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Foreword

This is the eleventh edition of the Report on Government Services. The first Report was published in 1995, following an historic agreement by Heads of Government in July 1993. The Review has made great progress in the intervening years. The breadth and depth of reporting (and the size of the report!) have developed considerably. Services covered in this Report now represent around 90 billion dollars, or 61 per cent of government recurrent expenditure — equivalent to nearly 11 per cent of gross domestic product.

The Report is primarily a tool for government. It has been used for strategic budget planning, and for policy development and evaluation. Information in the Report has been used to assess the resource needs and service performance of departments. It has encouraged governments to work towards national approaches in data collection and has assisted agencies to benchmark their services against best practice. I believe that the Report will be of even greater value in this respect as we strengthen its focus on outcomes.

The Review's Steering Committee and working groups have again worked hard to improve the accuracy, consistency and comparability of data in the Report. The ultimate goal is to present comparable data for all jurisdictions. However, where this remains to be achieved, data are generally presented for those jurisdictions that can currently report (rather than waiting until data are available for all jurisdictions).

The 2006 Report contains a number of improvements. There is expanded reporting on school learning outcomes, including in science and mathematics and problem solving. In the health area, information on 'patient satisfaction' and 'sentinel events' are reported as outcome indicators for public hospitals, and data on the Pharmaceutical Benefits Scheme is reported in the primary and community health chapter.

Over recent years, the Review has progressively expanded its reporting on services to Indigenous Australians. This Report includes for the first time information on customer satisfaction with State-owned and managed Indigenous housing. Since 2003, a separate Compendium of data on services to Indigenous people has been published based on data in the Report (the Compendium for the 2006 Report is to be released in mid-year).

In 2002, COAG asked the Review to produce a regular report on indicators of Indigenous disadvantage ‘that are of relevance to all governments and Indigenous stakeholders, and that can demonstrate the impact of programme and policy interventions’. The Steering Committee has published two editions of the report, *Overcoming Indigenous Disadvantage: Key Indicators*, in 2003 and 2005. The report complements the data in this report related to service delivery, by focussing on outcomes within a strategic framework. The next edition is planned for 2007.

As always, the production of this Report relied on the active cooperation and support of people from a range of government departments and agencies. Special thanks are due to the members of the many workings groups who provide the ‘engine room’ for the Review. Statistical bodies — in particular, the Australian Bureau of Statistics and the Australian Institute of Health and Welfare — provide invaluable advice and assistance. And the Review’s Secretariat in the Productivity Commission has continued to provide effective support to the Steering Committee and working groups.

Gary Banks
Chairman

January 2006

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This report is in two volumes: Volume 1 contains Part A (Introduction), Part B (Education), Part C (Justice), Part D (Emergency Management) and the CD-ROM attachment; Volume 2 contains Part E (Health), Part F (Community Services), Part G (Housing) and Appendix A (the descriptive statistics appendix).

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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:

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Ms Joanna Davidson	Aust. Govt.	Department of Prime Minister and Cabinet
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Ms Leigh Sanderson	NSW	The Cabinet Office
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Ms Susan Killion	ACT	Chief Minister's Department

Acronyms and abbreviations

ABS	Australian Bureau of Statistics
ACAP	Aged Care Assessment Program
ACAT	Aged Care Assessment Team
ACCHS	Aboriginal Community Controlled Health Service
ACCMIS	Aged and Community Care Management Information System
ACHS	Australian Council on Health Care Standards
ACIR	Australian Childhood Immunisation Register
ACPR	Australian Centre for Policing Research
ACSAA	Aged Care Standards and Accreditation Agency
ACSQHC	Australian Council for Safety and Quality in Health Care
ACT	Australian Capital Territory
ADR	Alternative Dispute Resolution
AFAC	Australasian Fire Authorities Council
AFP	Australian Federal Police
AGCCCS	Australian Government Census of Child Care Services
AGPAL	Australian General Practice Accreditation Limited
AGR	annual growth rate
AHCA	Australian Health Care Agreements
AHMAC	Australian Health Ministers' Advisory Council
AIC	Australian Institute of Criminology
AIHW	Australian Institute of Health and Welfare
AJJA	Australasian Juvenile Justice Administrators
ANTA	Australian National Training Authority
AQF	Australian Qualifications Framework

AR-DRG	Australian refined diagnosis related group
ARHP	Aboriginal Rental Housing Program
ARIA	Accessibility and Remoteness Index for Australia
ASGC	Australian Standard Geographical Classification
ASO	Ambulance Service Organisation
ATSIC	Aboriginal and Torres Strait Islander Commission
Aust	Australia
AVETMISS	Australian Vocational Education and Training Management Information Statistical Standard
BEACH	Bettering the Evaluation and Care of Health
CAA	Council of Ambulance Authorities
CACP	Community Aged Care Package (program)
CAD	computer aided dispatch
CAP	Crisis Accommodation Program
CAWG	Court Administration Working Group
CD ARIA	Census District Accessibility and Remoteness Index for Australia
CD-ROM	Compact Disc Read Only Memory
CFA	Country Fire Authority
CHINS	Community Housing and Infrastructure Needs Survey
CI	confidence interval
COAG	Council of Australian Governments
CRA	Commonwealth Rent Assistance
CRS	Commonwealth Rehabilitation Services
CSDA / CSTDA	Commonwealth State Disability Agreement / Commonwealth State/Territory Disability Agreement
CSDMAC	Community Services and Disabilities Ministers' Advisory Council
CSHA	Commonwealth State Housing Agreement
CSWG	Corrective Services Working Group
Cwlth	Commonwealth

DAC	delivery following primary caesarean
DCIS	ductal carcinoma in situ
DEA	data envelopment analysis
DEST	Department of Education, Science and Training
DEWR	Department of Employment and Workplace Relations
DoHA	Department of Health and Ageing
DOTARS	Department of Transport and Regional Services
DSE	Department of Sustainability and Environment
DVA	Department of Veterans' Affairs
EACH	Extended Aged Care at Home (program)
EBA	Enterprise Bargaining Agreement
EMA	Emergency Management Australia
ERP	estimated resident populations
ESL	Emergency Services Levy
ESO	emergency service organisation
FaCS	Department of Family and Community Services
FBT	Fringe Benefits Tax
FDCQA	Family Day Care Quality Assurance
FESA	Fire and Emergency Services Authority of WA
FMC	Federal Magistrates Court
FRS	Fire and Rescue Service
FSO	Fire Service Organisation
FTE	full time equivalent
FWE	full time workload equivalent
GDP	gross domestic product
GP	general practitioner
GST	goods and services tax
HACC	Home and Community Care (program)
HbA1c	glycated haemoglobin
HILDA	Household Income and Labour Dynamics Australia

HMAC	Housing Ministers' Advisory Committee
HRSCEET	House of Representatives Standing Committee on Employment, Education and Training
ICD-10-AM	Australian modification of the International Standard Classification of Diseases and Related Health Problems, version 10
IPD	Implicit Price Deflator
ITAB	Industry Training Advisory Bodies
JJNMDS	Juvenile Justice National Minimum Data Set
K10	Kessler – 10 scale
LBOTE	Language background other than English
LCL	lower confidence level
LMO	local medical officer
LSI	Likert Summation Index
MBS	Medicare Benefits Schedule
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
MDS	minimum data set
MFB	Metropolitan Fire Brigade
NCAC	National Childcare Accreditation Council
NCAG	National Corrections Advisory Group
NCPASS	National Child Protection and Support Services
NCSIMG	National Community Services Information Management Group
NCVER	National Centre for Vocational Education Research
NDA	National Disability Administrators
NDCA	National Data Collection Agency
NESB	non-English speaking background
NFD	not further defined
NHCDC	National Hospital Cost Data Collection
NIDP	National Information Development Plan

NMDS	national minimum data set
NMHS	National Mental Health Strategy
no.	number
np	not published
NRCP	National Respite for Carers Program
NRF	National Reporting Framework
NSCSP	National Survey of Community Satisfaction with Policing
NSMHS	National Survey of Mental Health Services
NSW	New South Wales
NT	Northern Territory
OATSIH	Office of Aboriginal and Torres Strait Islander Health
OECD	Organisation for Economic Co-operation and Development
OMP	other medical practitioner
OSHCQA	Outside School Hours Care Quality Assurance
PBS	Pharmaceutical Benefits Scheme
PDF	Portable Document Format
PHARIA	Accessibility/Remoteness Index of Australia modified for Pharmacies
PIP	Practice Incentives Program
PISA	Program for International Student Assessment
PSM	Population Survey Monitor
QFRS	Queensland Fire and Rescue Service
QIAS	Quality Improvement and Accreditation System
Qld	Queensland
QPA	Quality Practice Accreditation
RACGP	Royal Australian College of General Practitioners
RCS	Resident Classification Scale
RFDS	Royal Flying Doctor Service
RPBS	Repatriation Pharmaceutical Benefits Scheme
RRMA	Rural, Remote and Metropolitan Areas

RSE	relative standard error
RTO	Registered Training Organisation
SA	South Australia
SAAP	Supported Accommodation Assistance Program
SAAS	SA Ambulance Service
SAR	service activity reporting
SCRCSSP	Steering Committee for the Review of Commonwealth/State Service Provision
SCRGSP	Steering Committee for the Review of Government Service Provision
SDA	service delivery area
SDAC	Survey of Disability, Ageing and Carers
SE	standard error
SES/TES	State Emergency Service/Territory Emergency Service
SEWB Framework	National Strategic Framework for Aboriginal and Torres Strait Islander Mental Health and Social and Emotional Wellbeing 2004–2009
SEWB	Social and Emotional Wellbeing
SLA	statistical local area
SMART	SAAP Management and Reporting Tool
SOMIH	state owned and managed Indigenous housing
TAFE	technical and further education
Tas	Tasmania
UCC	user cost of capital
UCL	upper confidence level
ULN	upper limit of normal
VBAC	vaginal birth following primary caesarean
VET	vocational education and training
VHC	Veterans' Home Care
Vic	Victoria
WA	Western Australia

Glossary

Definitions of indicators and other terms can also be found at the end of each chapter.

Access	Measures how easily the community can obtain a delivered service (output).
Appropriateness	Measures how well services meet client needs and also seeks to identify the extent of any underservicing or overservicing.
Constant prices	See ‘real dollars’.
Cost effectiveness	Measures how well inputs (such as employees, cars and computers) are converted into outcomes for individual clients or the community. Cost effectiveness is expressed as a ratio of inputs to outcomes. For example, cost per life year saved is a cost effectiveness indicator reflecting the ratio of expenditure on breast cancer detection and management services (including mammographic screening services, primary care, chemotherapy, surgery and other forms of care) to the number of women’s lives that are saved.
Current prices	See ‘nominal dollars’.
Descriptors	Descriptive statistics included in the Report that relate, for example, to the size of the service system, funding arrangements, client mix and the environment within which government services are delivered. These data are provided to highlight and make more transparent the differences among jurisdictions.
Effectiveness	Reflects how well the outputs of a service achieve the stated objectives of that service (also see program effectiveness).

Efficiency	Reflects how resources (inputs) are used to produce outputs and outcomes, expressed as a ratio of inputs to outputs (technical efficiency), or inputs to outcomes (cost effectiveness). (Also see ‘cost effectiveness’ and ‘technical efficiency’.)
Equity	Measures the gap between service delivery outputs or outcomes for special needs groups and the general population. Equity of access relates to all Australians having <i>adequate</i> access to services, where the term <i>adequate</i> may mean different rates of access for different groups in the community (see chapter 1 for more detail).
Inputs	The resources (including land, labour and capital) used by a service area in providing the service.
Nominal dollars	Refers to financial data expressed ‘in the price of the day’ and which are not adjusted to remove the effects of inflation. Nominal dollars do not allow for inter-year comparisons because reported changes may reflect changes to financial levels (prices and/or expenditure) and adjustments to maintain purchasing power due to inflation.
Output	The service delivered by a service area, for example, a completed episode of care is an output of a public hospital.
Outcome	The impact of the service on the status of individuals or a group, and the success of the service area in achieving its objectives. A service provider can influence an outcome but external factors can also apply. A desirable outcome for a school, for example, would be to add to the ability of the students to participate in, and interact with, society throughout their lives. Similarly, a desirable outcome for a hospital would be to improve the health status of an individual receiving a hospital service.
Process	Refers to the way in which a service is produced or delivered (that is, how inputs are transformed into outputs).
Program effectiveness	Reflects how well the outcomes of a service achieve the stated objectives of that service (also see effectiveness).

Quality	Reflects the extent to which a service is suited to its purpose and conforms to specifications.
Real dollars	Refers to financial data measured in prices from a constant base year to adjust for the effects of inflation. Real dollars allow the inter-year comparison of financial levels (prices and/or expenditure) by holding the purchasing power constant.
Technical efficiency	A measure of how well inputs (such as employees, cars and computers) are converted into service outputs (such as hospital separations, education classes or residential aged care places). Technical efficiency reflects the ratio of outputs to inputs. It is affected by the size of operations and by managerial practices. There is scope to improve technical efficiency if there is potential to increase the quantity of outputs produced from given quantities of inputs, or if there is potential to reduce the quantities of inputs used in producing a certain quantity of outputs.
Unit costs	Measures average cost, expressed as the level of inputs per unit of output. This is an indicator of efficiency.

Terms of reference

The Review, to be conducted by a joint Commonwealth/State and Territory Government working party, is to undertake the following:

- establish the collection and publication of data that will enable ongoing comparisons of the efficiency and effectiveness of Commonwealth and State Government services, including intra-government services. This will involve:
 - establishing performance indicators for different services which would assist comparisons of efficiency and effectiveness. The measures should, to the maximum extent possible, focus on the cost effectiveness of service delivery, as distinct from policy considerations that determine the quality and level of services; and
 - collecting and publishing data that are consistent with these measures. The Review should also address the procedures for the ongoing collection and publication of benchmark data; and
- compile and assess service provision reforms that have been implemented or are under consideration by Commonwealth and State Governments.

The Review will cover all major types of reform, including those involving the separation of policy development from service provision. Case studies of particular reforms could be provided where appropriate.

The Review will need to keep abreast of developments in other relevant reviews and working parties, including the Commonwealth/State Government working party (initiated by the Council of Australian Governments) investigating Commonwealth/State Government roles and responsibilities.