

The 2014 *Indigenous Expenditure Report* was released on 12 December 2014. The Report is the third 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.

The 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 services.

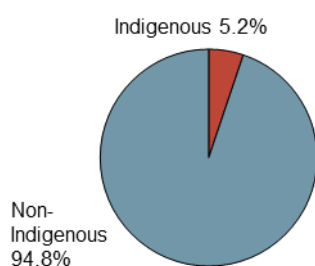
More detailed estimates and data for previous years are available from the project website.

Interpreting the results

Estimating the Indigenous component of expenditure – especially for mainstream services – is complex, and many data quality and methodological challenges are yet to be resolved. Some of these challenges are state-and territory specific. The Report provides information to assist in interpreting the estimates, including the strengths and limitations of the data and method and the context in which services are provided.

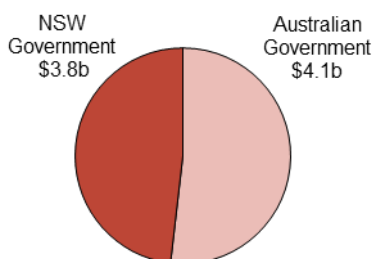
Expenditure patterns in New South Wales in 2012-13

Figure 1. Total government direct expenditure



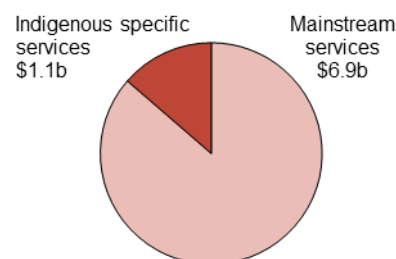
Total government direct Indigenous expenditure was estimated to be \$8.0 billion, accounting for 5.2 per cent of total government direct expenditure in New South Wales.

Figure 2. Funding source of total government direct expenditure



The Australian Government accounted for \$4.1 billion (52 per cent) of direct Indigenous expenditure, with the remaining \$3.8 billion (48 per cent) provided by the New South Wales Government.

Figure 3. Composition of direct Indigenous expenditure



Mainstream services accounted for \$6.9 billion (86 per cent) of direct Indigenous expenditure, with the remaining \$1.1 billion (14 per cent) provided through Indigenous specific (targeted) services.

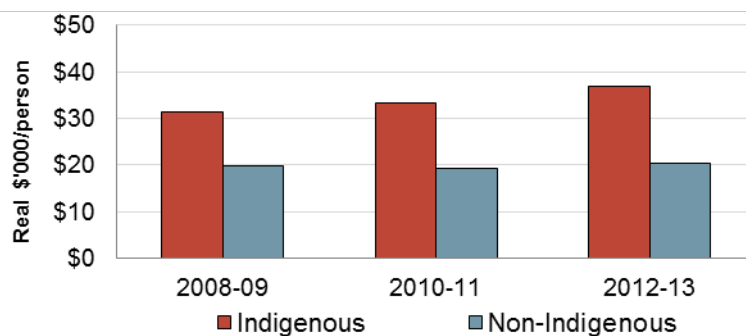
New South Wales

Expenditure per person in New South Wales

Aboriginal and Torres Strait Islander Australians made up 2.9 per cent of the New South Wales population at 30 June 2013.

Estimated expenditure per person in 2012-13 was \$36 812 for Aboriginal and Torres Strait Islander Australians, compared with \$20 290 for non-Indigenous Australians (a ratio of 1.81:1). Between 2008-09 and 2012-13, total government direct Indigenous expenditure increased by \$1.7 billion (27 per cent) in real terms, equivalent to an increase of \$5418 per person (see figure 4).

Figure 4. Total government direct expenditure per person in New South Wales ^{a, b, c}



^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 Per head of population expenditure is not the same as expenditure per user, and should not be interpreted as a proxy for unit cost. ^c Expenditure for 2008-09 and 2010-11 has been expressed in real (constant 2012-13 dollars) terms using the General Government Final Consumption Expenditure deflator (chain price index).

Source: 2014 Indigenous Expenditure Report database

The \$16 523 per person difference in expenditure between Aboriginal and Torres Strait Islander Australians and non-Indigenous Australians in 2012-13 reflected the combined effects of:

- *greater intensity of service use* (\$12 480 or 76 per cent) – Aboriginal and Torres Strait Islander Australians, on average, use more services per person because of greater need, and because of population characteristics such as the younger age profile of the Aboriginal and Torres Strait Islander population
- *higher costs of providing services* (\$4043 or 24 per cent) – it can cost more to provide services to Aboriginal and Torres Strait Islander Australians if mainstream services are more expensive to provide (for example, because of location), or if Aboriginal and Torres Strait Islander Australians receive targeted services in addition to mainstream services (for example, liaison officers in hospitals).

Variations in expenditure in New South Wales over the six broad areas

There were significant variations in levels and patterns of expenditure across expenditure categories in 2012-13.

Early child development, and education and training

This includes expenditure on preschool and childcare; school education; and tertiary education.

2014

Information in this factsheet is from the 2014 Indigenous Expenditure Report, published by the Steering Committee for the Review of Government Provision. The Report can be found on the project website: www.pc.gov.au/research/recurring/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.

New South Wales

The ratio of Indigenous to non-Indigenous expenditure per person in New South Wales was 2.29:1 (\$5852 per Aboriginal and Torres Strait Islander Australian compared with \$2555 per non-Indigenous Australian).

Healthy lives

This 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 person in New South Wales was 1.66:1 (\$7068 per Aboriginal and Torres Strait Islander Australian compared with \$4268 per non-Indigenous Australian).

Economic participation

This includes expenditure on labour and employment services and social security support.

The ratio of Indigenous to non-Indigenous expenditure per person in New South Wales was 1.48:1 (\$7267 per Aboriginal and Torres Strait Islander Australian compared with \$4911 per non-Indigenous Australian).

Home environment

This includes expenditure on housing services; community and environment services; and transport and communications services.

The ratio of Indigenous to non-Indigenous expenditure per person in New South Wales was 1.38:1 (\$2620 per Aboriginal and Torres Strait Islander Australian compared with \$1903 per non-Indigenous Australian).

Safe and supportive communities

This includes expenditure on public order and safety; community support and welfare; and recreation and culture.

The ratio of Indigenous to non-Indigenous expenditure per person in New South Wales was 3.75:1 (\$9953 per Aboriginal and Torres Strait Islander Australian compared with \$2655 per non-Indigenous Australian).

Other government expenditure

This 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 person in New South Wales was 1.01:1 (\$4053 per Aboriginal and Torres Strait Islander Australian compared with \$3998 per non-Indigenous Australian).

2014

Information in this factsheet is from the *2014 Indigenous Expenditure Report*, published by the Steering Committee for the Review of Government Provision. The Report can be found on the project website: www.pc.gov.au/research/recurring/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.

New South Wales

Table 1 Australian Government *plus* New South Wales Government direct expenditure, New South Wales, 2012-13^{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							
Early childhood	68	1 681	1 750	3.9	316	234	1.35
School education	975	10 624	11 599	8.4	4 500	1 477	3.05
Tertiary education	224	6 074	6 298	3.6	1 036	844	1.23
Total	1 268	18 380	19 647	6.5	5 852	2 555	2.29
Healthy lives							
Hospital services	535	13 057	13 592	3.9	2 469	1 815	1.36
Public and community health	384	3 472	3 857	10.0	1 775	483	3.68
Health care subsidies & support	612	14 177	14 788	4.1	2 824	1 971	1.43
Total	1 531	30 706	32 237	4.7	7 068	4 268	1.66
Economic participation							
Labour & employment	222	3 011	3 233	6.9	1 026	419	2.45
Social security support	1 352	32 318	33 670	4.0	6 241	4 492	1.39
Total	1 574	35 328	36 903	4.3	7 267	4 911	1.48
Home environment							
Housing	247	1 989	2 236	11.1	1 142	276	4.13
Community and environment	131	4 054	4 185	3.1	604	564	1.07
Transport & communications	189	7 648	7 837	2.4	874	1 063	0.82
Total	567	13 691	14 258	4.0	2 620	1 903	1.38
Safe and supportive communities							
Public order and safety	810	6 706	7 516	10.8	3 739	932	4.01
Community support & welfare	1 243	9 966	11 209	11.1	5 737	1 385	4.14
Recreation and culture	103	2 424	2 527	4.1	477	337	1.42
Total	2 156	19 096	21 252	10.1	9 953	2 655	3.75
Other government expenditure							
General govt and defence	793	25 960	26 753	3.0	3 660	3 609	1.01
Support to industry	85	2 802	2 887	2.9	392	390	1.01
Total	878	28 762	29 640	3.0	4 053	3 998	1.01
TOTAL EXPENDITURE	7 974	145 962	153 937	5.2	36 813	20 290	1.81

^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 the Report 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. ^e The ratio of total Indigenous expenditure per person to total non-Indigenous expenditure per person.

Source: 2014 Indigenous Expenditure Report database.

2014

Information in this factsheet is from the 2014 Indigenous Expenditure Report, published by the Steering Committee for the Review of Government Provision. The Report can be found on the project website: www.pc.gov.au/research/recurring/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.

New South Wales

Table 2 Australian Government and New South Wales Government direct expenditure, New South Wales, 2012-13^{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							
Australian Government	292	5 867	6 159	4.7	1 349	816	1.65
NSW Government	975	12 513	13 488	7.2	4 503	1 739	2.59
Total	1 268	18 380	19 647	6.5	5 852	2 555	2.29
Healthy lives							
Australian Government	822	14 952	15 774	5.2	3 794	2 078	1.83
NSW Government	709	15 753	16 463	4.3	3 274	2 190	1.50
Total	1 531	30 706	32 237	4.7	7 068	4 268	1.66
Economic participation							
Australian Government	1 549	34 445	35 994	4.3	7 149	4 788	1.49
NSW Government	25	883	909	2.8	117	122	0.96
Total	1 574	35 328	36 903	4.3	7 267	4 910	1.48
Home environment							
Australian Government	192	4 529	4 721	4.1	888	630	1.41
NSW Government	375	9 162	9 537	3.9	1 732	1 274	1.36
Total	567	13 691	14 258	4.0	2 620	1 903	1.38
Safe and supportive communities							
Australian Government	597	8 373	8 970	6.7	2 755	1 164	2.37
NSW Government	1 559	10 723	12 282	12.7	7 198	1 491	4.83
Total	2 156	19 096	21 252	10.1	9 953	2 654	3.75
Other government expenditure							
Australian Government	682	22 461	23 143	2.9	3 148	3 122	1.01
NSW Government	196	6 301	6 497	3.0	905	876	1.03
Total	878	28 762	29 640	3.0	4 053	3 998	1.01
All direct expenditure							
Australian Government	4 133	90 628	94 761	4.4	19 082	12 598	1.51
NSW Government	3 841	55 335	59 175	6.5	17 730	7 692	2.31
Total	7 974	145 962	153 937	5.2	36 812	20 290	1.81

^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 the Report 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. ^e The ratio of total Indigenous expenditure per person to total non-Indigenous expenditure per person.

Source: 2014 Indigenous Expenditure Report database.

2014

Information in this factsheet is from the 2014 Indigenous Expenditure Report, published by the Steering Committee for the Review of Government Provision. The Report can be found on the project website: www.pc.gov.au/research/recurring/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.

New South Wales

Table 3 Real Australian Government and New South Wales Government direct expenditure, New South Wales, 2008-09, 2010-11, 2012-13 (2012-13 dollars)^{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
All direct expenditure 2008-09^f							
Australian Government	3 062	83 984	87 046	3.5	15 260	12 255	1.25
NSW Government	3 238	52 426	55 664	5.8	16 134	7 650	2.11
Total	6 300	136 410	142 710	4.4	31 394	19 905	1.58
All direct expenditure 2010-11^f							
Australian Government	3 440	82 669	86 109	4.0	16 500	11 793	1.40
NSW Government	3 480	53 397	56 876	6.1	16 690	7 617	2.19
Total	6 919	136 066	142 985	4.8	33 191	19 410	1.71
All direct expenditure 2012-13							
Australian Government	4 133	90 628	94 761	4.4	19 082	12 598	1.51
NSW Government	3 841	55 335	59 175	6.5	17 730	7 692	2.31
Total	7 974	145 962	153 937	5.2	36 812	20 290	1.81

^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 the Report 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. ^e The ratio of total Indigenous expenditure per person to total non-Indigenous expenditure per person. ^f Expenditure for 2008-09 and 2010-11 has been expressed in real (constant 2012-13 dollars) terms using the General Government Final Consumption Expenditure deflator (chain price index).

Source: 2014 Indigenous Expenditure Report database.

2014

Information in this factsheet is from the 2014 Indigenous Expenditure Report, published by the Steering Committee for the Review of Government Provision. The Report can be found on the project website: www.pc.gov.au/research/recurring/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.