AIHW derives estimates of expenditure on benefit-paid pharmaceuticals for Aboriginal and Torres Strait Islander Australians using Medicare's Voluntary Indigenous Identifier (VII) data to estimate prescription pharmaceuticals provided to them. This approach is an improvement on the methodology used in earlier reports and was first introduced in the AIHW' <i>Expenditure on Health for Aboriginal and Torres Strait Islander People, 2006-07</i> report.</p>
<i>Indigenous status under-identification:</i>	It is assumed that there is no Indigenous under-identification for this GPC category.
<i>Service delivery cost differential:</i>	It is assumed that there is no cost differential for this GPC category.

0560.2 Pharmaceuticals, medical aids and appliances — other medications

The information on this category was last updated on:

31 August 2017

Service description

Any government expenditure on medications and medical products that are not listed under the PBS or RPBS, such as complementary therapies that attract government funding, or supplies of medical products such as bandages outside of hospital, are considered as other medications.

The AIHW maps services in this category to NMDS codes 503 and 599.

Pharmaceuticals, medical aids and appliances — other medications is a sub-category of pharmaceuticals, medical aids and appliances (GPC 0560).

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of other medications is the patient demand for medications not listed under the PBS or RPBS (but are provided by government).

This cost driver is based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

AIHW method

<i>Service use measures:</i>	The service use measure recorded for other medications is derived from Medicare data that have been flagged with Medicare's Voluntary Indigenous Identifier (VII), as there is no service use measure recorded for other medications, in expenditure data obtained from other jurisdictions. While data is relatively robust for the Commonwealth and across the states and territories for some components of Other medication expenditure, it is difficult to accurately measure how much Aboriginal and Torres Strait Islander Australians pay (in out-of-pocket terms) for over-the-counter medicines and for medical non-durables.
<i>Indigenous status under-identification:</i>	It is assumed that there is no Indigenous under-identification for this GPC category.
<i>Service delivery cost differential:</i>	It is assumed that there is no cost differential for this GPC category.

0560.3 Pharmaceuticals, medical aids and appliances — aids and appliances

The information on this category was last updated on:

31 August 2017

Service description

Australian Government has expenditure on aids and appliances used for health purposes and supplied in an ambulatory setting, such as glasses, hearing aids, wheel chairs and other medical prostheses (outside of those used in operations) through hospitals and under the Medicare system. In some cases, State, Territory and community organisations may also contribute to providing these services.

The AIHW maps services in this category to NMDS code 504.

Pharmaceuticals, medical aids and appliances — aids and appliances is a sub-category of pharmaceuticals, medical aids and appliances (GPC 0560).

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on aids and appliances are:

- the demand for medical aids and appliances by patients
- the cost of medical professionals and other staff involved in the assessment and consultation with patients requiring medical aids and appliances
- ongoing support and evaluation of patients and other remedial activities associated with medical aids and appliances.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander share of expenditure on medical services provided under Medicare	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	The service use measure for aids and appliances is derived from Medicare data that have been flagged with Medicare's Voluntary Indigenous Identifier (VII).
<i>Indigenous status under-identification:</i>	It is assumed that there is no Indigenous under-identification for this GPC category.
<i>Service delivery cost differential:</i>	It is assumed that there is no cost differential for this GPC category.

0570 Health research

The information on this category was last updated on:

31 August 2017

Service description

There are a number of health research organisations in Australia, operating in the government, academic and not-for-profit sectors.

The National Health and Medical Research Council (NHMRC) is Australia's primary health research institution operating at a national level. However, there are numerous smaller health research organisations, ranging from independent non-profit bodies to university research centres and hospital research programs.

A range of specific research institutions contribute to public health research efforts in Australia including centres which focus on women's and children's health, chronic illnesses and drugs and alcohol. State Government health departments also commonly employ their own in house research units.

The AIHW maps services in this category to NMDS codes 410 and 506.

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Indigenous Expenditure Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers for health research are:

- commitments by health research organisations to undertake research that aligns with *Closing the Gap* policy initiatives of the Australian Government and State/Territory governments and other policy settings
- research organisations' bids and applications for health research funding for Indigenous health and the success of their applications (given other health research priorities)
- the prevalence and extent of health related conditions in the Aboriginal and Torres Strait Islander population, where health related research would provide significant improvements in alleviating these conditions (these conditions may be observed to a lesser extent in the non-Indigenous population).

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander proportion of resident population	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	<p>The service use measure for health research is the <i>Aboriginal and Torres Strait Islander proportion of the resident population</i>.</p> <p>Data on health research is provided to the AIHW at the Commonwealth, State/Territory and non-government level. Information is sourced from DoHA (grants to the NHMRC), DVA, grants to universities, state/territory jurisdictions and the non-government sector.</p> <p>The AIHW then undertakes a process of determining the most appropriate way to apportion total health research expenditure for Indigenous health related research.</p>
<i>Indigenous status under-identification:</i>	<p>It is assumed that there is no Indigenous under-identification for this GPC category.</p>
<i>Service delivery cost differential:</i>	<p>It is assumed that there is no cost differential for this GPC category.</p>

0590.1 Health administration nec — private health insurance subsidies

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government provides private health insurance subsidies to encourage people to take out and maintain private health insurance. Private health insurance subsidies are provided to all Australians who are eligible for Medicare and hold hospital and/or general treatment (ancillary or extras) policies with approved private health insurers.

The AIHW maps services in this category to NMDS code 123.

Health administration nec — general health administration is a sub-category of health administration nec (GPC 0590).

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report are presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on private health insurance subsidies are the number of people with private health insurance cover and the level of support provided by government.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Number of people with private health insurance for hospital cover	Private Health Insurance Administration Council 2011, Quarterly Statistics December 2011, Canberra	Average of December 2008 and 2009	Average of December 2010 and 2011	Average of December 2012 and 2013	Average of December 2015 and 2016
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	ABS National Aboriginal and Torres Strait Islander Health Survey 2004-05 and 2012-13 and ABS Australian Health Survey, 2011-13	2004-05	2011-13	2011-13	2012-13

AIHW method

<i>Service use measures:</i>	The AIHW obtains information on private health insurance subsidies from a number of sources. This include the Australian Taxation Office expenditure on administration of health insurance subsidies or administration of health funds by private health insurance companies.
<i>Indigenous status under-identification:</i>	It is assumed that there is no Indigenous under-identification for this GPC category.
<i>Service delivery cost differential:</i>	It is assumed that there is no cost differential for this GPC category.

0590.2 Health administration nec — general health administration

The information on this category was last updated on:

31 August 2017

Service description

A number of national bodies operate to administer health policy and regulation of services. For example, the Australian Commission on Safety and Quality in Health Care — which receives expenditure from all levels of government — exists to improve safety and quality in the Australian health care system. In addition, the Australian Medical Council works as an independent body to promote standards in medical education and training.

Administrative bodies also operate at the State level to investigate, plan, research and conduct health services within the jurisdiction.

Other administrative activities of this nature would be incorporated into individual health programs, for which jurisdictional health departments take responsibility. For this reason they will not be separately identified as health administration.

The AIHW maps services in this category to NMDS code 505.

Health administration nec — general health administration is a sub-category of health administration nec (GPC 0590).

An overview of how the AIHW method has been adapted for the Indigenous Expenditure Report, and the service use measures, Indigenous under-identification, and cost differential factors provided by the AIHW for the 2017 Report is presented in section 5.1.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on health administration are:

- the number of people covered by the scheme or program
- the level of complexity of the scheme/programs operations
- operational and administration of schemes/programs
- changes to schemes and programs as a result of policy changes
- costs involved in developing and maintaining systems to support the schemes/programs.

These cost drivers are based on development and research undertaken by the AIHW for the Expenditure on Health for Aboriginal and Torres Strait Islander People reports.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander share of expenditure provided by jurisdictions	Unpublished AIHW estimates based on <i>AIHW Expenditure on Health for Aboriginal and Torres Strait Islander People</i>	2008-09	2010-11	2013-14	2013-14

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AIHW method

<i>Service use measures:</i>	The service use measure for health administration not elsewhere classified is the <i>Aboriginal and Torres Strait Islander proportion of the resident population</i> . The AIHW classifies a proportion of this expenditure as expenditure for Aboriginal and Torres Strait Islander Australians based on population proportions and other information obtained from data suppliers that are able to directly identify administration expenses, which can be directly related to the administration of Indigenous health programs.
<i>Indigenous status under-identification:</i>	It is assumed that there is no Indigenous under-identification for this GPC category.
<i>Service delivery cost differential:</i>	It is assumed that there is no cost differential for this GPC category.

GPC 06

SOCIAL SECURITY AND
WELFARE

0610 Social security

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government provides a range of income support payments to individuals and families to ensure they maintain an adequate means of support. There are eight broad categories of social security:

- assistance to veterans and dependants
- assistance to people with disability
- assistance to the aged
- assistance to the unemployed
- assistance to family and children
- concessions and allowances to low-income earners
- assistance to widows, deserted wives, divorcees and orphans
- assistance to the vulnerable and people in special circumstances.

Concessions and allowances to low-income earners can also include a range of price concession programs provided by State and Territory governments. For example, energy concessions (including gas and electricity services) and municipal property charges concessions (including council rates and stamp duty).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on social security payments provided by the Australian Government are the number of people that receive the benefit and the level of benefit paid to the individual and/or family.

The key cost drivers of expenditure on State and Territory government expenditure on social security are the number of people that qualify to receive government concessions and allowances, and the level of benefit provided.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Recipients of veterans and dependants benefits	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	..
Resident population aged 60 and over (as a proxy for above)	ABS Australian Demographic Statistics (Cat. no. 3101.0); ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0)	30 June 2016

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		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Recipients of permanent disability benefits	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016
Recipients of old age benefits	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016
Recipients of unemployment benefits	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016
Recipients of family and child benefits	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016
Australian Government concession card holders	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016
Recipients of widows, deserted wives, divorcees and orphans benefits	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016
Recipients of crisis or disaster benefits	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016

0621.1 Child care services

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments provide services that support the care and development of young children. Both levels of government help fund services, provide information and advice to parents and service providers, and help plan, set and maintain operating standards.

The expenditure of Australian, State and Territory governments on child care services can be grouped under three categories:

- *subsidies for child care services* — the Australian Government provides child care subsidy programs, which are payments made directly to families or to child care providers
- *child care industry regulation and support* — governments also provide child care industry regulation and support services that are designed to promote a high standard of child care
- *government owned and operated child care centres* — child care services are generally owned and operated by religious, private for-profit, community based, charity or local government providers. State and territory governments also own and operate some child care facilities.

Child care services is a sub-category of family and child welfare services (GPC 0621).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on child care services are the number of children receiving each type of child care service, the average hour of care per child for each type of child care service and the level of subsidy provided per hour for each type of child care service.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Children aged 0–12 years attending Australian Government approved child care services	Australian Government administrative data for child care services (unpublished)	23-29 March 2009	March quarter 2011	March quarter 2013	March quarter 2016

0621.2 Child protection and out-of-home care services

The information on this category was last updated on:

31 August 2017

Service description

Child protection services are provided to protect children and/or young people aged 0–17 years who are at risk of harm within their families, or whose families do not have the capacity to protect them. Child protection services can be grouped under four categories:

- *child protection notifications* — State and Territory departments with responsibility for child protection are notified of concerns about the wellbeing of children
- *child protection investigations and substantiations* — the investigation process determines whether the notification is substantiated or not substantiated
- *child protection intervention* — including one or more of: referral to other services; supervision and support; an application to court; or placement in out-of-home care
- *care and protection orders* — usually a last resort, recourse to the court may take place at any point in the child protection investigation process. The types of order available vary across jurisdictions and may include guardianship or custody orders, supervisory orders and interim and temporary orders.

Out-of-home care is one of a range of services provided to families and children where there is a need to provide safe care for a child. The services are intended to place a child in out-of-home care only if this will improve the outcome for the child and only when it is not possible to support and protect the child within their family home. If it is necessary to remove the child from his or her home, then placement with the wider family or community is sought where possible, particularly in the case of Aboriginal and Torres Strait Islander children.

Child protection and out-of-home care services is a sub-category of family and child welfare services (GPC 0621).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on child protection and out-of-home care services are the number of children entering the child protection system, their location, and the complexity of their cases. The complexity of child protection cases relates to the seriousness of the protection case, language, and previous interactions with the child protection system.

The cost of providing out-of-home care to Aboriginal and Torres Strait Islander children may also be higher due to the government's desire to place Aboriginal and Torres Strait Islander children with Aboriginal and Torres Strait Islander families.

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Service use measures

Measure	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Children aged 0–17 years in substantiations or notifications	AIHW <i>Child protection Australia</i> 2008-09 (Cat. no. CWS 35)	2008-09	2010-11	2012-13	2015-16
	AIHW <i>Child protection Australia</i> 2010-11 (Cat. no. CWS 41)				
	AIHW <i>Child protection Australia</i> 2012-13 (Cat. no. CWS 49)				
	SCRGSP (2017) Report on Government Services State and Territory Governments (unpublished)				
Children aged 0–17 years receiving out-of-home care services	AIHW <i>Child protection Australia</i> (Cat. no. CWS 35)	2008-09	2010-11	2012-13	2015-16
	AIHW <i>Child protection Australia</i> 2010-11 (Cat. no. CWS 41)				
	AIHW <i>Child protection Australia</i> 2012-13 (Cat. no. CWS 49)				
	SCRGSP 2017 Report on Government Services State and Territory Governments (unpublished)				

0621.3 General family and youth support services

The information on this category was last updated on:

31 August 2017

Service description

General family and youth support services can be grouped under three categories:

- *family support* — a range of services that are typically associated with the identification of family needs, provision of support and diversionary services, some counselling, and linking families to support networks
- *intensive family support* — a range of services that are typically associated with the provision of therapeutic and in-home supports (such as counselling and mediation), modelling of positive parenting strategies, referrals to intensive support services, advocacy services, and intensive support for a family in a residential setting
- *child support payments* — the Child Support Agency administers child support payments for separated parents. Key activities include registering cases, assessing the level of child support payable, collecting child support payments, and providing general information to parents about child support requirements.

General family and youth support services is a sub-category of family and child welfare services (GPC 0621).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on family support (including intensive family support) relate to the number of people receiving general family and youth support services, their location, and the complexity of their cases (which can relate to the degree of support required).

The key cost drivers of expenditure on child support services relate to the number of people entering the child support system and the level of child support payments being administered.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Children aged 0–17 years receiving intensive family support services	AIHW Intensive Family Support Services Australia data collection (unpublished data) SCRGSP (2017) Report on Government Services State and Territory governments (unpublished)	2008-09	2010-11	2012-13	2015-16
Recipients of child support payments	Australian Government administrative data for child support recipients (unpublished)	2008-09	2010-11	2012-13	2012-13

0621.4 Homeless persons' assistance for young people

The information on this category was last updated on:

31 August 2017

Service description

Homeless persons' assistance for young people includes transitional supported accommodation, counselling, advocacy, links to housing, and outreach support services. For homeless persons' assistance, 'young people' are defined as assistance provided to homeless people that are aged 0–24 years.

Homeless persons' assistance for young people is a sub-category of family and child welfare services (GPC 0621).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on homeless persons' assistance are driven by the number of young people receiving homeless persons' assistance, as well as the average cost of assistance.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Supported periods for Supported Accommodation Assistance Program (SAAP) clients aged 0–24 years	AIHW Supported Accommodation Assistance Program Client Collection (unpublished)	2008-09	2010-11	..	..
Supported periods for specialist homelessness services clients aged 0–24 years	AIHW Specialist Homelessness Services data collection (unpublished)	..	..	2012-13	2015-16

0622 Welfare services for the aged

The information on this category was last updated on:

31 August 2017

Service description

When determining the need (and related funding) for aged care services, the Australian Government uses age as a proxy for likely demand for services:

- Aboriginal and Torres Strait Islander Australians — the population of people aged 50 years or over is used, because Aboriginal and Torres Strait Islander Australians often require aged care support at a younger age
- non-Indigenous Australians — the population of people aged 70 years or over is used as a proxy for the population cohort that is most likely to need aged care services.

The Australian Government aged care services can be grouped under four broad categories:

- *residential aged care services* — provide permanent high and low level care, and respite high and low level care. Residential aged care is predominantly financed and regulated by the Australian Government, through subsidies paid directly to approved care providers, which are generally owned and operated by religious, private for-profit, community based, charity and local government providers. State and territory governments also own and operate some residential aged care facilities
- *community aged care services* — include home-based care and assistance to enable elderly frail people to remain in their own homes as an alternative to residential care. Current services available in Australia include:
 - Commonwealth Home Support Program (CHSP) — officially replaced four separate home care and support programs from 1 July 2015 (except in Victoria and WA)
 - Home care levels 1–4 — provided by the Australian Government via subsidies paid directly to approved providers
 - flexible aged care services — offers coordinated, managed and individually tailored care to assist frail aged people with complex care needs to stay in their homes as an alternative to high level residential care. This includes services provided under the Extended Aged Care at Home (EACH) and EACH-Dementia (EACH-D) programs.
- *mixed delivery setting services* — targeted flexible care services to address the care needs of recipients other than that provided in mainstream residential and community care. This includes services provided under the Transition Care Program (TCP), Multi-Purpose Service Program (MPS), Innovative Care Pool (ICP) and National Aboriginal and Torres Strait Islander Flexible Aged Care Program.
- *support services for the aged* — programs that promote the health and participation of older Australians in the community, and programs that support and regulate the aged care industry.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost driver for support services for the aged is the size of the aged population requiring support.

The costs of all other welfare services for the aged are driven by the same factors. These are: the number of people receiving the respective service; the service mix provided to each recipient (that is, the specific level of each service component that makes up the total service package); and the average cost to government for these services. Average costs are determined by:

- the level of care required/provided
- *the provision of culturally appropriate care*
- the capacity of each recipient to pay for their own care

the geographic and physical location of services.

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Service use measures

Measure	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Resident aged population (Aboriginal and Torres Strait Islander Australians aged 50 years or over and non-Indigenous Australians aged 70 years or over)	ABS Estimates and Projections, Indigenous Australians, 2001 to 2021 (cat. no. 3238.0); ABS Australian Demographic Statistics (cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016
People receiving permanent and respite residential aged care services	AIHW <i>Residential Aged Care in Australia 2009-10</i> (Cat. no. AGE 66) Australian Government administrative data for aged care (unpublished) (for data years 2010-11 and 2012-13) SCRGSP (2017) Report on Government Services 2017 Department of Health (unpublished); Victorian and WA governments (unpublished) (for 2015-16)	30 June 2009	30 June 2011	30 June 2013	30 June 2016
People receiving home and community care services	DoHA Home and Community Care Minimum Data Set (unpublished)	2008-09	2010-11	2012-13	2012-13
People receiving services provided under Community Aged Care Packages	AIHW <i>Aged Care Packages in the Community 2008-09</i> (Cat. no. AGE 65) Australian Government administrative data for aged care (unpublished) (for data years 2010-11 and 2012-13) SCRGSP (2017) Report on Government Services 2017 Department of Health (unpublished); Victorian and WA governments (for 2015-16) (unpublished).	30 June 2009	30 June 2011	30 June 2013	30 June 2016

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		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
People receiving services provided under EACH and EACH-D programs	AIHW <i>Aged Care Packages in the Community 2008-09</i> (Cat. no. AGE 65) Australian Government administrative data for aged care (unpublished) (for data years 2010-11 and 2012-13) SCRGSP (2017) Report on Government Services 2017 Department of Health (unpublished); Victorian and WA governments (for 2015-16) (unpublished).	30 June 2009	30 June 2011	30 June 2013	30 June 2016
People receiving services provided under the Transition Care Program	Australian Government administrative data for aged care (unpublished) SCRGSP (2017) Report on Government Services 2017 Department of Health (unpublished); Victorian and WA governments (for 2015-16) (unpublished).	30 June 2009	30 June 2011	30 June 2013	30 June 2016

0623 Welfare services for people with a disability

The information on this category was last updated on:

31 August 2017

Service description

Welfare services for people with a disability are provided on the basis of functional disability of the recipients. The determination of functional disability and need (and who makes the determination) is dependent on the welfare program.

Welfare services for people with a disability can be grouped under four categories:

- *accommodation support* — services that support a person with disability to remain in their existing accommodation, or to move to more suitable or appropriate accommodation. Including group homes, attendant/personal care, special residential facilities, and in home support
- *community support* — services that support a person with disability to live in a non-institutional setting, such as therapy support, behaviour/specialist intervention and counselling
- *community access* — services to provide opportunities for people with disability to gain and use their abilities to enjoy their full potential for social independence. People who do not attend school, or who are not employed full-time, are the main users of these services. The category includes learning and life skills development and recreation programs
- *other disability support* — include services related to respite care, employment, and advocacy, information, research, and training.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The cost drivers for the different types of disability support are dependent on the number of people with disability receiving government support or access programs (as either accommodation, community or other support), the service mix provided to these recipients, the location of accommodation support and the extent of care required by recipients.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Recipients of accommodation support services	AIHW Disability Services National Minimum Data Set; Commonwealth State/Territory Disability Agreement National Minimum Data Set (unpublished); SCRGSP (2017) Report on Government Services 2017	2008-09	2010-11	2011-12	2014-15
Recipients of community support services	AIHW Disability Services National Minimum Data Set; Commonwealth State/Territory Disability Agreement National Minimum Data Set (unpublished); SCRGSP (2017) Report on Government Services 2017	2008-09	2010-11	2011-12	2014-15

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		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Recipients of community access services	AIHW Commonwealth State/Territory Disability Agreement National Minimum Data Set (unpublished); SCRGSP (2017) Report on Government Services 2017	2008-09	2010-11	2011-12	2014-15
Recipients of respite services	AIHW Commonwealth State/Territory Disability Agreement National Minimum Data Set (unpublished); SCRGSP (2017) Report on Government Services 2017	2008-09	2010-11	2011-12	2014-15
Aboriginal and Torres Strait Islander share of disability employment services (Australian Government only)	Australian Government administrative data (unpublished)	June 2009	2010-11	2012-13	2015-16
Recipients of employment services	AIHW Commonwealth State/Territory Disability Agreement National Minimum Data Set (unpublished); SCRGSP (2017) Report on Government Services 2017	2008-09	2010-11	2011-12	2014-15

0629.1 Homeless persons' assistance for people other than youth

The information on this category was last updated on:

31 August 2017

Service description

Homeless persons' assistance for people other than youth includes transitional supported accommodation, health, employment, and counselling services. For homeless persons' assistance, 'other than youth' is defined as assistance provided to homeless people that are aged 25 years and over.

Homeless persons' assistance for people other than youth is a sub-category of welfare services not elsewhere classified (GPC 0621).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017/>).

Cost drivers

Costs of homeless persons' assistance are driven by the number of people aged 25 years and over receiving homeless persons' assistance, as well as the average cost of assistance.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Supported periods for Supported Accommodation Assistance Program (SAAP) clients aged 25 years and over	AIHW Supported Accommodation Assistance Program Client Collection (unpublished)	2008-09	2010-11	..	..
Supported periods for specialist homelessness services clients aged 25 years and over	AIHW Specialist Homelessness Services data collection (unpublished)	..	..	2012-13	2015-16

0629.2 Other welfare services

The information on this category was last updated on:

31 August 2017

Service description

Welfare services not elsewhere classified can be grouped under five categories:

- *Indigenous advancement programs* — general or whole of community Indigenous support
- *superannuation support programs* — the Australian Government Superannuation Co-contribution Scheme makes a financial contribution to low income earners' superannuation accounts
- *financial assistance and concessions* — price concessions to people with special needs, where eligibility does not include an income test
- *community welfare and support* — welfare and support programs covering areas such as support for women, citizenship, and social cohesion
- *tax bonus* — one-off payments related to the Australian Government global financial crisis stimulus bonus for working families package.

Other welfare services is a sub-category of welfare services not elsewhere classified (GPC 0621).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on Indigenous advancement programs is the number of Aboriginal and Torres Strait Islander Australians.

Expenditure on Indigenous advancement programs is solely provided to Aboriginal and Torres Strait Islander Australians. As such, all expenditure is classified as Indigenous specific. Accordingly, there is no mainstream expenditure for this category, and no apportionment between Indigenous and non-Indigenous expenditure is required.

For superannuation support, costs are driven by the number of people eligible for superannuation support programs, as well as the level of assistance provided.

Costs of financial assistance and concessions are driven by the number of people receiving assistance, as well as the average cost of assistance.

The main cost driver for community welfare and support is the resident population.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Census population that qualify for super contribution	ABS Census of Population and Housing — Gross individual income (weekly) by Indigenous status	August 2006	August 2006	August 2011	August 2011
Australian Government concession card holders	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	June 2013	June 2016

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(continued)

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Census population that qualify for the tax bonus	ABS Census of Population and Housing — Gross individual income (weekly) by Indigenous status	August 2006	August 2006	August 2011	August 2011
Aboriginal and Torres Strait Islander population	ABS Estimates and Projections, Indigenous Australians, 2001 to 2021 (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population ^a	ABS Australian Demographic Statistics (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0690 Social security and welfare nec

The information on this category was last updated on:

31 August 2017

Service description

Social security and welfare services not elsewhere classified predominantly include expenditure on social security payments and related services provided by the Australian Government.

Some states and territories also have expenditure on social security and welfare services not elsewhere classified. For example victims of crime programs — payments and services provided by the government and external providers to support victims in their recovery from the impacts of crime.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The main cost drivers of expenditure on social security and welfare not elsewhere classified are the number of people eligible for social security support, and the location of those individuals who receive social security assistance.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Australian Government concession card holders	Australian Government administrative data for income support payments (unpublished)	30 June 2009	30 June 2011	30 June 2013	30 June 2016

GPC 07

HOUSING AND COMMUNITY
AMENITIES

0711.1 Home purchase and home ownership assistance

The information on this category was last updated on:

31 August 2017

Service description

In Australia, government expenditure on home purchase and home ownership assistance is mainly in the areas of financial assistance to make home ownership achievable (typically for first home buyers) through grants and concessions.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on home purchase assistance are the number of first home buyers, the number of applications approved, and the level of assistance provided. This data is not available by Indigenous status so the number of dwellings identified as 'being purchased' is used as a proxy.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Dwellings being purchased	State and Territory administrative data except for Tasmania, the ACT and the NT for which data were sourced from AIHW Home purchase assistance collection, Housing Assistance in Australia	2007-08	2010-11	2012-13	..
	State and Territory administrative data except for Tasmania, and the NT for which data were sourced from ABS 2014-15 National Aboriginal and Torres Strait Islander Social Survey (Cat. no. 4714.0); and <i>ABS (unpublished) General Social Survey 2014</i>	..	..	..	2015-16

0711.2 Social housing

The information on this category was last updated on:

31 August 2017

Service description

In Australia, government expenditure on social housing is mainly in the areas of:

- *public housing* — dwellings owned (or leased) and managed by State and Territory housing authorities to provide affordable rental accommodation
- *community housing* — rental housing provided for low to moderate income or special needs households, managed by community-based organisations that are at least partly subsidised by government
- *Indigenous Community Housing* — where government expenditure on Indigenous Community Housing can be separately identified, this should be defined as Indigenous Specific Expenditure
- *State Owned and Managed Indigenous housing* — State owned and managed housing targeted at Aboriginal and Torres Strait Islander households — where government expenditure on SOMIH is separately identified, this should be defined as Indigenous Specific Expenditure.

Expenditure on *Indigenous Community Housing* and *State Owned and Managed Indigenous housing* is assumed to be solely provided to Aboriginal and Torres Strait Islander Australians. As such, all expenditure is classified as Indigenous specific. Accordingly, there is no mainstream expenditure for this category, and no apportionment between Indigenous and non-Indigenous expenditure is required.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on public housing are the stock of public housing, and the cost of administration, provision, support and operation, per dwelling.

The key cost drivers of expenditure on community housing are the stock of community housing, and the cost of administration, provision, support and operation, per dwelling.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Households that rent public housing	AIHW Public Rental Housing, National Social Housing Survey (NSHS), Housing Assistance in Australia	June 2009	June 2011	June 2013	June 2016
Households that rent community housing	AIHW Community Housing, National Social Housing Survey (NSHS), Housing Assistance in Australia	June 2009	June 2011	June 2013	June 2016

0711.3 Rental market assistance

The information on this category was last updated on:

31 August 2017

Service description

In Australia, government expenditure on *rental market assistance* is generally in the form of financial assistance to people in the private rental market, which include one-off or ongoing payments to support households to meet rental payments, relocation costs, and bond guarantees. For example, the Australian Government Commonwealth Rent Assistance Scheme.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on housing rental assistance are the number of households receiving rent assistance and the level of rental assistance provided.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Households receiving rental assistance	State and Territory administrative data (unpublished)	2008-09	2010-11	2012-13	2015-16
Commonwealth Rent assistance recipients	Australian Government administrative data (unpublished)	June 2009	June 2011	June 2013	June 2016

0711.4 Defence housing

The information on this category was last updated on:

31 August 2017

Service description

In Australia, government expenditure on defence housing is provided for serving members of the Australian Defence Force and their families.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on defence housing are the number of serving members of the Australian Defence Force that require housing, the size of their families, and the location of that housing. It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0712.0 Community development

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments aim to build partnerships with Aboriginal and Torres Strait Islander communities to deliver programs and services that meet the needs of Aboriginal and Torres Strait Islander Australians, primarily in remote communities. Aboriginal community development includes programs that support reconciliation, Indigenous advisory councils, and research.

Governments also share responsibility for providing programs that support regional development, urban renewal and systems for land use, and planning and urban design.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

A key cost driver of expenditure on community development is the location of the communities that are being developed. However, given the range of services provided by government under other community development, it is difficult to link costs closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0720.0 Water supply

The information on this category was last updated on:

31 August 2017

Service description

In Australia, the State and Territory governments are responsible for the operation of water supply systems and research into the conservation, collection and purification of water in remote Aboriginal and Torres Strait Islander communities. Expenditure on Aboriginal community water supply occurs in Queensland, Western Australia and the Northern Territory.

Expenditure on other water supply can be categorised as either:

- industry regulation and support — in Australia, State and Territory governments are responsible for the management and regulation of freshwater resources, including domestic water supply, and related public health issues
- community service obligations (excluding household concessions) — access to water services is essential for maintaining a basic standard of living. As a consequence, water retailers are sometimes required to provide services to some customers in a manner that the retailer may not choose if acting on a purely commercial basis. The government compensates water retailers for their community service obligations, which may include:
 - universal service access — for example, providing services to locations where the full cost of infrastructure cannot be recovered because of low service density
 - universal price maintenance — for example, to maintain price parity between urban and rural customers.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of water supply and expenditure on regulation and support services to the water industry cannot be linked closely with a particular service area or cohort of service users. Therefore, it is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

The key cost drivers of expenditure on the water industry's community service obligations are the number of people that receive discounted water and the value of the discount received.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Resident population ^b	ABS Australian Demographic Statistics (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016
Aboriginal and Torres Strait Islander resident population	ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026 (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

^b For industry regulation and support.

0730.0 Sanitation services and protection of the environment

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments administer and regulate the collection and disposal of household garbage, the collection, treatment and disposal of sewerage, and urban stormwater drainage, including Aboriginal community sanitation services.

The Australian, State and Territory governments provide programs to protect and conserve the environment, respond to climate change and regulate, and manage natural resources (such as forests and marine ecosystems). State and territory governments also monitor environmental quality and provide programs to manage and reduce household and industry waste, including Aboriginal community environmental services

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on sanitation and protection of the environment are numerous. Given the range of services provided by government in this category, it is difficult to link costs closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0790.0 Community amenities

The information on this category was last updated on:

31 August 2017

Service description

Community amenities, including Aboriginal community amenities, include street lighting and other small constructions (such as public toilets, pedestrian malls, bus shelters, and water fountains).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on community amenities are numerous and include the location of the community and the population that lives and visits the community. Given the range of services provided by government under other community amenities, it is difficult to link costs closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 08

RECREATION AND CULTURE

0811 National parks and wildlife

The information on this category was last updated on:

31 August 2017

Service description

Governments provide programs to conserve a range of habitats and species, and preserve and maintain historic buildings as part of the national estate.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

A key cost driver of expenditure on national parks and wildlife is the number of visitors to national parks. However, national parks and wildlife are preserved and maintained for all Australians.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0819 Recreation facilities and services nec

The information on this category was last updated on:

31 August 2017

Service description

In Australia, State and Territory governments regulate recreational facilities and services, such as recreational parks and gardens, sporting grounds, the gaming and racing industries, and establish sport institutes and authorities that manage facilities. The Australian Government also provides sport and recreation programs, and supports teams and sporting events through the Australian Sports Commission.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on recreation facilities and services not elsewhere classified are as varied as the facilities and services they include. As a consequence, the cost drivers cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0820 Cultural facilities and services

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments provide programs that support cultural development and the arts industry. Programs include provision for botanical gardens, public libraries, facilities for creative and performing arts, museums, and art galleries.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on cultural facilities and services are as varied as the facilities and services they include. As a consequence, the cost drivers cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0830 Broadcasting and film production

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government provides broadcasting services, such as the Australian Broadcasting Corporation and the Special Broadcasting Service Corporation and licenses community television on a trial basis. State and territory governments also provide programs that support the film and television industry.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on broadcasting and film production are the broadcasting and film audience. However, broadcasting services and films are provided for all Australians.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0890 Recreation and culture nec

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory government expenditure related to recreation and culture services that cannot be assigned to one of the preceding subgroups of *national parks and wildlife* (GPC 0811), *recreational facilities and services nec* (GPC 0819), *cultural facilities and services* (GPC 0820), or *broadcasting and film production* (GPC 0830).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The services provided by government in this category cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 09

FUEL AND ENERGY

0911 Gas

The information on this category was last updated on:

31 August 2017

Service description

Gas industry programs and services can be categorised as either:

- *industry regulation and support* — the Australian, State and Territory governments provide a range of regulation and support services to the gas industry
- *community service obligations (excluding household concessions)* — access to gas services is essential for maintaining a basic standard of living. As a consequence, gas retailers are sometimes required to provide services to some customers in a manner that the retailer may not choose if acting on a purely commercial basis. The government compensates gas retailers for their community service obligations, which may include:
 - *universal service access* — for example, providing services to locations where the full cost of infrastructure cannot be recovered because of low service density
 - *universal price maintenance* — for example, to maintain price parity between urban and rural customers.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on regulation and support services to the gas industry cannot be linked closely with a particular service area or cohort of service users. Therefore, it is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

The key cost drivers of expenditure on the gas industry's community service obligations are the number of people that receive discounted gas and the value of the discount received.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0919 Fuel affairs and services nec

The information on this category was last updated on:

31 August 2017

Service description

Government services and programs can be categorised as either:

- *industry regulation and support* — the Australian, State and Territory governments regulate and support the coal, petroleum, nuclear and other industries (excluding gas).
- *fuel subsidies* — the Australian Government and Queensland Government offer fuel subsidy schemes. The Australian Government scheme is in the form of tax rebates to eligible businesses. The Queensland government scheme provides a rebate to fuel retailers, reducing the price of fuel for all Queensland road users — the Queensland scheme was abolished from 1 July 2009.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on fuel industry regulation and support are varied and cannot be linked closely with a particular service area or cohort of service users. Therefore, it is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

The key cost drivers of expenditure on fuel subsidies for eligible businesses and/or households are the number of people that receive discounted fuel and the value of the discount received. It is difficult to identify the numbers of people that receive discounted fuel and its value, therefore it is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0921 Aboriginal community electricity services

The information on this category was last updated on:

31 August 2017

Service description

In Australia, only the Northern Territory Government provides Aboriginal community electricity services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

Expenditure on Aboriginal community electricity services is assumed to be solely provided to Aboriginal and Torres Strait Islander Australians. As such, all expenditure is classified as Indigenous specific. Accordingly, there is no mainstream expenditure for this category, and no apportionment between Indigenous and non-Indigenous expenditure is required.

Service use measures

Expenditure allocated to this category is considered to be exclusively Indigenous.

0922 Other electricity

The information on this category was last updated on:

31 August 2017

Service description

Expenditure on other electricity can be categorised as either:

- *industry regulation and support* — the Australian, State and Territory governments provide a range of regulation and support services to the electricity industries
- *community service obligations* (excluding household concessions) — access to electricity services is essential for maintaining a basic standard of living. As a consequence, electricity retailers are sometimes required to provide services to some customers in a manner that the retailer may not choose if acting on a purely commercial basis. The government compensates electricity retailers for their community service obligations, which may include:
 - *universal service access* — for example, providing services to locations where the full cost of infrastructure cannot be recovered because of low service density
 - *universal price maintenance* — for example, to maintain price parity between urban and rural customers.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on regulation and support services to the electricity industry cannot be linked closely with a particular service area or cohort of service users. Therefore, it is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

The key cost drivers of expenditure on the electricity industry's community service obligations are the number of people that receive discounted electricity and the value of the discount received.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Resident population	ABS Australian Demographic Statistics (Cat. 3101.0)	June 2009	June 2011	June 2013	June 2016
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016

0929 Other energy

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments provide a range of regulation and support services to other energy industries other than electricity. This mainly relates to the production of heat in the form of steam, hot water or hot air such as solar heat not used for the generation of electricity.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on other energy services not elsewhere classified are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

0990 Fuel and energy nec

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments provide a range of regulation and support services to the fuel and energy industries.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on fuel and energy services not elsewhere classified are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 10

AGRICULTURE, FORESTRY,
FISHING AND HUNTING

1010 Agriculture

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments undertake administrative, regulatory, planning, and management activities to support domestic agriculture. State and territory departments often work in conjunction with local government or community organisations to administer agricultural programs.

Agricultural programs include land and water resources management, support schemes, research and extension services, and financial support schemes such as export enhancement measures designed to increase the competitiveness of Australian agricultural products.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on agriculture are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1020 Forestry, fishing and hunting

The information on this category was last updated on:

31 August 2017

Service description

Forestry

In Australia, State and Territory governments provide for forest management. They also work with the Australian Government and forest industries on developing forest policy. Firefighting and protection services delivered to forests in non-urban areas are included as expenditure on forestry.

Fishing

Both the Australian Government and State and Territory undertake commercial fishing management, with State and Territory departments assuming responsibility for recreational fishing.

Hunting

State and territory authorities oversee hunting activities, including permits issued to licensed hunters and provision of information to the public on legal hunting guidelines.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on forestry, fishing and hunting are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 11

MINING AND MINERAL
RESOURCES OTHER THAN
FUELS; MANUFACTURING; AND
CONSTRUCTION

1110 Mining and mineral resources other than fuels

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments provide a range of regulatory and support services to the mining industries.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on mining and mineral resources other than fuels are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1120 Manufacturing

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments provide a range of industry regulatory and support services to the manufacturing industry.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on manufacturing are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1130 Construction

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments provide a range of industry regulatory and support services to the construction industry.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on construction are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 12

TRANSPORT AND
COMMUNICATIONS

121 Road transport

The information on this category was last updated on:

31 August 2017

Service description

Outlays on administration, regulation, support, operation, etc. of road and highway construction affairs, road and highway maintenance affairs, both off and on street parking, and other road transport affairs and services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on road transport are the number and type of roads.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1221 Aboriginal community water transport services

The information on this category was last updated on:

31 August 2017

Service description

Governments provide a range of regulation, support, and operation of water transport facilities services in Aboriginal and Torres Strait Islander communities across Australia

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on Aboriginal community water transport services is the number of people in Aboriginal communities.

Expenditure on Aboriginal community water transport services is solely provided to Aboriginal and Torres Strait Islander Australians. As such, all expenditure is classified as Indigenous specific. Accordingly, would be no mainstream expenditure for this category, and no apportionment between Indigenous and non-Indigenous expenditure required.

Service use measures

Expenditure allocated to this category is considered to be exclusively Indigenous.

1222 Urban water transport services

The information on this category was last updated on:

31 August 2017

Service description

Governments provide urban water transport services through passenger ferries, as well as maritime regulation and safety services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on urban water transport services is the number of urban water transport service users.

As water transport services are available for use by the wider population, the costs associated with this expenditure are driven by the urban population on a uniform basis.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
'Major city' resident population ('Inner regional' for Tas, 'outer regional' for NT)	ABS <i>Estimates and Projections, Indigenous Australians, 2001 to 2021</i> (Cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (Cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016

1223 Non-urban water transport services

The information on this category was last updated on:

31 August 2017

Service description

Ferries

The Australian, State and Territory governments subsidise non-urban passenger ferries services, which are generally operated by private providers or government trading enterprises. For example, the Spirit of Tasmania services provided by the Tasmanian government owned TT Line.

Operation of non-urban water transport ports

The Australian, State and Territory governments subsidise non-urban water transport ports, which are generally operated by private providers or government trading enterprises. For example, the Port Melbourne Corporation.

Water transport regulation and safety services

The Australian, State and Territory governments provide maritime regulation and safety services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on non-urban water transport services is the number of non-urban water transport service users.

As non-urban water transport services are available for use by the wider population, the costs associated with this expenditure are driven by the non-urban population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Other than 'major city' resident population (other than 'inner regional' for Tas & 'outer regional' for NT)	ABS <i>Estimates and Projections, Indigenous Australians, 2001 to 2021</i> (Cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (Cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016

1231 Urban rail transport services

The information on this category was last updated on:

31 August 2017

Service description

Urban rail services operate in all Australian capital cities except for Canberra and Hobart. These services are usually contracted out to private operators, who may also undertake construction activities on urban rail networks. Expenditure on administration, planning, and regulation of these operators is normally carried out by transport departments and authorities in each jurisdiction.

Governments provide rail concession entitlements to eligible groups through direct payments to the transport provider, which are then passed on to the service user in the form of a subsidised fare.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on urban rail transport services is the number of urban rail transport service users.

As urban rail transport services are available for use by the wider population, the costs associated with this expenditure are driven by the urban population on a uniform basis.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
'Major city' resident population ('Inner regional' for Tas, 'outer regional' for NT)	ABS <i>Estimates and Projections, Indigenous Australians, 2001 to 2021</i> (Cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (Cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016

1232 Non-urban rail transport freight services

The information on this category was last updated on:

31 August 2017

Service description

Governments have made considerable investments in enhancing non-urban rail infrastructure for the purposes of rail freight. Included in these investments is Australian Government expenditure on the non-urban rail component of the Nation Building Program.

Also included as expenditure under this category are schemes that act to protect the non-urban rail industry through government regulation.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on non-urban rail transport freight transport services is the number of non-urban rail transport freight service users.

As non-urban rail transport freight services are available for use by the wider population, the costs associated with this expenditure are driven by the non-urban population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Other than 'major city' resident population (other than 'inner regional' for Tas & 'outer regional' for NT)	ABS <i>Estimates and Projections, Indigenous Australians, 2001 to 2021</i> (cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (Cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016

1233 Non-urban rail transport passenger services

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments provide a range of regulation, support and operation of non-urban rail transport passenger facilities services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on non-urban rail transport passenger services is the number of non-urban rail transport passengers.

As non-urban rail transport passenger services are available for use by the wider population, the costs associated with this expenditure are driven by the non-urban population on a uniform basis.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Other than 'major city' resident population (other than 'inner regional' for Tas & 'outer regional' for NT)	ABS <i>Estimates and Projections, Indigenous Australians, 2001 to 2021</i> (Cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (Cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016

124 Air transport

The information on this category was last updated on:

31 August 2017

Service description

Government services include activities such as:

- airport planning, development and land use
- airport insurance compliance
- airport environment and building control regulation
- payment of government rates and taxes.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on other air transport services is the number of air transport users.

As air transport services are available for use by the wider population, the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1250 Pipelines

The information on this category was last updated on:

31 August 2017

Service description

Governments provide services in relation to pipelines, which transport resources from their source, to wholesalers and retailers.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on pipelines are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1281 Multi-mode urban transport

The information on this category was last updated on:

31 August 2017

Service description

Multi-mode urban transport is a public transport system that incorporates different modes of transportation under the same network. For example, in Victoria, several different service providers operate under the same network. Combined networks such as these operate throughout Australia.

Transport departments, ticketing authorities, and the public transport ombudsman in each jurisdiction have a role in maintaining, regulating, supporting and promoting multi-mode urban transport systems.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost driver of expenditure on multi-mode urban transport is the number of multi-mode urban transport users.

As multi-mode urban transport is available for use by the wider population, the costs associated with this expenditure are driven by the urban population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
'Major city' resident population ('Inner regional' for Tas, 'outer regional' for NT)	ABS <i>Estimates and Projections, Indigenous Australians, 2001 to 2021</i> (Cat. no. 3238.0); <i>Estimates of Aboriginal and Torres Strait Islander Australians, Jun 2011</i> (Cat. no. 3238.0.55.001); <i>Regional Population Growth, Australia</i> (Cat. no. 3218.0)	June 2009	June 2011	June 2013	June 2016

1289 Other transport nec

The information on this category was last updated on:

31 August 2017

Service description

Other transport services not elsewhere classified include government services and programs that are not road, rail, or air transportation. For example, expenditure on the development of alternative transportation methods such as the Victorian Cycling Strategy, or initiatives to increase the number of taxi services available to the community.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on other transport services not elsewhere classified are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1290 Communications

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government's Department of Broadband, Communications and the Digital Economy is responsible for development of policies and programs for enhancing Australia's broadband and communications.

Other key agencies involved in providing administrative, regulatory and supporting services to the Australian communications sector. For example the Australian Communications and Media Authority, which is responsible for the regulation of broadcasting, radio communications, telecommunications and online content nationwide.

The Australian Government also provides policy and support for postal services.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on communications are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 13

OTHER ECONOMIC AFFAIRS

1310 Storage, saleyards and markets

The information on this category was last updated on:

31 August 2017

Service description

Government expenditure on activities relating to storage, saleyards and markets is minimal.

Services may include the operation of storage facilities for customs and border control and licensing and inspection of rural saleyards (for livestock and fresh produce).

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on storage, saleyards and markets services are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1320 Tourism and area promotion

The information on this category was last updated on:

31 August 2017

Service description

The Australian Government's Department of Resources, Energy and Tourism is responsible for administering and regulating promotion of Australia for tourism purposes. In addition, Tourism Australia takes on promotional activities, research and tourism industry reporting.

At the state, territory and local levels, governments provide services such as:

- tourist bureaus and information centres
- caravan parks and caravan areas
- liaison with local industry bodies to assist in local tourism promotion.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on tourism and area promotion are mainly associated with industry factors (for example, the size of the tourism market). As such, this category cannot, by definition, be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

Measure ^a	Data source	Data Years			
		2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1331 Vocational training

The information on this category was last updated on:

31 August 2017

Service description

Australian, State and Territory governments are involved in vocational training policy development and delivery, with providers regulated through the Australian Quality Training Framework. The training market includes public and private providers who compete for clients and training funds.

Each State and Territory has its own training authority that administers vocational education and training. Their role includes the registration of training organisations, accreditation of courses and regulation of registered training and group training organisations.

The Australian Government provides vocational training primarily through the Australian apprenticeship programs.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on vocational training are the number of students enrolled in each course, the average hours of study per student, and the level of government expenditure for each type of course.

Service use measures

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Students enrolled in vocational training	NCVER Apprentices and trainees collection (unpublished)	2008-09	2010-11	2012-13	2015-16

1339 Other labour and employment affairs

The information on this category was last updated on:

31 August 2017

Service description

Government activities that aim to facilitate a strong institutional framework for the labour market and to promote employment, including:

- *industrial relations* — regulation in the areas of occupational health and safety, anti-discrimination advocacy services, worker's compensation, trading hours, payment for work on public holidays and long service leave. These activities are conducted by workplace relations bodies such as Fair Work Australia
- *labour market assistance* — services and programs that encourage and assist jobseekers to prepare for and take up work, through the provision of work placement, job networks, training opportunities and related support services
- *immigration* — the Australian Government is responsible for the permanent migration program, which has an economic migration stream. This stream seeks to address existing and emerging skill shortages.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on industrial relations are the number of people in general employment.

The key cost drivers of expenditure on labour market assistance are the number of people participating in specific employment programs, the program location, and the average level of government support.

The key cost drivers of expenditure on immigration are varied and cannot be linked closely with a particular service area or cohort of service users. It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Employed Aboriginal and Torres Strait Islander people (industrial relations)	ABS <i>National Aboriginal and Torres Strait Islander Social Survey, 2008</i> (Cat. no. 4714.0)	August 2008	August 2008	..	..
Employed Aboriginal and Torres Strait Islander people (industrial relations)	ABS <i>Australian Health Survey: Aboriginal and Torres Strait Islander Results, 2011-13</i> (Cat. no. 4363.0)	2011-13	..

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		Data Years			
Measure	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Employed Aboriginal and Torres Strait Islander people (industrial relations)	ABS <i>National Aboriginal and Torres Strait Islander Social Survey</i> , 2014-15 (Cat. no. 4714.0)	..	..	..	2014-15
Employed people (industrial relations)	ABS <i>Labour Force</i> , Australia (Cat. no. 6202.0)	May 2009	May 2011	May 2013	May 2016
People receiving employment program assistance (labour market assistance)	Jurisdictions' administrative data (unpublished)	2008-09	2010-11	2012-13	2015-16
People receiving Jobs Service Australia services	Australian Government administrative data (unpublished)	2008	na	2012-13	..
	ABS <i>National Aboriginal and Torres Strait Islander Social Survey</i> (Cat. no. 4714.0)	..	..	..	2014-15
	ABS (unpublished) <i>General Social Survey</i> , 2014				
Aboriginal and Torres Strait Islander share of Job Services Australia expenditure	Australian Government administrative data (unpublished)	na	2010-11	2012-13	..
	ABS <i>National Aboriginal and Torres Strait Islander Social Survey</i> (Cat. no. 4714.0)	..	..	..	2014-15
Aboriginal and Torres Strait Islander share of job capacity assessment expenditure	Australian Government administrative data (unpublished)	na	2010-11	2012-13	2015-16

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(continued)

		<i>Data Years</i>			
<i>Measure</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	<i>ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population ^a (immigration)	<i>ABS Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1390 Other economic affairs nec

The information on this category was last updated on:

31 August 2017

Service description

Other economic affairs not elsewhere classified includes activities relate to the administration, regulation, promotion, research, operation, licensing and general business support activities that promote the efficient operations of markets, and facilitate a vibrant, competitive, growing and sustainable economy. Examples of services provided in Australia include:

- consumer interest and protection affairs (for example, the Australian Competition and Consumer Commission)
- licensing, sales practices and labelling
- regulation of weights and measures
- liquor licensing.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on other economic affairs services not elsewhere classified are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

GPC 14

OTHER PURPOSES

1410 Public debt transactions

The information on this category was last updated on:

31 August 2017

Service description

In Australia, general government departments/agencies have limited financial independence. Public debt transactions are generally handled by a central financing authority and include activities such as:

- *public debt raisings* — such as the issue of government bonds
- *public debt servicing* — such as the payment of interest and other administrative costs
- *nominal superannuation interest expenditure* — nominal superannuation interest expenditure represents the notional borrowing cost of the Australian, State and Territory governments of benefits that are not fully funded.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on public debt transactions are varied and cannot be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis. The Aboriginal and Torres Strait Islander share of public debt transaction expenditure on the basis of Aboriginal and Torres Strait Islander share of the population for all jurisdictions.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1420 General purpose inter-government transactions

The information on this category was last updated on:

31 August 2017

Service description

In Australia, general purpose grants are made between different levels of government to support their ongoing operations. These grants are not tied to the delivery of a particular service. Inter-government transactions usually occur:

- from the Australian Government to State and Territory governments — such as the distribution of GST revenues
- from the Australian Government to local governments
- from State and Territory governments to local governments.

For the purposes of the Indigenous Expenditure Report, transactions between the jurisdictions must be consolidated to avoid the double counting of expenditure.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on general purpose inter-government transactions are associated with population related factors (for example, population size within each jurisdiction). However, grants are generally adjusted based on principles of horizontal fiscal equalisation. The CGC notes that under the principle, each state should be given the capacity to provide the average standard of state-type public services, assuming that it does so at an average level of operational efficiency and makes an average effort to raise revenue from its own sources.

Given that expenditure in this category cannot, by definition, be linked closely with a particular service area or cohort of service users as it is expenditure related to the operation of government, it is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	<i>ABS Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	<i>ABS Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1430 Natural disaster relief

The information on this category was last updated on:

31 August 2017

Service description

The Australian, State and Territory governments provide a range of financial assistance and services to Australians following natural disasters.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

The key cost drivers of expenditure on natural disaster relief are associated with population factors (for example, the number of people living in natural disaster prone areas) and non-population related factors (for example, the number and size of each natural disaster). Expenditure in this category cannot, by definition, be linked closely with a particular service area or cohort of service users as it is a collectively consumed service.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		Data Years			
Measure ^a	Data source	2008-09 Estimates	2010-11 Estimates	2012-13 Estimates	2015-16 Estimates
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

1490 Other purposes nec

The information on this category was last updated on:

31 August 2017

Service description

This category contains expenditure on services that cannot be allocated to any other category.

A detailed definition of expenditure included under this category is provided in the 2017 Report Expenditure Data Manual (<http://www.pc.gov.au/ier2017>).

Cost drivers

Expenditure in this category cannot, by definition, be linked closely with a particular service area or cohort of service users.

It is assumed that the costs associated with this expenditure are driven by the population on a uniform basis.

Service use measures

		<i>Data Years</i>			
<i>Measure^a</i>	<i>Data source</i>	<i>2008-09 Estimates</i>	<i>2010-11 Estimates</i>	<i>2012-13 Estimates</i>	<i>2015-16 Estimates</i>
Aboriginal and Torres Strait Islander resident population	ABS <i>Estimates and Projections, Aboriginal and Torres Strait Islander Australians, 2001–2026</i> (Cat. no. 3238.0)	June 2009	June 2011	June 2013	June 2016
Resident population	ABS <i>Australian Demographic Statistics</i> (Cat. no. 3101.0)	June 2009	June 2011	June 2013	June 2016

^a Non-Indigenous estimates are available for census years only. In the intervening years, Aboriginal and Torres Strait Islander population figures are derived from assumptions about past and future levels of fertility, mortality and migration. In the absence of non-Indigenous population figures for these years, it is possible to derive denominators for calculating non-Indigenous rates by subtracting the Aboriginal and Torres Strait Islander population from the total population. Such figures have a degree of uncertainty and should be used with caution, particularly as the time from the base year of the projection series increases.

B Indigenous under-identification adjustment methods

This appendix provides a reference for the treatment of Indigenous under-identification for each data source. Alternative methods have been used to approximate Indigenous under-identification between jurisdictions, according to the level of information regarding identification available for each data source. These methods are described in detail in chapter 4 of this manual.

The methods used to adjust for under-identification for each data source are:

1. *requires no further adjustment* — the service use data have already been adjusted for Indigenous under-identification
2. *estimated based on analysis* — Indigenous under-identification has been estimated, and is based on the available analysis
3. *100 per cent Indigenous* — it is assumed that 100 per cent of the non-responses are Aboriginal and Torres Strait Islanders
4. *same as the known response distribution* — the unknown responses are distributed in the same proportions as the known responses
5. *same as resident population distribution* — the unknown responses are distributed in the same proportions as the resident population
6. *no adjustment* — where the level of Aboriginal and Torres Strait Islander non-response is unknown (or not published) or the level of under-identification has not been estimated, no adjustment to the Indigenous service use has been made. Conceptually, this is equivalent to assuming that 100 per cent of the non-response is non-Indigenous.

The method used to adjust for under-identification for each service use measure data source used in the 2017 Report is summarised in table B.1.

Table B.1 Under-identification adjustment method
2015-16 estimates

<i>Service use data source</i>	<i>Method^a</i>
ABS <i>Census of Population and Housing 2011</i>	Method 1
ABS Early Childhood Education and Care collection	Method 6
ABS <i>Estimates and Projections, Indigenous Australians, 2001 to 2026</i>	Method 1
ABS <i>Schools, Australia</i>	Method 6
AIHW Aged Care Packages in the Community	Method 4
AIHW <i>Child Protection collection</i>	Method 4
AIHW <i>Disability Services NMDS/Commonwealth, State and Territory Disability Agreement, NMDS</i>	Method 4
AIHW <i>Expenditure on Health for Aboriginal and Torres Strait Islander People 2010-11</i> (unpublished)	Method 2
AIHW <i>Housing Assistance in Australia</i>	Method 4
AIHW <i>Juvenile Justice National Minimum Data Set</i>	Method 4
AIHW <i>Specialist Homeless Services (formerly SAAP) Collection</i> (unpublished)	Method 4
Australian Government Administrative data — Child Support	Method 4
Australian Government Administrative data — Employment Services	Method 4
Australian Government Administrative data — Income Support	Method 4
Australian Government Administrative data — Rent Assistance	Method 4
Australian Government Administrative data — Student Financial Assistance	Method 4
Australian Government — <i>Ageing and Aged Care data warehouse</i>	Method 4
CGC Criminal Court Appearances Collection	Method 4
<i>Australian Government Child Care Provider Survey</i> (unpublished)	Method 1
<i>Students: Selected Higher Education Statistics</i>	Method 4
<i>National Preschools Census</i>	Method 6
Australian Government Aged Care Administrative Data	Method 4
<i>Home and Community Care Program Minimum Data Set</i>	Method 4
National Legal Aid — Administrative Data	Method 4
NCVER <i>Apprentices and Trainees</i> (unpublished)	Method 4
NCVER <i>Students and Courses</i> (unpublished)	Method 4
PHIAC <i>Privately insured with hospital treatment cover</i>	Method 2
SCRGSP administrative data collection — employment program assistance	Method 1
SCRGSP Corrective services collection	Method 4
SCRGSP administrative data collection — rental assistance	Method 1
SCRGSP administrative data collection — enrolments at special schools	Method 4

^a Alternative methods are used for certain jurisdictions to reflect the particularly different nature of those service use data.