

The *2012 Indigenous Expenditure Report* was released on **4 September 2012**. The Report is the second in a series that provides *estimates* of expenditure on services provided to Aboriginal and Torres Strait Islander people by the Australian Government, and State and Territory governments. Estimates are provided for each level of government, Australia as a whole, and on a state and territory geographical basis, for 2008-09 and 2010-11.

The printed report provides an overview of six broad areas of expenditure — early child development and education and training; healthy lives; economic participation; home environment; safe and supportive communities; and other government expenditure — which are mapped at a high level to COAG's *National Indigenous Reform Agreement* building blocks. More detailed estimates for 86 expenditure categories are available electronically from the project website.

Expenditure patterns in South Australia

The *2012 Indigenous Expenditure Report* found that in South Australia in 2010-11:

- total government direct Indigenous expenditure was estimated to be \$1.5 billion, accounting for 4.3 per cent of total government direct expenditure in South Australia. Indigenous Australians make up 1.9 per cent of the South Australian population
- the Australian Government accounted for \$662 million (43 per cent) of direct Indigenous expenditure, with the remaining \$863 million (57 per cent) provided by the SA Government
- mainstream services accounted for \$1.1 billion (73 per cent) of direct Indigenous expenditure, with the remaining \$407 million (27 per cent) provided through Indigenous specific (targeted) services.

Estimated expenditure per head of population was \$49 147 for Indigenous Australians, compared with \$20 739 for non-Indigenous Australians (a ratio of 2.37:1). The \$28 408 per person difference reflected the combined effects of:

- *greater intensity of service use (\$17 826 or 63 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 costs of providing services (\$10 583 or 37 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 in addition to mainstream services (for example, liaison officers in hospitals). Targeted services received in addition to mainstream services accounted for \$9529 per person, (90 per cent) of the additional costs of providing services to Indigenous Australians in South Australia (web-table W-E.16).

Indigenous expenditure in South Australia, 2010-11

There were significant variations in levels and patterns of expenditure across expenditure categories:

- *early child development, and education and training* — includes expenditure on preschool and childcare; school education; and tertiary education. The ratio of Indigenous to non-Indigenous expenditure per head of population in South Australia was 3.11:1 (\$9483 per Indigenous Australian compared with \$3047 per non-Indigenous Australian)
- *healthy lives* — includes expenditure on hospital services; public and community health services; and other health care subsidies and support services. The ratio of Indigenous to non-Indigenous expenditure per head of population in South Australia was 2.14:1 (\$9104 per Indigenous Australian compared with \$4250 per non-Indigenous Australian)
- *economic participation* — includes expenditure on labour and employment services and social security support. The ratio of Indigenous to non-Indigenous expenditure per head of population in South Australia was 1.88:1 (\$9391 per Indigenous Australian compared with \$4991 per non-Indigenous Australian)
- *home environment* — expenditure on housing services; community and environment services; and transport and communications services. The ratio of Indigenous to non-Indigenous expenditure per head of population in South Australia was 1.79:1 (\$3260 per Indigenous Australian compared with \$1819 per non-Indigenous Australian)
- *safe and supportive communities* — includes expenditure on public order and safety; community support and welfare; and recreation and culture. The ratio of Indigenous to non-Indigenous expenditure per head of population in South Australia was 4.96:1 (\$13 972 per Indigenous Australian compared with \$2817 per non-Indigenous Australian)
- *other government expenditure* — includes expenditure on general government (such as the operations of legislative and executive affairs and defence services); and support to industry. The ratio of Indigenous to non-Indigenous expenditure per head of population in South Australia was 1.03:1 (\$3937 per Indigenous Australian compared with \$3814 per non-Indigenous Australian).

Interpreting the results

Estimating the Indigenous component of expenditure — especially for mainstream services — is a complex exercise, and many data quality and methodological challenges are yet to be resolved. Some of these challenges are state-specific. The interpretation of the estimates provided in the Report requires an understanding of the strengths and limitations of the data and method, as well as the context within which Indigenous services are provided. Chapters 2 and 3 of the report provide an overview of these issues, with detailed observations of issues specific to each jurisdiction provided in section 3.3.

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Information in this factsheet is from the *2012 Indigenous Expenditure Report*, published by the Steering Committee for the Review of Government Service Provision. The report can be found on the project website: www.pc.gov.au/ier. Printed copies of the report are available from Canprint Communications (ph 1300 889 873 or email: sales@infoservices.com.au). For further information contact the Secretariat: (03) 9653 2100.

Indigenous expenditure in South Australia, 2010-11

Table 1 Australian Government *plus* SA Government direct expenditure, South Australia, 2010-11^{a, b, c}

	Total expenditure				Expenditure per head of population ^d		
	Indig.	Non-Indig.	Total	Indig. share	Indig.	Non-Indig.	Ratio ^e
	\$m	\$m	\$m	%	\$/person	\$/person	ratio
Early child development, and Education and training (Report chapter 4 and web-tables W-E.3 and W-E.4)							
Early childhood	23	438	461	5.0	739	271	2.73
School education	223	3 176	3 399	6.6	7 184	1 963	3.66
Tertiary education	48	1 317	1 365	3.5	1 560	814	1.92
Total	294	4 932	5 226	5.6	9 483	3 047	3.11
Healthy lives (Report chapter 5 and web-tables W-E.5 and W-E.6)							
Hospital services	200	3 930	4 130	4.8	6 449	2 429	2.66
Public and community health	60	775	835	7.2	1 936	479	4.04
Health care subsidies and support	22	2 173	2 195	1.0	719	1 343	0.54
Total	283	6 878	7 161	3.9	9 104	4 250	2.14
Economic participation (Report chapter 6 and web-tables W-E.7 and W-E.8)							
Labour & employment	63	641	704	8.9	2 028	396	5.12
Social security support	229	7 436	7 664	3.0	7 363	4 595	1.60
Total	292	8 076	8 368	3.5	9 391	4 991	1.88
Home environment (Report chapter 7 and web-tables W-E.9 and W-E.10)							
Housing	37	812	849	4.3	1 180	502	2.35
Community and environment	47	1 180	1 227	3.8	1 502	729	2.06
Transport & communications	18	952	970	1.8	577	588	0.98
Total	101	2 944	3 046	3.3	3 260	1 819	1.79
Safe and supportive communities (Report chapter 8 and web-tables W-E.11 and W-E.12)							
Public order and safety	206	1 512	1 718	12.0	6 623	934	7.09
Community support & welfare	205	2 508	2 714	7.6	6 608	1 550	4.26
Recreation and culture	23	539	562	4.1	742	333	2.23
Total	434	4 559	4 993	8.7	13 972	2 817	4.96
Other government expenditure (Report chapter 9 and web-tables W-E.13 and W-E.14)							
General govt and defence	113	5 701	5 814	1.9	3 642	3 523	1.03
Support to industry	9	471	480	1.9	295	291	1.01
Total	122	6 172	6 295	1.9	3 937	3 814	1.03
TOTAL EXPENDITURE	1 526	33 562	35 088	4.3	49 147	20 739	2.37

^a Direct expenditure includes government outlays on services and programs (including income support) that are paid directly to individuals, non-government service providers, or local governments. ^b Refer to relevant chapters for more detail on the estimates and specific guidelines for the use and interpretation of these data. ^c Totals may not sum due to rounding. ^d Per head of population expenditure is not the same as expenditure per user, and should not be interpreted as a proxy for unit cost. The population data used for these calculations is provided in appendix C, table C.1. ^e The ratio of total Indigenous expenditure per person to total non-Indigenous expenditure per person.

Source: 2012 Indigenous Expenditure Report, web-attachment W-E (www.pc.gov.au/ier).

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Indigenous expenditure in South Australia, 2010-11

Table 2 Australian Government and SA Government direct expenditure, South Australia, 2010-11^{a, b, c}

	Total expenditure			Indig. share	Expenditure per head of population ^d		
	Indig.	Non-Indig.	Total		Indig.	Non-Indig.	Ratio ^e
	\$m	\$m	\$m	%	\$/person	\$/person	ratio
Early child development, and Education and training (Report chapter 4 and web-tables W-E.3 and W-E.4)							
Australian Government	53	1 318	1 371	3.9	1 702	815	2.09
SA Government	242	3 613	3 855	6.3	7 781	2 233	3.48
Total	294	4 932	5 226	5.6	9 483	3 047	3.11
Healthy lives (Report chapter 5 and web-tables W-E.5 and W-E.6)							
Australian Government	65	2 541	2 606	2.5	2 089	1 570	1.33
SA Government	218	4 337	4 555	4.8	7 015	2 680	2.62
Total	283	6 878	7 161	3.9	9 104	4 250	2.14
Economic participation (Report chapter 6 and web-tables W-E.7 and W-E.8)							
Australian Government	285	7 779	8 063	3.5	9 180	4 807	1.91
SA Government	7	298	304	2.2	212	184	1.15
Total	292	8 076	8 368	3.5	9 391	4 991	1.88
Home environment (Report chapter 7 and web-tables W-E.9 and W-E.10)							
Australian Government	28	893	921	3.0	896	552	1.62
SA Government	73	2 052	2 125	3.5	2 363	1 268	1.86
Total	101	2 944	3 046	3.3	3 260	1 819	1.79
Safe and supportive communities (Report chapter 8 and web-tables W-E.11 and W-E.12)							
Australian Government	139	2 201	2 339	5.9	4 471	1 360	3.29
SA Government	295	2 359	2 654	11.1	9 501	1 458	6.52
Total	434	4 559	4 993	8.7	13 972	2 817	4.96
Other government expenditure (Report chapter 9 and web-tables W-E.13 and W-E.14)							
Australian Government	93	4 675	4 768	1.9	2 994	2 889	1.04
SA Government	29	1 497	1 526	1.9	944	925	1.02
Total	122	6 172	6 295	1.9	3 937	3 814	1.03
All direct expenditure (web-tables W-E.1 and W-E.2)							
Australian Government	662	19 406	20 068	3.3	21 331	11 992	1.78
SA Government	863	14 156	15 019	5.7	27 816	8 747	3.18
Total	1 526	33 562	35 088	4.3	49 147	20 739	2.37

^a Direct expenditure includes government outlays on services and programs (including income support) that are paid directly to individuals, non-government service providers, or local governments. ^b Refer to relevant chapters for more detail on the estimates and specific guidelines for the use and interpretation of these data. ^c Totals may not sum due to rounding. ^d Per head of population expenditure is not the same as expenditure per user, and should not be interpreted as a proxy for unit cost. The population data used for these calculations is provided in appendix C, table C.1. ^e The ratio of total Indigenous expenditure per person to total non-Indigenous expenditure per person.

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