

© Commonwealth of Australia 2005

ISSN 1328 181X

ISBN 1 74037 160 7

This paper is copyright. It has been produced by the Steering Committee for the Review of Government Service Provision (SCRGSP). Apart from any use as permitted under the *Copyright Act 1968*, no part may be reproduced by any process without prior written permission from the Department of Communications, IT and the Arts. Requests and inquiries concerning reproduction and rights should be addressed to the Australian Copyright Administration, Intellectual Property Branch, Department of Communications, IT and the Arts, GPO Box 2154, Canberra ACT 2601.

The Productivity Commission acts as the Secretariat for the Steering Committee.

Secretariat

Steering Committee for the Review of Government Service Provision

Productivity Commission

LB 2 Collins Street East Post Office

Melbourne VIC 8003

Level 28

35 Collins Street

Melbourne VIC 3000

Telephone: 03 9653 2100 or Freecall: 1800 020 083

Facsimile: 03 9653 2359

E-mail: gsp@pc.gov.au

<http://www.pc.gov.au/gsp>

Suggestions:

The Steering Committee welcomes suggestions on the performance indicators contained in this Report. Please direct your suggestions to the Productivity Commission Secretariat at the above address.

An appropriate citation for this publication is:

SCRGSP (Steering Committee for the Review of Government Service Provision) 2005, *Report on Government Services 2005*, Productivity Commission, Canberra.

Foreword

This is the tenth edition of the Report on Government Services. The first was published in 1995, following an historic agreement by Heads of Government in July 1993. Much has been achieved in the intervening years.

The first Report effectively set the baseline for subsequent reporting. It contained data on the efficiency and effectiveness of government services in the areas of public housing, school education, vocational education and training, police, courts administration, corrective services, and child protection and support.

The breadth and depth of reporting have developed considerably since then. For example, in the area of health, the Review now also reports on primary and community health, and the management of breast cancer and mental health; in the community services area, it reports on aged care, services for people with a disability and children's services. The housing chapter now includes reporting on community housing and State-owned and managed Indigenous housing.

Following advice from the Prime Minister in 1997, the Review has increased its reporting on Indigenous Australians across all service areas. Since 2003 a separate Compendium of data on services to Indigenous people has been published. In an important new initiative, the Council of Australian Governments has also commissioned the Review to produce a regular report on indicators of Indigenous disadvantage, to provide a consistent basis for assessing outcomes and progress over time. The first of these, *Overcoming Indigenous Disadvantage: key indicators* was produced in November 2003; the next report will be released in May 2005.

The past ten years have not just seen the Report grow greatly in size. The Review's Steering Committee has also striven to make it a better and more useful resource for governments. In particular, to discharge the Review's function of facilitating assessments of performance over time and across jurisdictions, the accuracy, consistency and comparability of data in the Report have been targeted for continual refinement.

In a recent feedback survey of users, 92 per cent of central agency respondents considered the Report 'important' for evaluating and formulating government policy; and 91 per cent considered it so for briefing ministers and departmental executives.

From a broader perspective, the Report has helped provide impetus for governments to work towards national approaches in data collection. In turn, this has contributed to convergence in approaches to service delivery in some areas with consequent gains in efficiency and effectiveness. It has also assisted agencies in identifying and benchmarking their services against best practice. I believe that this will be of even greater value as we strengthen the Report's focus on outcomes.

As in past volumes, the 2005 Report contains a number of improvements. These include reporting new indicators for children's services, services for people with a disability and corrective services. Reporting on Indigenous Australians has improved for aspects of education and public hospital services.

Not all areas of reporting have progressed as well as they should, however. In particular, given its social and economic importance, and the potential to collect useful data, reporting on school education continues to fall short. For example, improvements in the scope and timeliness of data relating to literacy and numeracy foreshadowed in the 2004 Report have not eventuated. Also, expected new reporting on student performance in primary science was not available this year. There is clearly scope to do better.

As always, the production of this Report has depended on the active cooperation and support of many 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 — provided invaluable advice and assistance. And the Review's Secretariat in the Productivity Commission has continued to do a sterling job.

I would like to thank everyone involved for their contribution to this important joint undertaking over the past decade and I look forward to further advances in coming years.

Gary Banks
Chairman

January 2005

Contents

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).

Volume 1

Foreword	III
Contents	V
Steering Committee for the Review of Government Service Provision	XI
Acronyms and abbreviations	XIII
Glossary	XVIII
Term of Reference	XXII
PART A INTRODUCTION	
1 The approach to performance measurement	1.1
1.1 Aims of the Review	1.1
1.2 The role of government in delivering services	1.2
1.3 Reasons for measuring comparative performance	1.3
1.4 Scope	1.6
1.5 Approach	1.9
1.6 Using the data in this Report	1.19
1.7 Other approaches and exercises	1.21
1.8 References	1.22
2 Recent developments in the Report	2.1
2.1 Developments in reporting	2.1
2.2 Progress with indicator development	2.3
2.3 Progress with key data issues	2.4

2.4	'Cross-cutting' issues	2.20
2.5	Related Review projects	2.23
2.6	References	2.25

PART B EDUCATION

B	Education preface	B.1
3	School education	3.1
3.1	Profile of school education	3.2
3.2	Framework of performance indicators	3.13
3.3	Key performance indicator results	3.17
3.4	Future directions in performance reporting	3.45
3.5	Jurisdictions' comments	3.48
3.6	Definitions of key terms and indicators	3.58
3.7	References	3.61
4	Vocational education and training	4.1
4.1	Profile of vocational education and training	4.2
4.2	Framework of performance indicators	4.9
4.3	Key performance indicator results	4.10
4.4	Future directions in performance reporting	4.31
4.5	Jurisdictions' comments	4.32
4.6	Definitions of key terms and indicators	4.41
4.7	References	4.44

PART C JUSTICE

C	Justice preface	C.1
5	Police services	5.1
5.1	Profile of police services	5.2
5.2	General approach to performance measurement for police services	5.13
5.3	Indicators relevant to all service delivery areas	5.15
5.4	Community safety and support	5.28
5.5	Crime investigation	5.48
5.6	Road safety and traffic management	5.58
5.7	Services to the judicial process	5.70

5.8	Other services provided by police	5.81
5.9	Capital costs in the costing of police services	5.81
5.10	Future directions in performance reporting	5.82
5.11	Jurisdictions' comments	5.84
5.12	Information on sample data	5.93
5.13	Definitions of key terms and indicators	5.95
5.14	References	5.101
6	Court administration	6.1
6.1	Profile of court administration services	6.1
6.2	Framework of performance indicators	6.19
6.3	Key performance indicator results	6.21
6.4	Future directions in performance reporting	6.47
6.5	Jurisdictions' comments	6.48
6.6	Definitions of key terms and indicators	6.57
6.7	References	6.60
7	Corrective services	7.1
7.1	Profile of corrective services	7.2
7.2	Framework of performance indicators	7.9
7.3	Key performance indicator results	7.11
7.4	Future directions in performance reporting	7.32
7.5	Jurisdictions' comments	7.33
7.6	Definitions of key terms and indicators	7.42
7.7	Reference	7.48
PART D EMERGENCY MANAGEMENT		
8	Emergency management	8.1
8.1	Overview of emergency management	8.2
8.2	Framework for measuring the performance of emergency management	8.10
8.3	Fire events	8.13
8.4	Ambulance events	8.37
8.5	Road rescue events	8.51
8.6	Future directions in performance reporting	8.54
8.7	Jurisdictions' comments	8.55

8.8	Definitions of key terms and indicators	8.64
8.9	References	8.67

Volume 2

Contents		III
Acronyms and abbreviations		IX
Glossary		XIV
PART E HEALTH		
E Health preface		E.1
9 Public hospitals		9.1
9.1	Profile of public hospital systems	9.2
9.2	Public hospitals	9.18
9.3	Maternity services	9.57
9.4	Future directions in performance reporting	9.76
9.5	Definitions of key terms and indicators	9.80
9.6	References	9.84
10 Primary and community health		10.1
10.1	Profile of primary and community health	10.2
10.2	Framework of performance indicators	10.13
10.3	Key performance indicator results	10.14
10.4	Future directions in performance reporting	10.52
10.5	Definitions of key terms and indicators	10.54
10.6	References	10.57
11 Health management issues		11.1
11.1	Overview of health management	11.2
11.2	Framework for measuring the performance of health management	11.2
11.3	Breast cancer	11.3
11.4	Mental health	11.33
11.5	Future directions in performance reporting	11.68
11.6	Jurisdictions' comments	11.71

11.7	Definitions of key terms and indicators	11.81
11.8	References	11.89
PART F COMMUNITY SERVICES		
F	Community services preface	F.1
12	Aged care services	12.1
12.1	Profile of aged care services	12.4
12.2	Framework of performance indicators	12.19
12.3	Key performance indicator results	12.19
12.4	Future directions in performance reporting	12.46
12.5	Jurisdictions' comments	12.46
12.6	Appendix: Age standardisation of aged care data	12.56
12.7	Definitions of key terms and indicators	12.60
12.8	References	12.63
13	Services for people with a disability	13.1
13.1	Profile of disability services	13.4
13.2	Framework of performance indicators	13.10
13.3	Key performance indicator results	13.12
13.4	Future directions in performance reporting	13.56
13.5	Jurisdictions' comments	13.57
13.6	Definitions of key terms and indicators	13.67
13.7	References	13.73
14	Children's services	14.1
14.1	Profile of children's services	14.2
14.2	Framework of performance indicators	14.12
14.3	Key performance indicator results	14.13
14.4	Future directions in performance reporting	14.41
14.5	Jurisdictions' comments	14.43
14.6	Definitions of key terms and indicators	14.53
14.7	References	14.58
15	Protection and support services	15.1
15.1	Profile of child protection and out-of-home care services	15.2

15.2	Framework of child protection and out-of-home care services performance indicators	15.11
15.3	Key child protection and out-of-home care services performance indicator results	15.13
15.4	Future directions in child protection and out-of-home care services performance reporting	15.37
15.5	Profile of supported accommodation and assistance	15.38
15.6	Framework of supported accommodation and assistance performance indicators	15.41
15.7	Key supported accommodation and assistance performance indicator results	15.42
15.8	Future directions in supported accommodation and assistance performance reporting	15.65
15.9	Jurisdictions' comments	15.67
15.10	Definition of key terms and indicators	15.77
15.11	References	15.83

PART G HOUSING

16	Housing	16.1
16.1	Profile of housing and housing assistance	16.4
16.2	Framework of performance indicators	16.21
16.3	Key performance indicator results	16.26
16.4	Future directions in performance reporting	16.87
16.5	Jurisdictions' comments	16.88
16.6	Definitions of key terms and indicators	16.98
16.7	References	16.104
A	Statistical appendix	A.1

Steering Committee for the Review of Government Service Provision

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 Gary Banks	Chairman	Productivity Commission
Ms Kathryn Campbell	Aust. Govt.	Department of Finance and Administration
Mr Michael Willcock	Aust. Govt.	Department of the Treasury
Ms Joanna Davidson	Aust. Govt.	Department of Prime Minister and Cabinet
Mr Mark Ronsisvalle	NSW	Department of Treasury
Ms Leigh Sanderson	NSW	The Cabinet Office
Ms Pam Williams	Vic	Department of the Premier and Cabinet
Ms Kathleen Charles	Vic	Department of Treasury and Finance
Ms Anna Moynihan	Qld	Department of the Premier and Cabinet
Mr Ken Sedgwick	Qld	Department of Treasury
Mrs Petrice Judge	WA	Department of the Premier and Cabinet
Mr Timothy Marney	WA	Department of Treasury and Finance
Mr David Imber	SA	Department of Treasury and Finance
Mr Martin Brine	SA	Department of Premier and Cabinet
Ms Rebekah Burton	Tas	Department of Premier and Cabinet
Ms Susan Killion	ACT	Chief Minister's Department

Mr Tony Stubbin	NT	NT Treasury
Dr Rolf Gerritsen	NT	Department of the Chief Minister
Ms Susan Linacre		Australian Bureau of Statistics

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

Mr Glenn Poole	Qld	Department of Treasury
Ms Louisa Pink	Qld	Department of the Premier and Cabinet
Mr Phillip Mussared	Tas	Department of Treasury and Finance
Ms Nicola Best	NT	Department of the Chief Minister
Mr Andrew Rice	ACT	Chief Minister's Department

Acronyms and abbreviations

ABS	Australian Bureau of Statistics
ACAP	Aged Care Assessment Program
ACAT	Aged Care Assessment Team
ACCCHS	Aboriginal Community Controlled Health Service
ACHS	Australian Council on Healthcare 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
AHCA	Australian Health Care Agreements
AIC	Australian Institute of Criminology
AIHW	Australian Institute of Health and Welfare
ANTA MINCO	Australian National Training Authority Ministerial Council
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
ATSIC	Aboriginal and Torres Strait Islander Commission

ATSIS	Aboriginal and Torres Strait Islander Services
Aust	Australia
AVETMISS	Australian Vocational Education and Training Management Information Statistical Standard
BEACH	Bettering the Evaluation and Care of Health
CAA	Convention of Ambulance Authorities
CACP	Community Aged Care Package (program)
CAD	computer aided dispatch
CD ARIA Plus	Census District Accessibility and Remoteness Index for Australia (upgraded version)
CD-ROM	Compact Disc Read Only Memory
CHINS	Community Housing and Infrastructure Needs Survey
CI	confidence interval
COAG	Council of Australian Governments
CRA	Commonwealth Rent Assistance
CRS	Commonwealth Rehabilitation Services
CSDA	Commonwealth/State Disability Agreement
CSDMAC	Community Services and Disabilities Ministers' Advisory Council
CSHA	Commonwealth State Housing Agreement
CSTDA	Commonwealth State/Territory Disability Agreement
Cwlth	Commonwealth
DCIS	Ductal carcinoma in situ
DEA	data envelopment analysis
DEST	Department of Education, Science and Training
DFaCS	Department of Family and Community Services
DHA	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
EPC	Enhanced Primary Care
ERP	estimated resident populations
ESL	Emergency Services Levy
ESO	emergency service organisation
FDCQA	Family Day Care Quality Assurance
FESA	Fire and Emergency Services Authority of WA
FRS	Fire and Rescue Service
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
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.
IHANT	Indigenous Housing Authority of the NT
IMP	Information Management Plan (SAAP)
ITAB	Industry Training Advisory Bodies
JJNMDS	Juvenile Justice National Minimum Data Set
K10	Kessler – 10 scale
KiDS	Key Information Directory System (NSW)
LBOTE	Language background other than English
LMO	local medical officer
LSI	Likert Summation Index

MAB	Management Advisory Board
MBS	Medicare Benefits Schedule
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
MDS	minimum data set
NCAC	National Childcare Accreditation Council
NCAG	National Corrections Advisory Group
NCPASS	National Child Protection and Support Services
NCVER	National Centre for Vocational Education Research
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
NOOSR	National Office of Overseas Skills Recognition
NRCP	National Respite for Carers Program
NSCSP	National Survey of Community Satisfaction with Policing
NSMHS	National Survey of Mental Health Services
NSW	New South Wales
NT	Northern Territory
OMP	other medical practitioner
OSHCQA	Outside School Hours Care Quality Assurance
PBS	Pharmaceutical Benefits Scheme
PIP	Practice Incentives Program
PISA	Program for International Student Assessment
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
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
SE	standard error
SES/TES	State Emergency Service/Territory Emergency Service
SLA	statistical local area
SMART	SAAP Management and Reporting Tool
TAFE	technical and further education
Tas	Tasmania
UCC	user cost of capital
ULN	upper limit of normal
VET	vocational education and training
VHC	Veterans' Home Care
Vic	Victoria
WA	Western Australia
WHO	World Health Organisation

Glossary

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

Access A reflection of how easily the community can obtain a delivered service (output).

Appropriateness Measures how well services meet client needs and also seek to identify the extent of any underservicing or overservicing.

Capability In the context of the health performance framework, the capacity of an organisation, program or individual to provide health care services based on appropriate skills and knowledge (see the ‘Health preface’).

Constant prices See ‘real dollars’.

Continuity In the context of the health performance framework, the provision of uninterrupted, timely, coordinated healthcare, interventions and actions across programs, practitioners and organisations (see the ‘Health preface’).

Cost effectiveness A measure of 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 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	A reflection of how well the outputs of a service achieve the stated objectives of that service (also see program effectiveness).
Efficiency	A reflection of how resources 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	Equity indicators reflect 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, box 1.5 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 is 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 provided 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. 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	The way in which a service is produced or delivered.
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.
Responsiveness	In the context of the health performance framework, the provision of services that are client oriented and respectful of clients' dignity, autonomy, confidentiality, amenity, choices, and social and cultural needs (see the 'Health preface').
Safety	In the context of the health performance framework, the avoidance, or reduction to acceptable levels, of actual or potential harm from health care services, management or environments, and the prevention or minimisation of adverse events associated with health care delivery (see the 'Health preface').
Sustainability	In the context of the health performance framework, the capacity to provide infrastructure (such as workforce, facilities and equipment), be innovative and respond to emerging needs (see the 'Health preface').

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

Average cost — an indicator of efficiency, as used throughout this Report.

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.