2   Outcomes for Indigenous Australians — the current situation

Robert Fitzgerald[1]

Abstract

While the majority of Indigenous Australians lead productive, successful and rewarding lives, on average, Indigenous Australians remain significantly disadvantaged compared with other Australians across a wide range of socio-economic indicators. Some outcomes for Indigenous Australians are improving, particularly in education and economic participation, but other outcomes are stagnating or even deteriorating.

Governments in Australia spend $25 billion annually on services for Indigenous Australians. While much of this expenditure is on mainstream services used by all Australians, some specifically addresses Indigenous disadvantage. Ensuring that expenditure aimed at 'closing the gap' for Indigenous Australians is effective and efficient requires good evaluation. There are lessons to be learnt about the success factors that underpin effective programs from the 'things that work' case studies identified in the Overcoming Indigenous Disadvantage reports, but the value of these is often limited by a lack of rigorous evaluation.

2.1   Introduction

This paper draws on results from four streams of performance reporting work by the Productivity Commission, in its role as secretariat to the Steering Committee for the Review of Government Service Provision:

- Overcoming Indigenous Disadvantage: Key Indicators (OID report) (SCRGSP 2011b)

- Indigenous Expenditure Report (SCRGSP 2012a)

- Report on Government Services: Indigenous Compendium (SCRGSP 2012b)

---

[1] Commissioner, Productivity Commission and Convenor, Overcoming Indigenous Disadvantage Working Group and Indigenous Expenditure Report Working Group, Steering Committee for the Review of Government Service Provision.

- National Indigenous Reform Agreement: Performance Information reports (SCRGSP 2011a).

This paper provides background information on the Indigenous population in Australia, describes the OID report's background and strategic framework of outcome indicators, and presents data on outcomes for Indigenous people across several key themes:

- remoteness

- economic outcomes

- health

- education

- safe and supportive communities

- service delivery and governance.

2.2   The Indigenous population in Australia

In this paper, the term 'Indigenous Australians' is used to refer to Aboriginal and Torres Strait Islander Australians. In 2006,[2] 90 per cent of the estimated Indigenous population were of Aboriginal origin only, 6 per cent were of Torres Strait Islander origin only and 4 per cent were of both origins.

Box 2.1 summarises some information about Australia's Indigenous population. On average, Indigenous Australians are younger than other Australians, and a higher proportion of Indigenous Australians live in remote and very remote areas.

---

[2]   Separate population estimates for Aboriginal and Torres Strait Islander people for 2011 have not yet been published by the Australian Bureau of Statistics.

Box 2.1   How many people?

In 2011, the estimated resident Indigenous population of Australia was 670 000 people, out of a total population of 22.3 million people (3 per cent of the Australian population). The Indigenous population has a young age profile — in 2011, 36 per cent of Indigenous Australians were aged 14 years or under, compared with 18 per cent of the non-Indigenous population.

Using 2011 census data, a higher proportion of both the Indigenous and non-Indigenous populations lived in New South Wales than other States and Territories (31 per cent and 32 per cent respectively). In contrast, 10 per cent of the national Indigenous population lived in the Northern Territory, but less than 1 per cent of the non-Indigenous population lived there.

Proportion of the Australian population, by State and Territory, 2011

Indigenous   **Non-Indigenous**

Seventy-five per cent of Indigenous Australians lived in major cities or regional areas in 2006[3] (32 per cent in major cities, 21 per cent in inner regional areas and 22 per cent in outer regional areas). Nine per cent lived in remote areas and 15 per cent lived in very remote areas.

Proportion of the Australian population by remoteness area, 2006

Indigenous   **Non-Indigenous**

Data sources: ABS (2008); ABS (2012a).

While a number of dimensions of disadvantage increase with geographic remoteness, many Indigenous Australians in urban settings also face significant disadvantage, when compared with other Australians living in the same areas.

---

3 Population data by remoteness areas for 2011 are yet to be published by the Australian Bureau of Statistics.

2.3 The Steering Committee's role in Indigenous reporting

Overcoming Indigenous Disadvantage report

In April 2002, the Council of Australian Governments (COAG) commissioned the Steering Committee to produce a regular report against key indicators of Indigenous disadvantage. The OID report has an important long-term objective — to inform Australian governments and Indigenous people about whether policy programs and interventions are collectively achieving positive outcomes for Indigenous people. In turn, this information can help identify where further work is needed. The latest edition of the report was released on 25 August 2011. Previous editions were published in 2003, 2005, 2007 and 2009.

National Indigenous Reform Agreement

In December 2007, COAG identified Indigenous policy as one of seven priority areas of national reform. COAG set six high-level targets for closing the gaps in Indigenous outcomes, and identified seven 'building blocks' that underpinned a National Indigenous Reform Agreement (NIRA) (COAG 2011). The NIRA sets out governments' agreed objectives and outcomes, and clarifies the respective roles and responsibilities of the Commonwealth and the States and Territories in the delivery of services. The NIRA contains the COAG targets and a number of other performance indicators. The performance of all governments against the targets and indicators is assessed by the COAG Reform Council (CRC). The Steering Committee collates the NIRA performance information for analysis by the CRC. The CRC has published three reports assessing progress against the NIRA, in 2010, 2011 and 2012.

Indigenous Expenditure Report

In December 2007, COAG committed to reporting on expenditure on services to Indigenous Australians, to inform better understanding of the level and patterns of expenditure. The first Indigenous Expenditure Report (IER) was published in 2010 and, in 2011, COAG transferred responsibility for future reports to the Steering Committee. A second report was published in 2012.

The IER provides estimates of expenditure by the Australian Government and State and Territory governments on Indigenous specific services and the estimated

Indigenous share of mainstream services. Expenditure is reported across 86 categories, mapped to the OID and NIRA building blocks.

In the 2012 IER, total direct government expenditure on services to Indigenous Australians was estimated to be $25.4 billion in 2010–11, accounting for 5.6 per cent of total direct general government expenditure. Indigenous Australians made up 2.6 per cent of the population. Estimated expenditure per head of population was $44 128 for Indigenous Australians, compared with $19 589 for other Australians (a ratio of 2.25 to 1). The $24 538 per person difference reflected the combined effects of:

- greater intensity of service use ($16 109 or 66 per cent) — Indigenous Australians use more services per capita because of greater need, and because of population characteristics such as the younger age profile of the Indigenous population

- additional cost of providing services ($8429 or 34 per cent) — it can cost more to provide services to Indigenous Australians if mainstream services are more expensive to provide (for example, because of location), or if Indigenous Australians receive targeted services (for example, Indigenous liaison officers in hospitals) in addition to mainstream services (SCRGSP 2012a).

The estimates in the IER provide information relevant to a number of key policy questions.

- How much did government spend on key services?

- How much was spent on Indigenous Australians and how does this compare with expenditure on other Australians?

- What were the patterns of service use by Indigenous Australians and how do these compare with service use by other Australians?

- What drove the differences in expenditure between Indigenous and other Australians?

However, the estimates in the IER *on their own* cannot answer questions about the adequacy, effectiveness and efficiency of government expenditure on services for Indigenous Australians. This requires more targeted evaluation, combining information on expenditure with information on the level of need and the performance of services.

Report on Government Services: Indigenous Compendium

Heads of government (now COAG) commissioned the annual Report on Government Services (RoGS) to provide information on the equity, efficiency and effectiveness of government services. For a number of years, the Steering Committee has devoted particular attention in the report to mainstream services delivered to Aboriginal and Torres Strait Islander people. The RoGS Indigenous Compendium brings together in an accessible form all the Indigenous data to be found in the main report. However, the focus of the report is on mainstream services and it does not include information on many Indigenous-specific services.

2.4   The OID report framework

This paper mainly draws on results from the OID report, which uses a strategic framework (see Figure 2.1) based on the best available evidence about causes of disadvantage, in order to focus policy attention on prevention, as well as addressing existing disadvantage (SCRGSP 2011b). The Steering Committee has aligned the indicators and strategic areas for action in the OID with the NIRA indicators and building blocks.
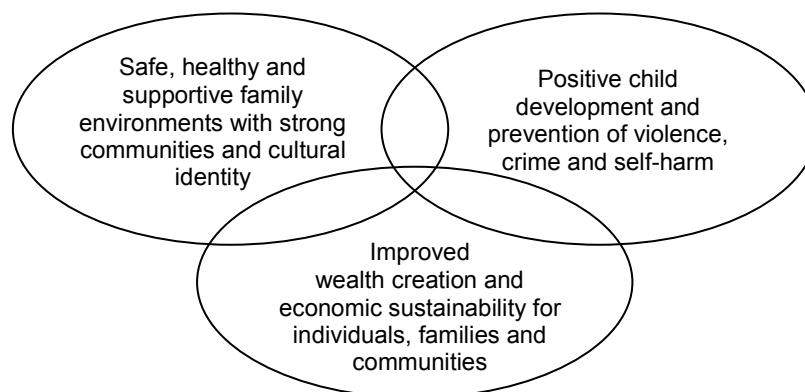
Linked priority outcomes reflect a vision of how life should be for Indigenous people. These priority outcomes have been endorsed by both Indigenous people and governments. It is difficult to measure progress or to hold governments accountable for achieving these broadly stated priority outcomes. So the framework includes two layers of measurable indicators. The logic of the framework is that, over time, improvement in these indicators will demonstrate progress toward the priority outcomes.

The first layer of indicators is made up of the six Closing the Gap targets set by COAG, and six headline indicators developed by the Steering Committee in consultation with Indigenous people and researchers. Together, the COAG targets and headline indicators provide a high-level summary of the state of Indigenous disadvantage. However, whole-of-government action over a long period will be necessary before significant progress can be made in many of these indicators.

In order to inform policy in the shorter term, seven 'strategic areas for action' underpin the COAG targets and headline indicators. The evidence shows that action is needed in these areas in order to achieve the COAG targets and headline indicators. For each strategic area, a small number of 'strategic change indicators' inform governments and the community about the current rate of progress and help to identify specific policy areas where more attention is needed.

Figure 2.1　OID report framework

Priority outcomes

Safe, healthy and supportive family environments with strong communities and cultural identity

Positive child development and prevention of violence, crime and self-harm

Improved wealth creation and economic sustainability for individuals, families and communities

COAG targets and headline indicators

COAG targets	*Headline indicators*
Life expectancy	Post secondary education — participation and attainment
Young child mortality	Disability and chronic disease
Early childhood education	Household and individual income
Reading, writing and numeracy	Substantiated child abuse and neglect
Year 12 attainment	Family and community violence
Employment	Imprisonment and juvenile detention

Strategic areas for action

Early child development	*Education and training*	*Healthy lives*	*Economic participation*	*Home environment*	*Safe and supportive communities*	*Governance and leadership*
Maternal health Teenage birth rate Birthweight Early childhood hospitalisations Injury and preventable disease Basic skills for life and learning Hearing impairment	School enrolment and attendance Teacher quality Indigenous cultural studies Year 9 attainment Year 10 attainment Transition from school to work	Access to primary health care Potentially preventable hospitalisations Avoidable mortality Tobacco consumption and harm Obesity and nutrition Tooth decay Mental health Suicide and self-harm	Employment by full time/part time status, sector and occupation Indigenous owned or controlled land and business Home ownership Income support	Overcrowding in housing Rates of disease associated with poor environmental health Access to clean water and functional sewerage and electricity services	Participation in organised sport, arts or community group activities Access to traditional lands Alcohol consumption and harm Drug and other substance use and harm Juvenile diversions Repeat offending	Case studies in governance Governance capacity and skills Engagement with service delivery

Source: SCRGSP (2011b).

There are complex interactions between the indicators in the OID framework. Box 2.2 shows how the higher level 'headline indicators' are influenced by a range of more immediate outcomes, while Box 2.3 shows how addressing individual areas (housing overcrowding in this example) can affect a range of other outcomes.

**Box 2.2   Multiple influences on outcomes — the case of health**

The COAG target of 'Life expectancy' is linked to COAG's 'Young child mortality' target and the 'Disability and chronic disease' headline indicator. In turn, these outcomes are influenced by outcomes such as 'Birthweight' and 'Injury and preventable disease' in the 'Early child development' strategic area for action, and 'Obesity and nutrition' and 'Tobacco consumption and harm' in the 'Healthy lives' strategic area. But actions in these areas must be supported by actions to address outcomes such as 'Access to clean water and functional sewerage and electricity' and 'Overcrowding in housing' in the 'Home environment' strategic area, and 'Alcohol and drug consumption and harm' in the 'Safe and supportive communities' area. Other social determinants of health in the education and employment areas must also be addressed.
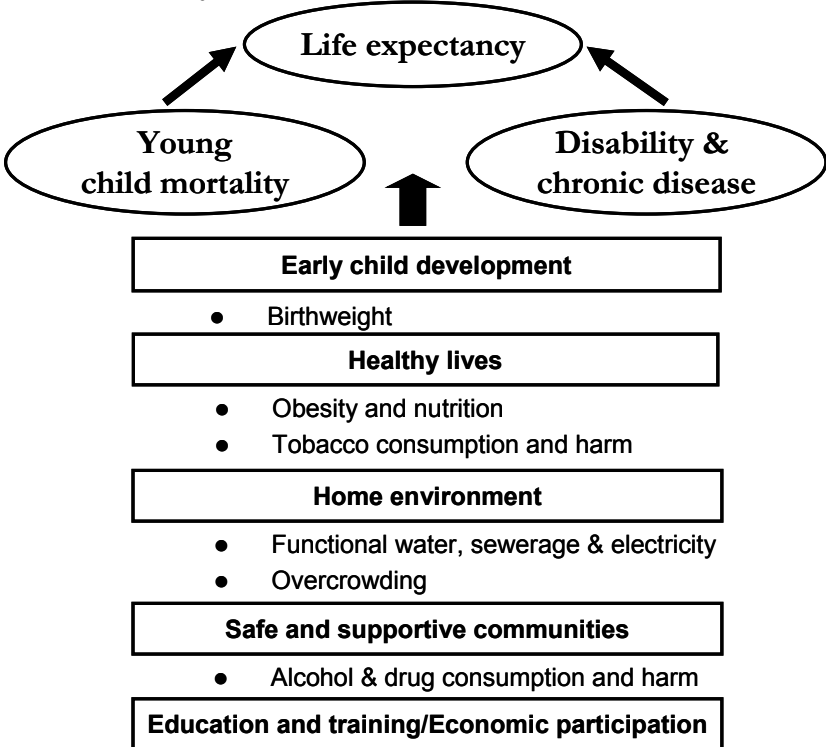
Box 2.3   Some actions can have multiple effects

Reducing overcrowding can affect outcomes in the 'Education and training', 'Healthy lives', 'Home environment' and 'Safe and supportive communities' strategic areas, and can contribute to the COAG target of 'Reading, writing and numeracy' and the headline indicators of 'Disability and chronic disease' and 'Family and community violence'. Other influences are also important but there is sufficient evidence for education, health and justice departments to be concerned about housing issues.
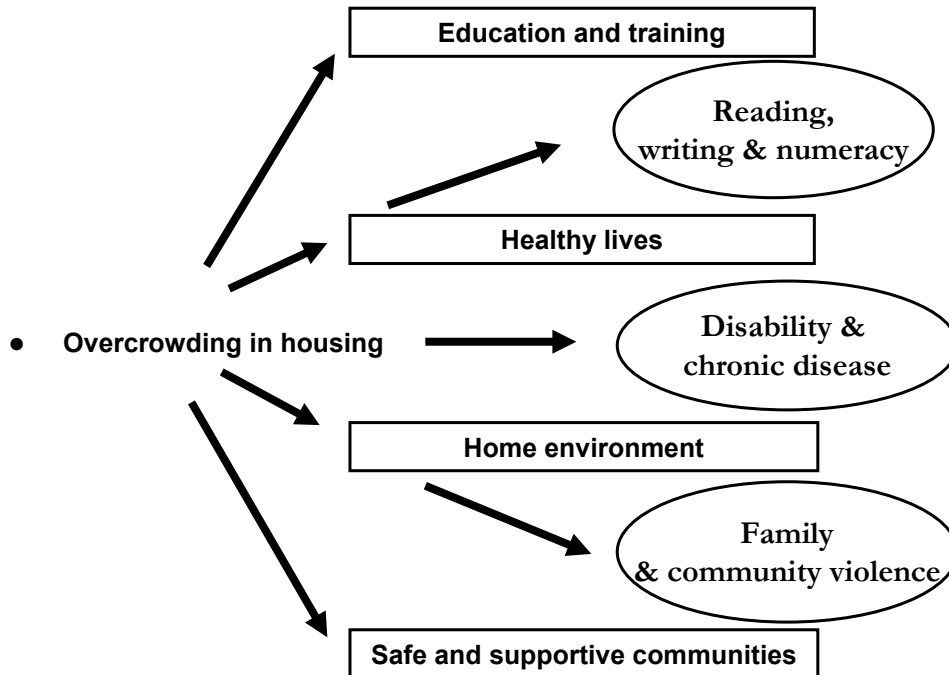
2.5   How do outcomes for Indigenous and other Australians compare?

The results reported in this paper should be thought of as averages — although on average Indigenous people experience significant disadvantage, most Indigenous people are living productive lives, contributing to their families and communities. Everything that follows should be seen in this context.

There is still a considerable way to go to achieve COAG's commitment to close the gap in Indigenous disadvantage. There are wide gaps in average outcomes between Indigenous and other Australians. However, the challenge is surmountable and, in a few areas, the gaps have been narrowing. Nevertheless, many indicators reveal that outcomes are not improving, or are even deteriorating.

Of the 45 quantitative indicators in the OID report, data available at the time of the 2011 report showed improvement in outcomes for 13 indicators — including in employment, educational attainment and home ownership. However, there had been no real improvement for ten indicators, and for another seven, including social indicators such as criminal justice, outcomes had actually deteriorated. For the remaining third, data limitations meant that it was not possible to conclude whether there had been any change (Figure 2.2).

Figure 2.2   Overcoming Indigenous Disadvantage: Key Indicators 2011 — snapshot of indicator changes
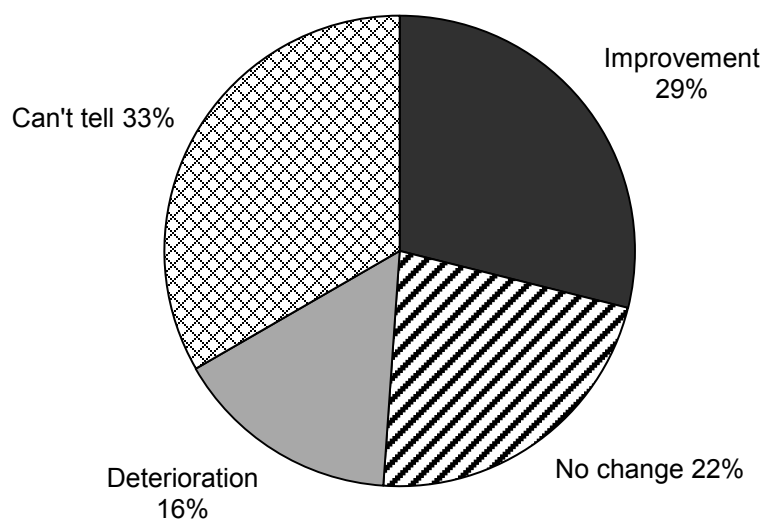
Data source: SCRGSP (2011b).

Outcomes for Indigenous Australians vary by remoteness

Much of the debate in Indigenous affairs has focused on outcomes for Indigenous Australians in remote areas. However, the majority of Indigenous Australians live in major cities and regional areas — only a quarter live in remote and very remote areas.

For indicators where data can be disaggregated by remoteness, the proportion of Indigenous Australians experiencing disadvantage typically increases with remoteness. Figure 2.3 shows outcomes in 2008 declining with remoteness for:

- self-reported Year 12 completion — from just over 50 per cent in non-remote areas to around 25 per cent in very remote areas

- achievement of Certificate III or higher qualifications — from around 30 per cent in non-remote areas to 12 per cent in very remote areas

- living in a home owned or being purchased by a member of the household — from 35 per cent in non-remote areas to 5 per cent in very remote areas

- being employed in a non-CDEP job — from 53 per cent in non-remote areas to 29 per cent in very remote areas

- young people neither working nor studying (and at risk of long-term disadvantage) — from 38 per cent in non-remote areas to 47 per cent in very remote areas

- living in overcrowded housing — from 20 per cent in non-remote areas to 61 per cent in very remote areas.

Figure 2.3   Outcomes for Indigenous Australians by remoteness, 2008a
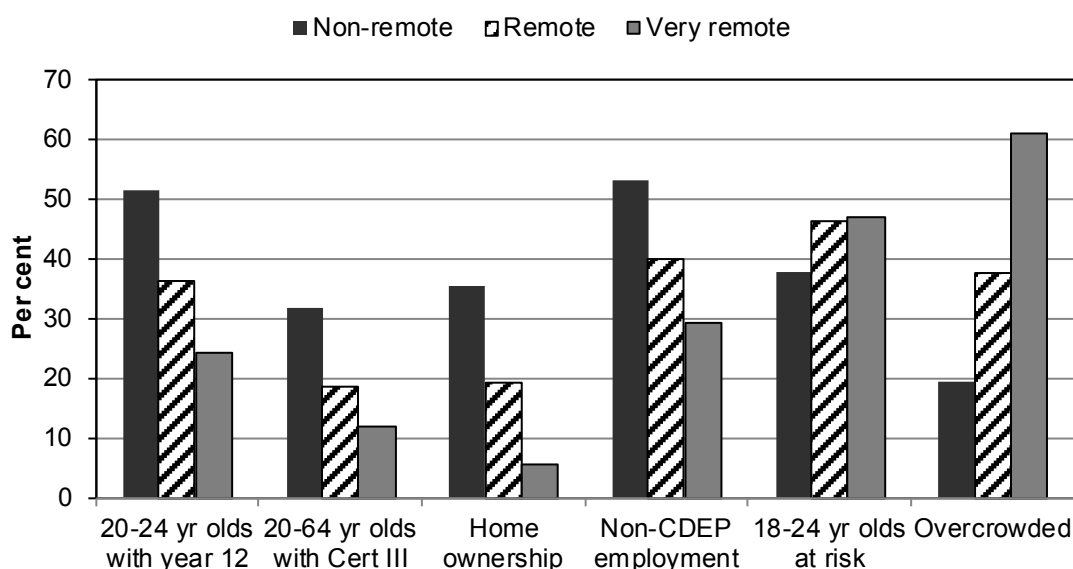
yr=year; Cert III=Certificate III or above; CDEP=Community Development Employment Projects.

a See source tables for definitions and notes.

Data sources: ABS, National Aboriginal and Torres Strait Islander Social Survey (NATSISS) 2008, unpublished; SCRGSP (2011b), tables 4A.5.1 (Year 12), 4A.7.5 (post secondary), 8A.3.1 (home ownership), 4A.6.15 (employment), 6A.6.1 (transition from school to work), 9A.1.2 (overcrowding).

Economic participation by Indigenous Australians

Participation in the economic life of the community has a significant influence on the living standards of individuals and households. Having a job or being involved in a business activity can lead to improved incomes for families and communities, and enhance self-esteem and reduce social alienation. Long-term reliance on income

support can entrench the disadvantages that accompany low socioeconomic status, and can contribute to long-term welfare dependency.

In many ways 'a rising tide lifts all boats' — Indigenous Australians have benefited from Australia's recent prosperity. But, as shown in Figure 2.4, simultaneous improvements for other Australians mean the gaps have been slow to close.

Figure 2.4   Selected economic outcomes[a]
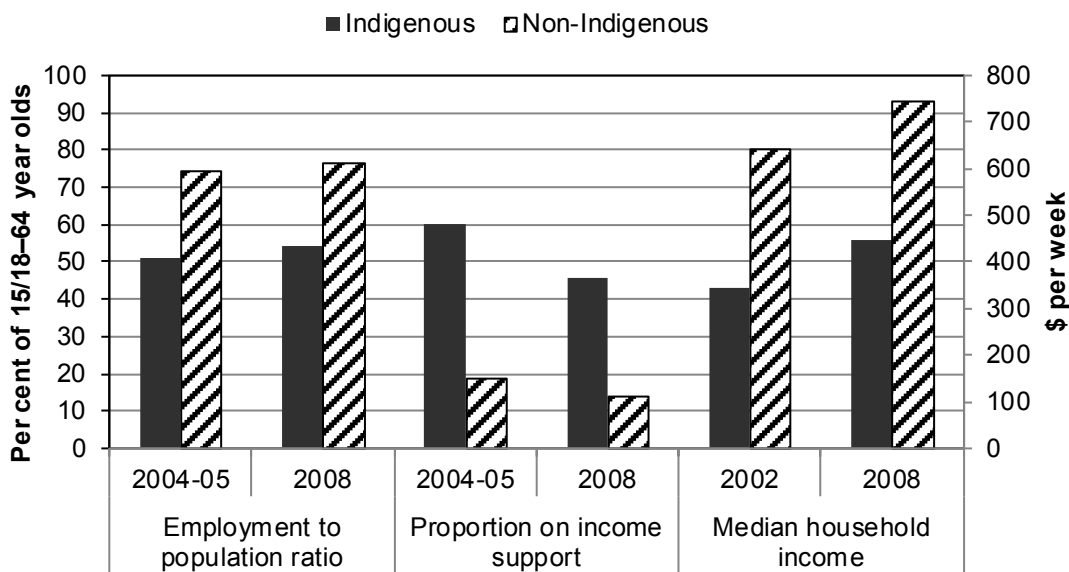
Between 2004-05 and 2008, for those aged 15–64 years, a small apparent increase in the employment to population ratio for Indigenous Australians (from 51 per cent to 54 per cent) was not statistically significant. The increase for other Australians (from 74 per cent to 76 per cent) was statistically significant (Figure 2.4).

Over the same period, the proportion of people aged 18−64 years whose main source of income was Community Development Employment Program payments or government cash pensions and allowances fell for Indigenous Australians (from 61 per cent in 2002 to 46 per cent in 2008 (Figure 2.4).

Between 2002 and 2008 (in constant 2008 dollars), median gross weekly equivalised household incomes increased for both Indigenous households (from $347 per week to $445 per week) and other households (from $640 per week to $746 per week) (Figure 2.4).

Are health outcomes improving for Indigenous Australians?

The COAG targets in the NIRA (COAG 2011) place a particular emphasis on health — as does the independent Close the Gap Indigenous health campaign (AHRC 2012).

Health issues start early — providing children with a good start in life can influence the whole of their lives. Problems at this early stage can create barriers that prevent children achieving their full potential.

**Figure 2.5   Young children's health — birthweight and mortality[a, b]**
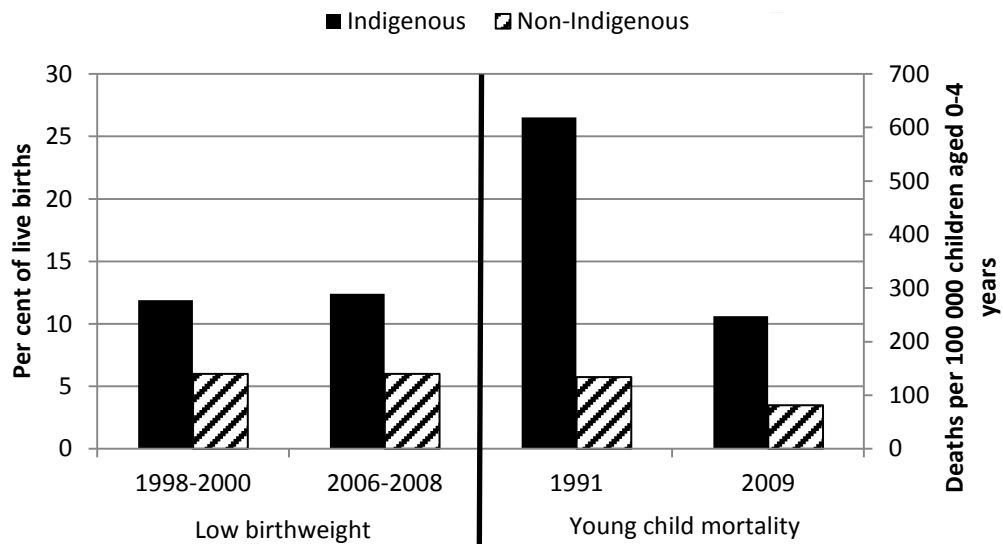
[a] See source tables for definitions and notes. [b] Young child mortality for WA, SA and the NT combined.

Data sources: AIHW, National Perinatal Data Collection; SCRGSP (2011b), tables 5A.3.5 to 5A.3.14 (birthweight), table 4A.2.15 (child mortality).

Between 1998–2000 and 2006–2008, average birthweights and proportions of low birthweight babies born to Indigenous and other Australian mothers were relatively constant, with no change in the significant gap (Figure 2.5).

A longer time series (1991 to 2009) is available for young child (0–4 years) mortality for Western Australia, South Australia and the Northern Territory, and shows that Indigenous child mortality rates have significantly declined over that period, from 619 to 247 deaths per 100 000 children (Figure 2.5).

Figure 2.6   Hospitalisation rate, children aged 0–4 years, 2009–10ᵃ
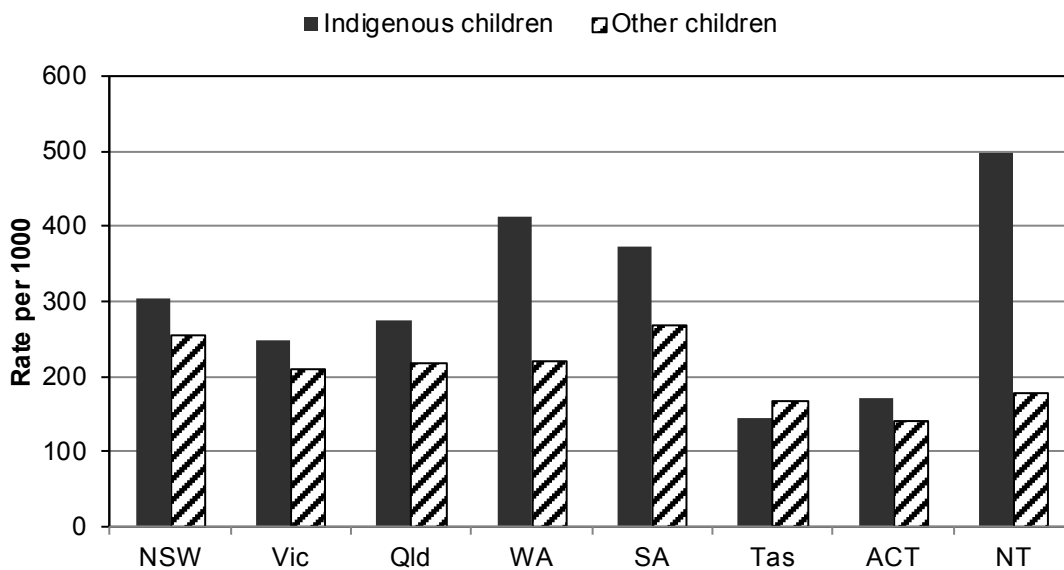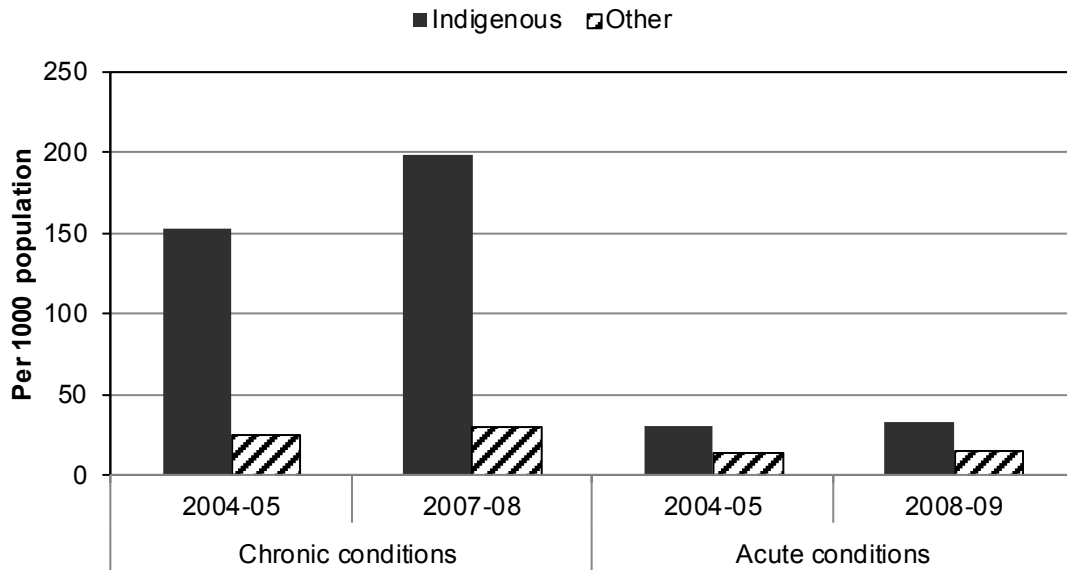

■ Indigenous children   ▱ Other children

ᵃ See source table for definitions and notes.

Data sources: AIHW, National Hospital Morbidity Database, unpublished; SCRGSP (2011a), table NIRA.11.2.

In 2009-10, hospitalisation rates for Indigenous children were higher than for other children in all States and Territories except Tasmania (Figure 2.6). Earlier data for 2008-09 were available by remoteness, and reveal that hospitalisation rates in major cities were similar for Indigenous and other children, but that rates for Indigenous children were 1.3 times as high as other children's rates in regional areas and twice as high in remote areas (SCRGSP 2011b, table 5A.4.6).

Figure 2.7   Potentially preventable hospitalisations[a]

■ Indigenous   ▨ Other

Chart: Per 1000 population (y-axis, 0 to 250)

Chronic conditions
- 2004-05: Indigenous ≈ 153, Other ≈ 25
- 2007-08: Indigenous ≈ 198, Other ≈ 30

Acute conditions
- 2004-05: Indigenous ≈ 30, Other ≈ 13
- 2008-09: Indigenous ≈ 33, Other ≈ 15

a NSW, Victoria, Queensland, WA, SA and public hospitals in the NT. **b** See source table for definitions and notes.

Data sources: AIHW, National Hospital Morbidity Database, unpublished; SCRGSP (2011b) tables 7A.2.1 and 7A.2.5.

Poor health is an increasing problem for Australian adults, particularly as the population ages. Poor health affects the quality of life of many Indigenous people, and can also contribute to barriers to social interaction, education and employment.

As illustrated in Figure 2.7, hospitalisation rates for Indigenous Australians with potentially preventable chronic conditions were seven times as high as the rates for other Australians in 2008-09 (SCRGSP 2011b, table 7.2.1). The Indigenous hospitalisation rate increased between 2004-05 and 2007-08, and the gap with other Australians increased (data for chronic conditions for 2008-09 are not directly comparable with the earlier data) (SCRGSP 2011b, table 7A.2.1).

Hospitalisation rates for Indigenous Australians with potentially preventable acute conditions were nearly two-and-a-half times the rate for other people in 2008-09, with a small increase between 2004-05 and 2008-09 (Figure 2.7).

Figure 2.8   Avoidable mortality, 0–74 year olds[a, b]

■ Indigenous   □ Non-Indigenous
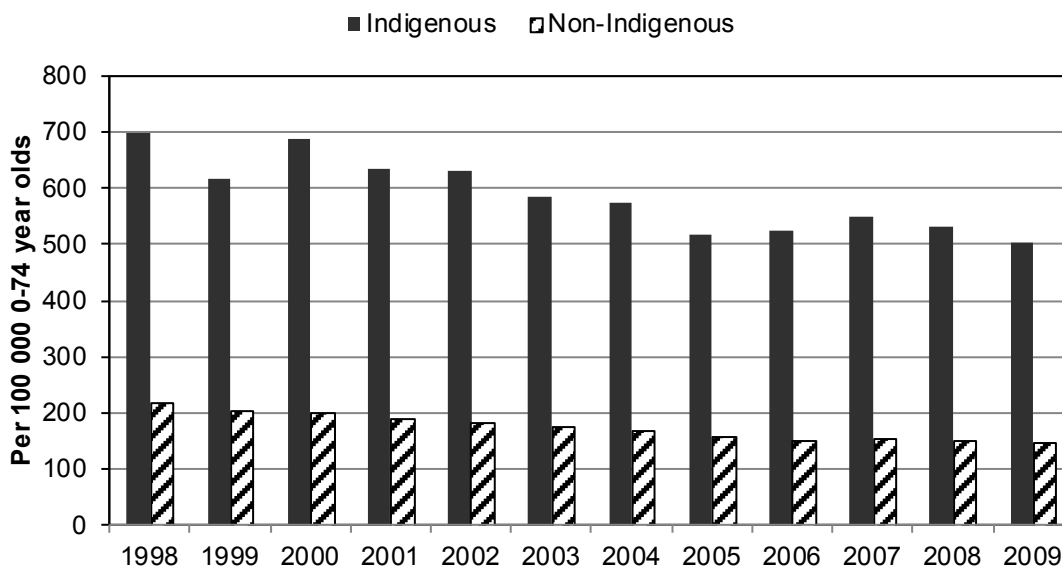
a NSW, Queensland, WA, SA and the NT. **b** See source table for definitions and notes.

Data sources: ABS, *Causes of Death, Australia 2009*, Cat. no. 3303.0, (unpublished); SCRGSP (2011b), table 7A.3.4.

There has been some improvement in other health outcomes for Indigenous Australians — between 1998 and 2009, mortality rates from avoidable causes for Indigenous people declined by almost 30 per cent, and the gap between Indigenous and other Australians narrowed (but did not close) (Figure 2.8).

Lifestyle factors can contribute to poor outcomes

Lifestyle risk factors, including smoking, being overweight or obese, risky alcohol consumption and use of illicit drugs, influence a range of health outcomes for all Australians. However, data to enable comparisons with other Australians are only available for some indicators.

Figure 2.9   Lifestyle risk factors[a]
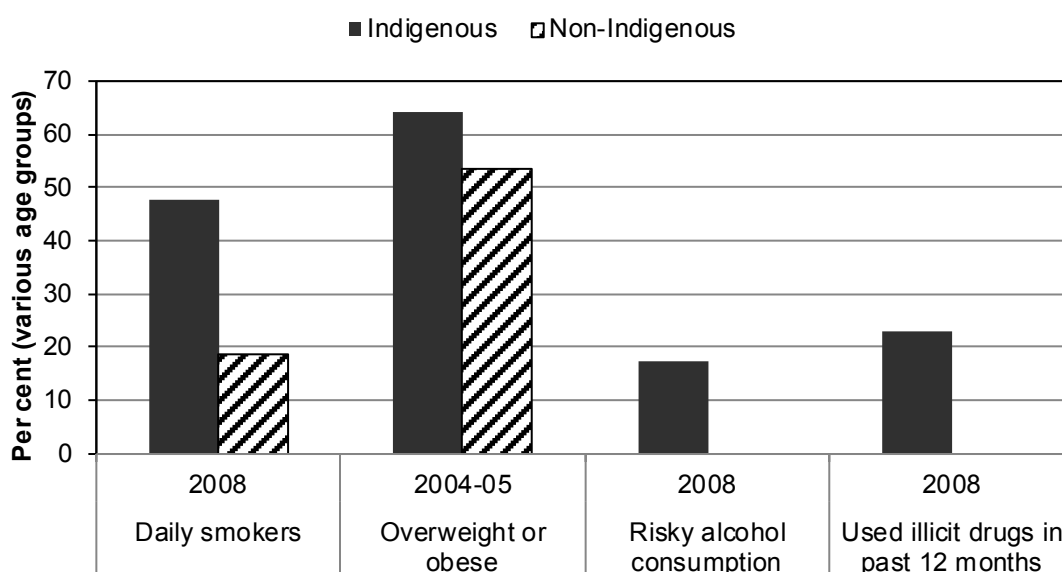
■ Indigenous   ▨ Non-Indigenous

a See source tables for definitions and notes.

Data sources: ABS, National Aboriginal and Torres Strait Islander Health Survey 2004–05, unpublished; ABS, National Aboriginal and Torres Strait Islander Health Survey 2008, unpublished; SCRGSP (2011b), tables 7A.4.1 (smoking), 7A.5.2 (overweight and obesity), 10A.3.3 (alcohol) and 10A.4.2 (drugs).

Smoking rates remain high

In 2008, after accounting for the different age structures in the Indigenous and non-Indigenous populations, the current daily smoking rate for Indigenous adults (45 per cent) was two-and-a-half times the rate for other adults (19 per cent) (Figure 2.9). Indigenous adults living in remote and very remote areas combined (50 per cent) had slightly higher rates of smoking than those living in non-remote areas (46 per cent) (SCRGSP 2011b, table 7A.4.7).

Non-age standardised data show no change in current daily smoking rates among Indigenous adults from 2001 to 2008 (SCRGSP 2011b, table 7A.4.1).

Being overweight or obese contributes to poor health outcomes

In 2004-05 (the most recent data available at the time of the 2011 OID report), 31 per cent of adult Indigenous Australians were obese and, after accounting for the different age structures in the two populations, the rate of obesity among Indigenous adults was almost twice the rate for other adults (SCRGSP 2011b, table 7A.5.2). The proportion of Indigenous adults who were overweight or obese did not change significantly between 2001 and 2004-05 (AIHW 2009).

Rates of drinking alcohol vary widely

No comparable data are available for other Australians, but in 2008, more than one quarter of Indigenous Australians aged 15 years and over reported that they had abstained from drinking alcohol in the previous 12 months (SCRGSP 2011b, table 10A.3.3). People in remote areas (41 per cent) were more likely than people in non-remote areas (22 per cent) to report abstaining from drinking (SCRGSP 2011b, table 10A.3.5). However, 17 per cent of Indigenous Australians reported drinking at chronic risky/high risk levels (Figure 2.9). Rates were similar for Indigenous Australians living in remote areas and non-remote areas (SCRGSP 2011b, table 10A.3.5).

Illicit drug use

No comparable data are available for other Australians, but in both 2002 and 2008, among Indigenous Australians who accepted the substance use form,[4] 23 per cent reported using illicit drugs in the previous 12 months (Figure 1.8). Cannabis was the most commonly used substance (SCRGSP 2011b, table 10A.4.2).

Education is a key to overcoming disadvantage

Improved educational outcomes are essential to overcoming many aspects of disadvantage. School leavers without strong literacy and numeracy skills face poor employment prospects and low income. There are also links between education and health outcomes.

---

[4] The substance use questions in the 2008 National Aboriginal and Torres Strait Islander Social Survey (NATSISS) are comparable to those used in the 2002 NATSISS. However, when comparing data for 2002 and 2008 it should be noted that there were changes in the proportion of people who did not accept the substance use form, with the 2002 NATSISS having a 6 per cent non-response compared with 9 per cent for the 2008 NATSISS.

Figure 2.10 Students achieving Year 3 minimum standards, 2011[a, b]

■ Indigenous   □ Non-Indigenous
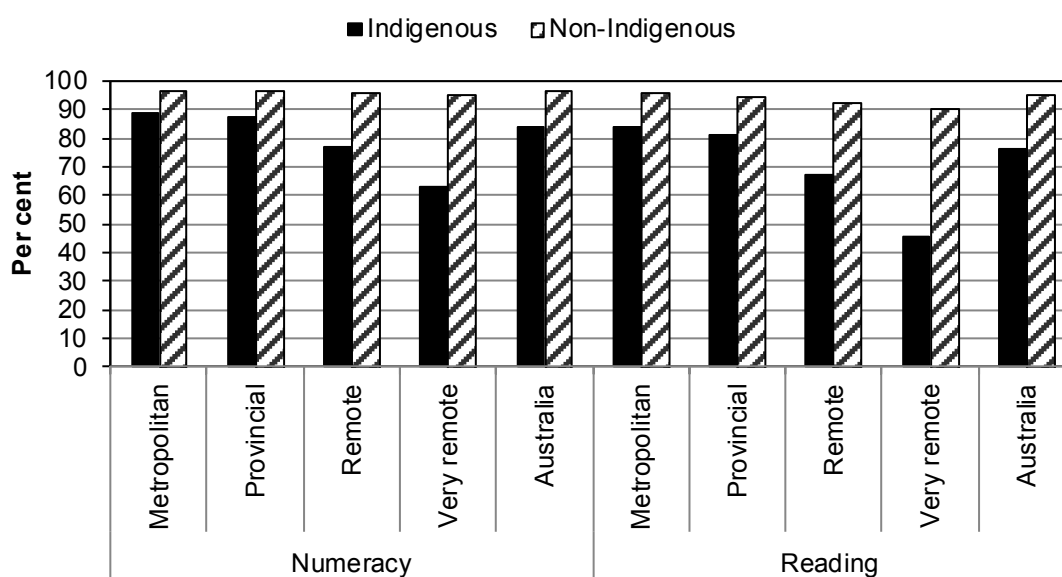
a Exempt students were not assessed and were deemed not to have met the national minimum standard. **b** The method used to identify Indigenous students varies between jurisdictions.

Data sources: ACARA, *National Assessment Program — Literacy and Numeracy: Achievement in Reading, Writing, Language Conventions and Numeracy,* 2011, unpublished; SCRGSP (2011a), tables NIRA15.1 and NIRA 15.2.

In 2011, the majority of Indigenous students achieved the Year 3 national minimum standards for reading, writing and numeracy, but there were significant gaps compared with non-Indigenous students:

- reading — 76 per cent of Indigenous students achieved the minimum standard, compared with 95 per cent of other students (Figure 2.10)

- writing — 80 per cent of Indigenous students achieved the minimum standard, compared with 96 per cent of other students (SCRGSP 2011a, table NIRA15.2)

- numeracy — 84 per cent of Indigenous students achieved the minimum standard, compared with 96 per cent of other students (Figure 2.10).

The proportion of Indigenous students in urban (metropolitan and provincial) areas meeting the national minimum standards was higher than the proportions in remote and very remote areas (Figure 2.10).

Between 2008 and 2011, at a national level, there were small but statistically significant increases in the proportions of Indigenous students achieving at or above the national minimum standard in reading in years 3 and 7, and in numeracy in years 3 and 5 (COAG Reform Council 2012, p. 37).

Figure 2.11   Apparent retention rates of full-time secondary students[a]
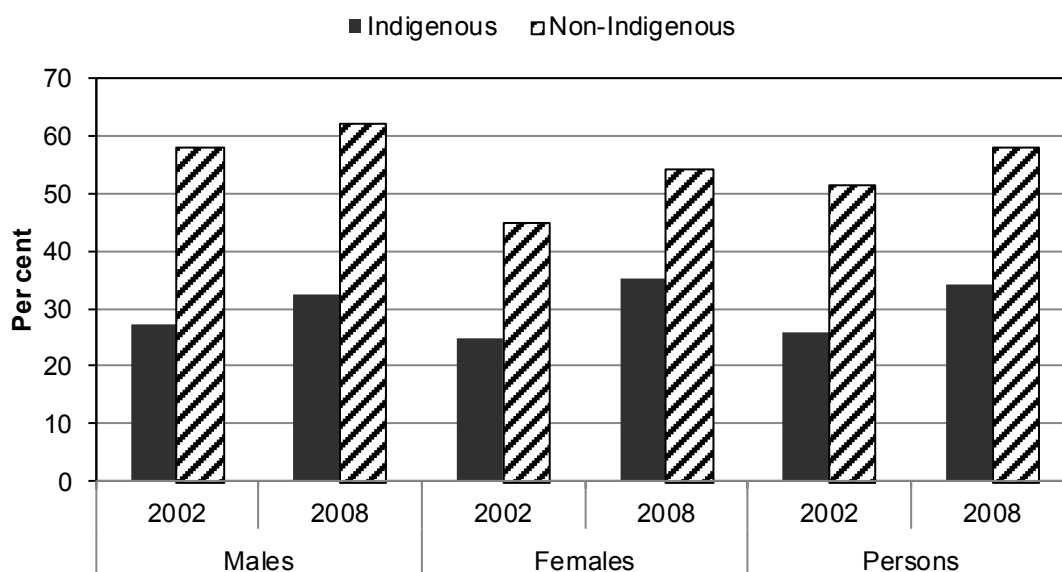
■ Indigenous   ▨ Non-Indigenous
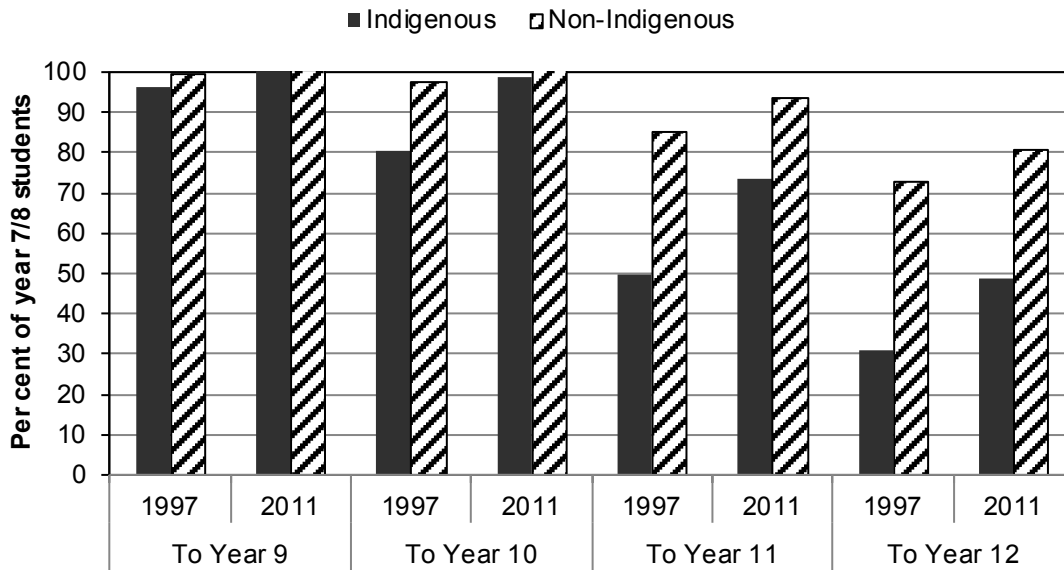
a The apparent retention rate is the percentage of full time students who continued to Year 12 from respective cohort groups at the commencement of their secondary schooling (Year 7 or 8).

Data source: ABS (2012b), NSSC table 64a.

Over time, higher proportions of Indigenous children are completing more years of school, although apparent retention rates[5] for Indigenous students still drop rapidly outside the compulsory years of schooling. Indigenous students' retention to Year 12 increased from 31 per cent in 1997 to 49 per cent in 2011, but is still well below the 79 per cent rate for other students (Figure 2.11).

---

5   The apparent retention rate is the percentage of full-time students who continued to years 9, 10, 11 and 12 from respective cohort groups at the commencement of their secondary schooling (Year 7 or Year 8, depending on the jurisdiction).

Figure 2.12   20–64 year olds with Certificate III or above (or studying)a

ᵃ See source tables for definitions and notes.

Data sources: ABS, GSS and NATSISS 2002, unpublished; ABS, NATSISS 2008, unpublished; ABS, NHS 2007–08, unpublished; SCRGSP (2011b), table 4A.7.1.

Post-school outcomes for Indigenous Australians have also improved. The proportion of Indigenous 20–64 year olds with a Certificate III or above, or who were currently studying, increased from 26 per cent in 2002 to 34 per cent in 2008. The proportion for other 20–64 year olds increased from 52 per cent to 58 per cent over the same period (Figure 2.12).

Safe and supportive communities

Safe and supportive families and communities provide the foundations for the physical and mental wellbeing of children and adults. Together they can provide a protective, caring and resilient environment, promoting a range of positive outcomes.

However, many Indigenous communities live under severe social strain. Community breakdown can contribute to alcohol and drug misuse, child abuse and neglect, violence and imprisonment, and poor health, education, employment and income outcomes. Governments' ability to influence these outcomes varies.

A range of factors can inhibit healthy community functioning. Unemployment, welfare dependency and low incomes affect living standards, self-esteem and overall wellbeing. Excessive drinking has both health and social consequences. Drug use contributes to illness, violence and crime, family and social disruption,

and workplace problems. Overcrowding in housing can increase domestic tensions and affect people's health and education

This part of the paper examines outcomes for Indigenous people in housing overcrowding, child abuse and neglect, violence, imprisonment and juvenile detention.

Overcrowding

Figure 2.13   People in overcrowded housing, 2008[a, b]
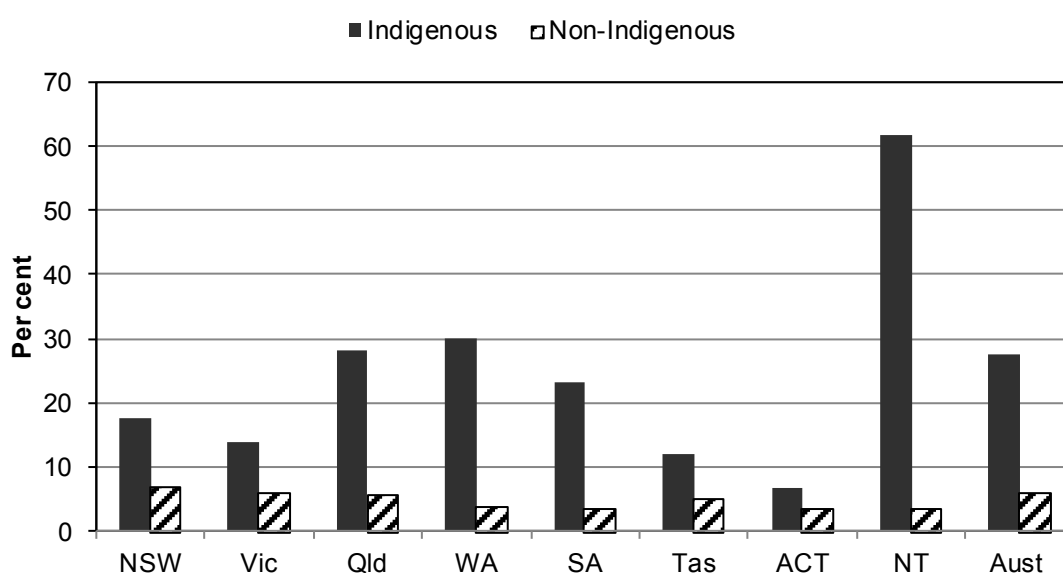
a Households requiring at least one additional bedroom, based on the Canadian National Occupancy Standard for Housing Appropriateness. **b** See source tables for definitions and notes.

Data sources: ABS, NATSISS 2008, unpublished; ABS, NHS 2007–08, unpublished; SCRGSP (2011b), table 9A.1.1.

In 2008, 28 per cent of Indigenous Australians lived in overcrowded housing, five times the rate for other Australians (Figure 2.13). Overcrowding rates increased with remoteness, from 13 per cent in major cities to 58 per cent in very remote areas (SCRGSP 2011b, figure 9.1.2). There was no statistically significant change in the overcrowding rate between 2002 and 2008 (SCRGSP 2011b, figure 9.1.2).

Substantiated child abuse and neglect rates continue to rise

No data exist on the actual extent of abuse, neglect and harm to children within the family environment. The available data refer only to matters that have been notified to the authorities, and investigated and substantiated. Numbers and rates of

substantiations are affected by the willingness of people to report incidents, government policies and practices (including variations in what constitutes substantiation), and the availability of services.

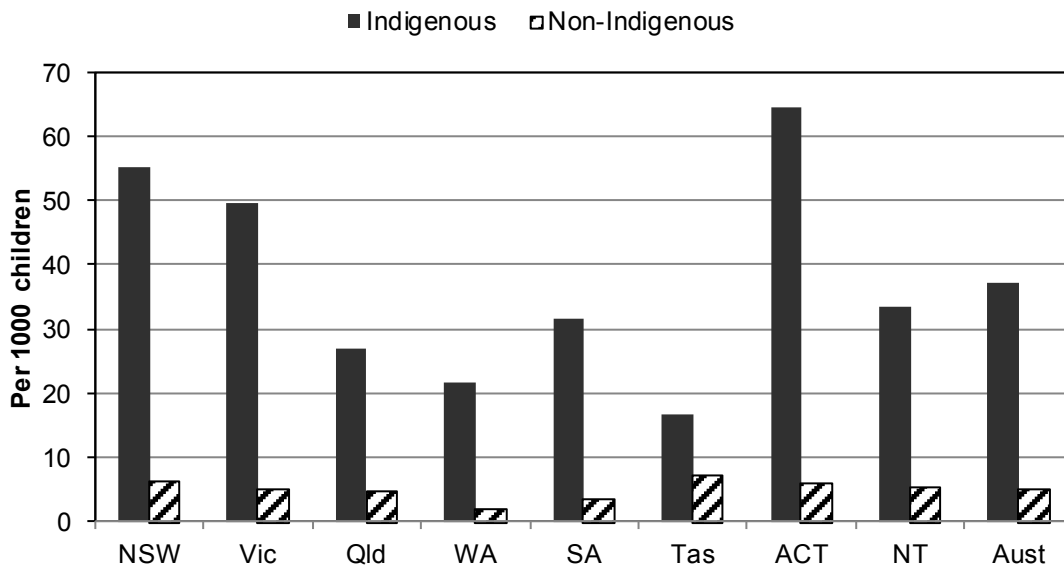**Figure 2.14 Substantiated notifications of child abuse or neglect (time series)ᵃ**
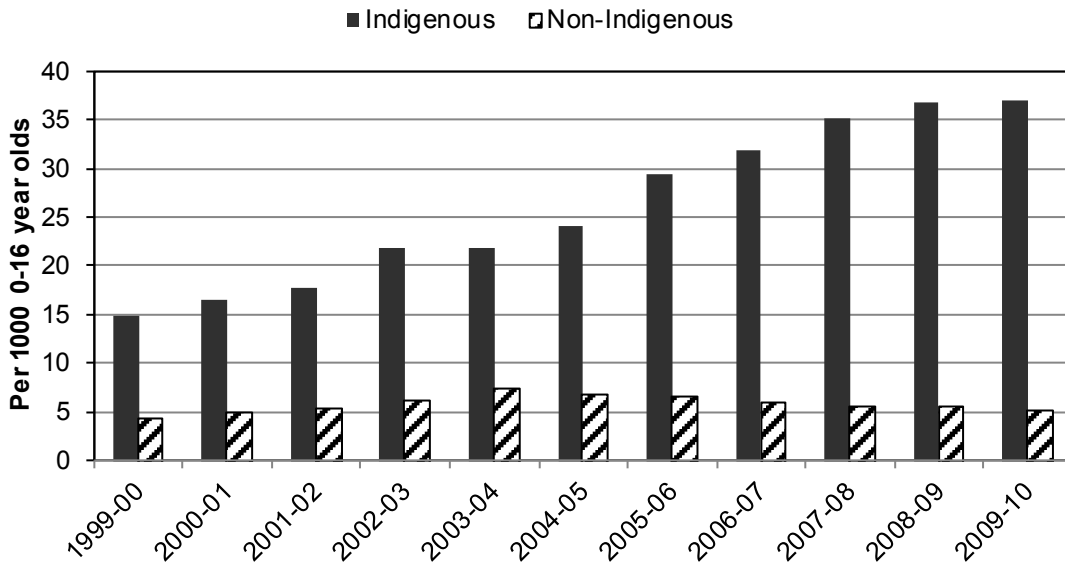
■ Indigenous ▫ Non-Indigenous

ᵃ See source table for definitions and notes.

Data sources: AIHW, derived from *Child Protection Notifications, Investigations and Substantiations , Australia* data collection, unpublished; SCRGSP (2011b), table 4A.10.2.

In 2009-10, Indigenous children were subject to substantiation at over seven times the rate for other children (Figure 2.14). From 1999-2000 to 2009-10, the substantiation rate for Indigenous children increased from 15 per 1000 children in 1999-2000 to 37 per 1000 children in 2009-10. The rate for other children increased from 4 to 5 per 1000 children over the same period. It is possible that some of the increase for Indigenous children is due to improved child protection action, but some is likely to reflect real increases in child abuse and neglect, given little improvement in the social and economic circumstances of Indigenous people.

Figure 2.15 Substantiated notifications of child abuse or neglect (by jurisdiction), 2009-10[a]

a See source table for definitions and notes.

Data sources: AIHW, derived from *Child Protection Notifications, Investigations and Substantiations, Australia* data collection, unpublished ; SCRGSP (2011b), table 4A.10.2.

The substantiation rate for Indigenous children was higher than the rate for other children in all States and Territories (Figure 2.15).

Violence can undermine safe and supportive communities

Social, economic and environmental factors — including unemployment, low income, housing overcrowding and alcohol and substance misuse — can all contribute to family and community violence. A higher proportion of Indigenous adults (20 per cent in 2008) than other adults (11 per cent in 2006) reported in surveys that they had been victims of physical or threatened violence in the previous 12 months (SCRGSP 2011b, table 4A.11.1).

Figure 2.16 Hospitalisation for family violence related assaults^a
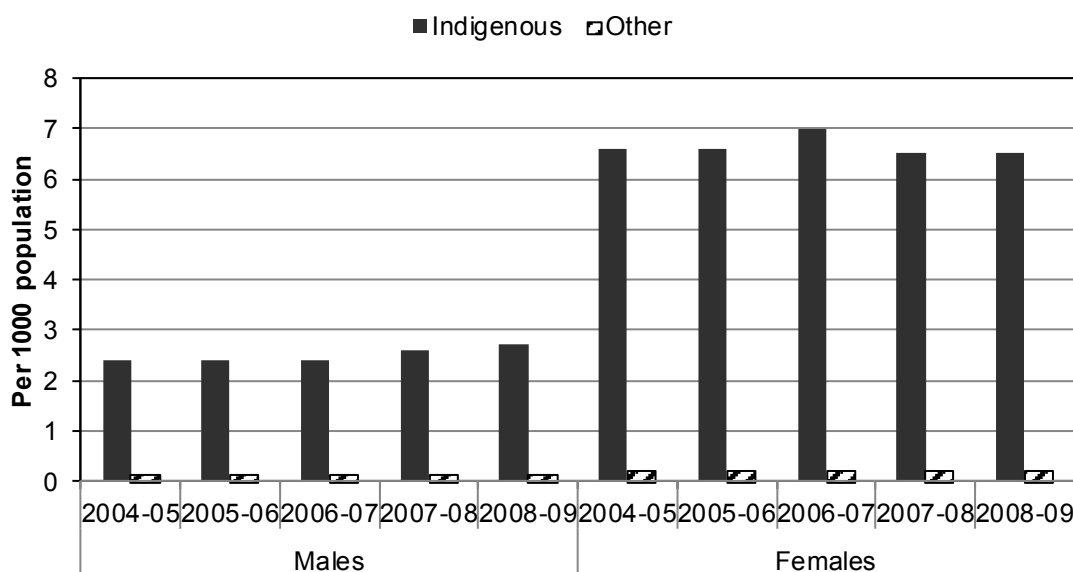
■Indigenous □Other

a NSW, Victoria, Queensland, WA, SA, and public hospitals in the NT. **b** See source table for definitions and notes.

Data sources: AIHW, National Hospital Morbidity Database, unpublished; SCRGSP (2011b), table 4A.11.6.

Between 2004-05 and 2008-09, the rate of hospitalisations for family violence related assault remained fairly constant for both Indigenous and other Australians. In 2008-09, after adjusting for the different age structures of the Indigenous and other populations, Indigenous females were hospitalised for family violence assault at over 30 times the rate for other females (Figure 2.16). Indigenous males were hospitalised for family violence assault at 25 times the rate for other males (Figure 2.16).

Indigenous people are over-represented in the criminal justice system

Indigenous people are over-represented in the criminal justice system, as both young people and adults. Poverty, unemployment, low levels of education, having a parent previously or currently in custody, and lack of access to social services are associated with high crime rates and high levels of imprisonment.

Figure 2.17   Imprisonment rates, age standardised, per 100 000 adult males, Australia[a, b]
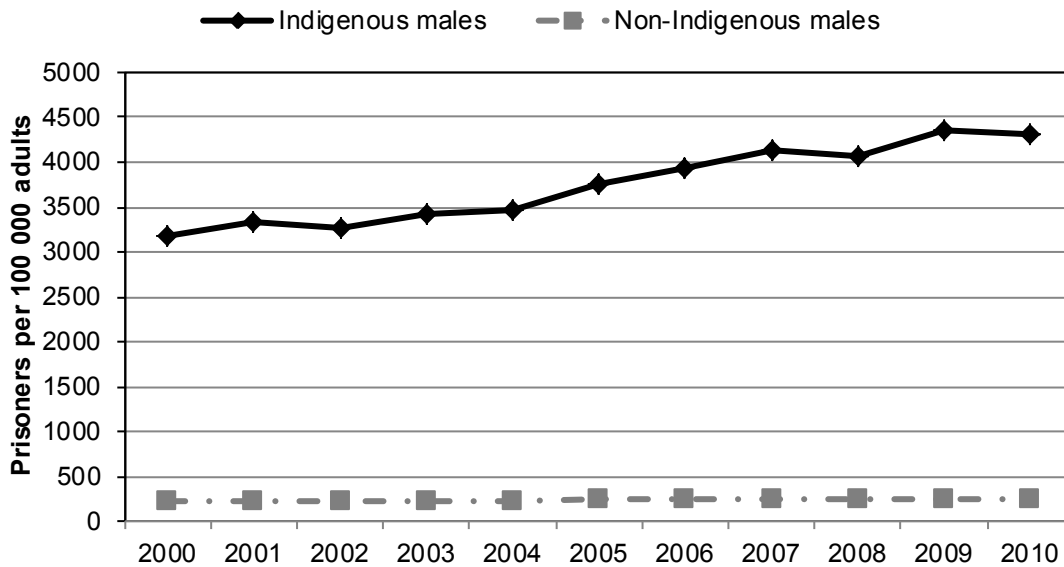

a Age standardised. **b** See source table for definitions and notes.

Data sources: ABS (various years) *Prisoners in Australia*, Cat. no. 4517.0; SCRGSP (2011b), table 4A.12.4.

After adjusting for differences in the age structure of the Indigenous and other populations, the national Indigenous imprisonment rate was 14 times the rate for other Australians in 2010. The Indigenous imprisonment rate increased by over 50 per cent between 2000 and 2010, while the rate for other Australians only changed slightly (Figure 2.17).

Figure 2.18   Juvenile detention rates[a]
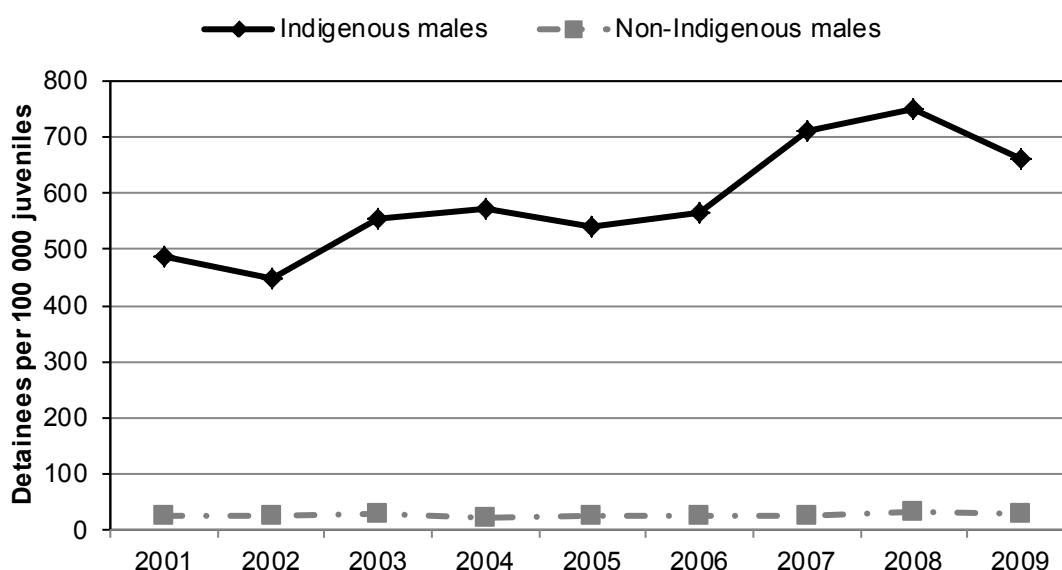
a See source table for definitions and notes.

Data sources: Richards and Lyneham (2010) unpublished; SCRGSP (2011b), table 4A.12.13.

The early involvement of young people in the criminal justice system puts them at much higher risk of further involvement as adults. The detention rate for Indigenous juveniles was 22 times the rate for other juveniles in 2009 (Figure 2.18). Detention rates for Indigenous juveniles were relatively stable between 2003 and 2006, increased in 2007 and 2008, and then decreased to 365.0 per 100 000 young people in 2009. Small numbers of detainees can lead to fluctuations in rates from year to year even where changes in actual numbers are small.

2.6   Beyond outcome reporting

The results presented in this paper (and which form the basis for major reports such as the OID report and the NIRA) are only part of the information needed to assess policy and program effectiveness. Australia is on the way to developing an integrated performance reporting system, with increasing amounts of information available on:

- outcomes for Indigenous Australians — from the OID and NIRA reports
- service delivery and expenditure — from the Report on Government Services: Indigenous Compendium and the Indigenous Expenditure Report
- program evaluations — compiled by the COAG Closing the Gap Clearinghouse.

Program evaluation

The Closing the Gap Clearinghouse was established by COAG to create a clearinghouse for evidence-based research on overcoming disadvantage for Indigenous Australians. It is being delivered by the Australian Institute of Health and Welfare in collaboration with the Australian Institute of Family Studies. (AIHW and AIFS 2012).

The Clearinghouse is becoming a valuable resource for policy makers and Indigenous communities. However, it will only achieve its full potential if governments commit to both funding and publishing more evaluations and research.

The OID report (SCRGSP 2011b), using analysis of case studies and extensive consultation with Indigenous Australians, governments and researchers, identified the following 'success factors' in successful programs (which overlap closely with those identified by the Clearinghouse (Closing the Gap Clearinghouse 2011, 2012)):

- cooperative approaches between Indigenous Australians and government — often with the non-profit and private sectors as well

- community involvement in program design and decision-making — a 'bottom-up' rather than 'top-down' approach

- good governance — at organisation, community and government levels

- ongoing government support — including human, financial and physical resources.

These success factors are closely related to the six determinants of good governance discussed in the OID report: governing institutions; leadership; self-determination; capacity building; cultural match; and resources (SCRGSP 2011b). While these success factors emphasise the roles of government and Indigenous Australians, without direct involvement of the private sector there are limits to improvements in outcomes, particularly in areas such as employment and economic development. Reconciliation Australia (2012) outlined how a range of organisations both public and private have developed Reconciliation Action Plans and are contributing to improving economic and other outcomes for Indigenous Australians.

2.7   Conclusion

The outcomes in this paper show that, although the majority of Indigenous Australians lead productive lives, on average, Indigenous Australians are significantly disadvantaged compared with other Australians across a wide range of socioeconomic indicators. However, the data also show that some outcomes for

Indigenous Australians are improving, particularly in education and economic participation.

Available case studies, evaluations and other research suggest that certain programs and policies can be successful in addressing aspects of Indigenous disadvantage. However, there is an urgent need for more (and better) research and evaluation to identify successful Indigenous programs and the reasons for their success. Both governments and Indigenous people need a better basis for learning about what works (and what does not) if they are to apply those lessons more widely.

References

ABS (Australian Bureau of Statistics) 2008, *Experimental Estimates of Aboriginal and Torres Strait Islander Australians, June 2006*, Cat. no. 3238.0.55.001, Canberra.

—— 2012a, *Australian Demographic Statistics March Quarter 2012*, Cat. no. 3101.0, Canberra.

—— 2012b, *Schools Australia 2011*, Cat. no. 422.10, Canberra.

AHRC (Australian Human Rights Commission) 2012, *Close the Gap Campaign for Indigenous Health Equality*, http://www.humanrights.gov.au/social_justice/ health/index.html.

AIHW (Australian Institute of Health and Welfare) 2009, *Aboriginal and Torres Strait Islander Health Performance Framework, 2008 Report: Detailed Analyses*, Cat. no. IHW 22, Canberra.

—— and AIFS (Australian Institute of Family Studies) 2012, Closing the Gap Clearinghouse, http://www.aihw.gov.au/closingthegap/ (accessed 27 September 2012).

Closing the Gap Clearinghouse (AIHW, AIFS) 2011, *What Works to Overcome Indigenous Disadvantage: Key Learnings and Gaps in the Evidence*, produced for the Closing the Gap Clearinghouse, Canberra and Melbourne, http://www.aihw.gov.au/closingthegap/documents/annual_papers/what_works_t o_overcome_disadvantage.pdf (accessed 27 September 2012).

—— 2012, *What Works to Overcome Indigenous Disadvantage: Key Learnings and Gaps in the Evidence 2010–11*. Produced for the Closing the Gap Clearinghouse, Canberra and Melbourne, http://www.aihw.gov.au/closingthegap/ documents/annual_papers/what_works_to_overcome_disadvantage_2010-11.pdf (accessed 27 September 2012).

COAG (Council of Australian Governments) 2011, *National Indigenous Reform Agreement (Closing the Gap)*, Canberra, http://www.federalfinancialrelations.gov.au/content/national_agreements/indige nous_reform/National_Indigenous_Reform_Agreement_from_13_Feb_11.pdf (accessed 19 September 2012).

COAG Reform Council 2012, *Indigenous Reform 2010–11: Comparing Performance across Australia*, Sydney, http://www.coagreformcouncil.gov.au/reports/indigenous.cfm (accessed 19 September 2012).

Reconciliation Australia 2012, *Reconciliation Action Plan: Impact Measurement Report 2011*, Canberra.

Richards, K. and Lyneham, M. 2010, *Juveniles in Detention in Australia, 1981–2008*, Monitoring Reports, Australian Institute of Criminology, Canberra.

SCRGSP (Steering Committee for the Review of Government Service Provision) 2011a, *National Agreement Performance Information 2010–11: National Indigenous Reform Agreement*, Productivity Commission, Canberra.

—— 2011b, *Overcoming Indigenous Disadvantage: Key Indicators 2011*, Productivity Commission, Canberra, http://www.pc.gov.au/gsp/indigenous/key-indicators-2011 (accessed 20 September 2012).

—— 2012a, *2012 Indigenous Expenditure Report*, Productivity Commission, Canberra, http://www.pc.gov.au/gsp/ier/indigenous-expenditure-2012/key-points (accessed 19 September 2012).

—— 2012b, *Report on Government Services 2012: Indigenous Compendium,* Productivity Commission, Canberra, http://www.pc.gov.au/gsp/rogs/indigenous-compendium-2012 (accessed 27 September 2012).