

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 the Northern Territory

The *2012 Indigenous Expenditure Report* found that in the Northern Territory in 2010-11:

- total government direct Indigenous expenditure was estimated to be \$4.7 billion, accounting for 54 per cent of total government direct expenditure in the Northern Territory. Indigenous Australians make up 30 per cent of the Northern Territory population
- the Australian Government accounted for \$2.2 billion (47 per cent) of direct Indigenous expenditure, with the remaining \$2.5 billion (53 per cent) provided by the NT Government
- mainstream services accounted for \$3.2 billion (67 per cent) of direct Indigenous expenditure, with the remaining \$1.6 billion (33 per cent) provided through Indigenous specific (targeted) services.

Estimated expenditure per head of population was \$67 761 for Indigenous Australians, compared with \$24 822 for non-Indigenous Australians (a ratio of 2.73:1). The \$42 939 per person difference reflected the combined effects of:

- *greater intensity of service use (\$22 989 or 54 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 (\$19 950 or 46 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 \$17 104 per person, (86 per cent) of the additional costs of providing services to Indigenous Australians in the Northern Territory (web-table W-H.16).

Indigenous expenditure in the Northern Territory, 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 the Northern Territory was 2.40:1 (\$8881 per Indigenous Australian compared with \$3697 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 the Northern Territory was 2.08:1 (\$16 110 per Indigenous Australian compared with \$7757 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 the Northern Territory was 3.56:1 (\$10 729 per Indigenous Australian compared with \$3013 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 the Northern Territory was 3.95:1 (\$9924 per Indigenous Australian compared with \$2515 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 the Northern Territory was 5.28:1 (\$14 344 per Indigenous Australian compared with \$2718 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 the Northern Territory was 1.52:1 (\$7772 per Indigenous Australian compared with \$5122 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 the Northern Territory, 2010-11

Table 1 Australian Government *plus* NT Government direct expenditure, Northern Territory, 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-H.3 and W-H.4)							
Early childhood	41	51	93	44.6	592	320	1.85
School education	465	414	879	52.9	6 663	2 572	2.59
Tertiary education	114	130	243	46.7	1 627	806	2.02
Total	620	595	1 215	51.1	8 881	3 697	2.40
Healthy lives (Report chapter 5 and web-tables W-H.5 and W-H.6)							
Hospital services	370	288	659	56.2	5 302	1 791	2.96
Public and community health	645	358	1 003	64.3	9 229	2 224	4.15
Health care subsidies and support	110	602	712	15.5	1 579	3 741	0.42
Total	1 125	1 248	2 373	47.4	16 110	7 757	2.08
Economic participation (Report chapter 6 and web-tables W-H.7 and W-H.8)							
Labour & employment	268	82	350	76.6	3 841	509	7.55
Social security support	481	403	884	54.4	6 888	2 504	2.75
Total	749	485	1 234	60.7	10 729	3 013	3.56
Home environment (Report chapter 7 and web-tables W-H.9 and W-H.10)							
Housing	265	90	355	74.5	3 786	562	6.74
Community and environment	313	170	483	64.8	4 484	1 056	4.25
Transport & communications	116	144	260	44.5	1 654	897	1.84
Total	693	405	1 098	63.1	9 924	2 515	3.95
Safe and supportive communities (Report chapter 8 and web-tables W-H.11 and W-H.12)							
Public order and safety	473	183	656	72.1	6 768	1 137	5.95
Community support & welfare	406	122	528	76.9	5 815	758	7.68
Recreation and culture	123	133	256	48.1	1 761	824	2.14
Total	1 002	437	1 439	69.6	14 344	2 718	5.28
Other government expenditure (Report chapter 9 and web-tables W-H.13 and W-H.14)							
General govt and defence	322	710	1 032	31.2	4 611	4 411	1.05
Support to industry	221	114	335	65.9	3 161	711	4.45
Total	543	824	1 367	39.7	7 772	5 122	1.52
TOTAL EXPENDITURE	4 733	3 993	8 727	54.2	67 761	24 822	2.73

^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-H (www.pc.gov.au/ier).

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Indigenous expenditure in the Northern Territory, 2010-11

Table 2 Australian Government and NT Government direct expenditure, Northern Territory, 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-H.3 and W-H.4)							
Australian Government	108	105	213	50.8	1 546	651	2.37
NT Government	512	490	1 002	51.1	7 335	3 046	2.41
Total	620	595	1 215	51.1	8 881	3 697	2.40
Healthy lives (Report chapter 5 and web-tables W-H.5 and W-H.6)							
Australian Government	518	818	1 336	38.8	7 422	5 083	1.46
NT Government	607	430	1 037	58.5	8 688	2 674	3.25
Total	1 125	1 248	2 373	47.4	16 110	7 757	2.08
Economic participation (Report chapter 6 and web-tables W-H.7 and W-H.8)							
Australian Government	723	444	1 166	62.0	10 348	2 757	3.75
NT Government	27	41	68	39.3	381	256	1.49
Total	749	485	1 234	60.7	10 729	3 013	3.56
Home environment (Report chapter 7 and web-tables W-H.9 and W-H.10)							
Australian Government	129	82	211	61.3	1 853	507	3.65
NT Government	564	323	887	63.6	8 071	2 007	4.02
Total	693	405	1 098	63.1	9 924	2 515	3.95
Safe and supportive communities (Report chapter 8 and web-tables W-H.11 and W-H.12)							
Australian Government	376	109	485	77.6	5 383	676	7.96
NT Government	626	329	955	65.6	8 961	2 042	4.39
Total	1 002	437	1 439	69.6	14 344	2 718	5.28
Other government expenditure (Report chapter 9 and web-tables W-H.13 and W-H.14)							
Australian Government	374	465	839	44.6	5 356	2 889	1.85
NT Government	169	359	528	32.0	2 416	2 233	1.08
Total	543	824	1 367	39.7	7 772	5 122	1.52
All direct expenditure (web-tables W-H.1 and W-H.2)							
Australian Government	2 229	2 021	4 250	52.4	31 910	12 564	2.54
NT Government	2 504	1 972	4 476	55.9	35 852	12 258	2.92
Total	4 733	3 993	8 727	54.2	67 761	24 822	2.73

^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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