

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.

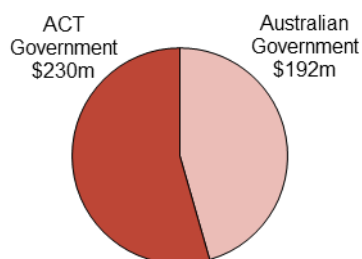
Expenditure patterns in the Australian Capital Territory in 2012-13

Figure 1. Total government direct expenditure



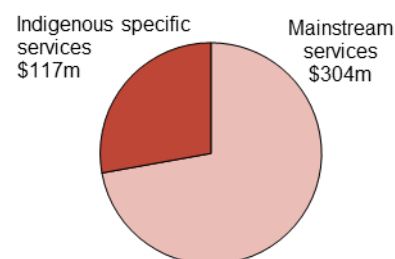
Total government direct Indigenous expenditure was estimated to be \$422 million, accounting for 4.8 per cent of total government direct expenditure in the Australian Capital Territory.

Figure 2. Funding source of total government direct expenditure



The Australian Government accounted for \$192 million (46 per cent) of direct Indigenous expenditure, with the remaining \$230 million (54 per cent) provided by the Australian Capital Territory Government.

Figure 3. Composition of direct Indigenous expenditure



Mainstream services accounted for \$304 million (72 per cent) of direct Indigenous expenditure, with the remaining \$117 million (28 per cent) provided through Indigenous specific (targeted) services.

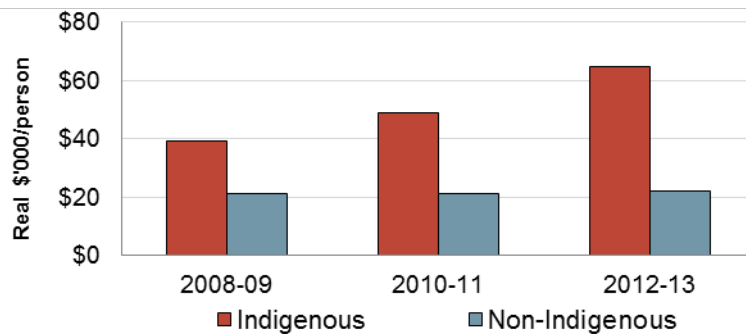
The Australian Capital Territory

Expenditure per person in the Australian Capital Territory

Aboriginal and Torres Strait Islander Australians made up 1.7 per cent of the Australian Capital Territory population at 30 June 2013.

Estimated expenditure per person in 2012-13 was \$64 710 for Aboriginal and Torres Strait Islander Australians, compared with \$22 254 for non-Indigenous Australians (a ratio of 2.91:1). Between 2008-09 and 2012-13, total government direct Indigenous expenditure increased by \$199 million (89 per cent) in real terms, equivalent to an increase of \$25 601 per person (see figure 4).

Figure 4. Total government direct expenditure per person in the Australian Capital Territory^{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 \$42 456 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* (\$28 996 or 68 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* (\$13 460 or 32 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 the Australian Capital Territory 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

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The Australian Capital Territory

The ratio of Indigenous to non-Indigenous expenditure per person in the Australian Capital Territory was 1.92:1 (\$7158 per Aboriginal and Torres Strait Islander Australian compared with \$3737 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 the Australian Capital Territory was 3.92:1 (\$20 310 per Aboriginal and Torres Strait Islander Australian compared with \$5175 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 the Australian Capital Territory was 1.96:1 (\$5984 per Aboriginal and Torres Strait Islander Australian compared with \$3058 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 the Australian Capital Territory was 2.99:1 (\$5575 per Aboriginal and Torres Strait Islander Australian compared with \$1865 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 the Australian Capital Territory was 5.60:1 (\$15 939 per Aboriginal and Torres Strait Islander Australian compared with \$2844 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 the Australian Capital Territory was 1.75:1 (\$9745 per Aboriginal and Torres Strait Islander Australian compared with \$5574 per non-Indigenous Australian).

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The Australian Capital Territory

Table 1 Australian Government *plus* Australian Capital Territory Government direct expenditure, the Australian Capital Territory, 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	4	136	140	2.7	589	362	1.63
School education	30	793	823	3.6	4 564	2 116	2.16
Tertiary education	13	472	485	2.7	2 005	1 259	1.59
Total	47	1 401	1 448	3.2	7 158	3 737	1.92
Healthy lives							
Hospital services	77	893	970	7.9	11 830	2 382	4.97
Public and community health	39	241	280	13.9	5 965	643	9.28
Health care subsidies & support	16	806	823	2.0	2 516	2 150	1.17
Total	132	1 941	2 073	6.4	20 310	5 175	3.92
Economic participation							
Labour & employment	10	143	153	6.6	1 545	382	4.04
Social security support	29	1 004	1 032	2.8	4 439	2 676	1.66
Total	39	1 147	1 186	3.3	5 984	3 058	1.96
Home environment							
Housing	23	77	101	23.1	3 578	207	17.32
Community and environment	8	313	321	2.4	1 172	835	1.40
Transport & communications	5	309	314	1.7	824	824	1.00
Total	36	699	736	4.9	5 575	1 865	2.99
Safe and supportive communities							
Public order and safety	35	408	443	7.9	5 358	1 087	4.93
Community support & welfare	60	421	481	12.5	9 208	1 123	8.20
Recreation and culture	9	238	246	3.6	1 373	634	2.17
Total	104	1 066	1 170	8.9	15 939	2 844	5.60
Other government expenditure							
General govt and defence	61	1 965	2 026	3.0	9 409	5 239	1.80
Support to industry	2	126	128	1.7	337	335	1.00
Total	64	2 090	2 154	2.9	9 745	5 574	1.75
TOTAL EXPENDITURE	422	8 345	8 766	4.8	64 710	22 254	2.91

^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.

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The Australian Capital Territory

Table 2 Australian Government and Australian Capital Territory Government direct expenditure, the Australian Capital Territory, 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	11	451	463	2.5	1 752	1 203	1.46
ACT Government	35	950	985	3.6	5 405	2 534	2.13
Total	47	1 401	1 448	3.2	7 158	3 737	1.92
Healthy lives							
Australian Government	35	823	858	4.1	5 391	2 194	2.46
ACT Government	97	1 118	1 215	8.0	14 919	2 981	5.00
Total	132	1 941	2 073	6.4	20 310	5 175	3.92
Economic participation							
Australian Government	39	1 127	1 165	3.3	5 931	3 005	1.97
ACT Government	0	20	20	1.7	52	54	0.97
Total	39	1 147	1 186	3.3	5 984	3 058	1.96
Home environment							
Australian Government	25	191	216	11.4	3 782	510	7.41
ACT Government	12	508	520	2.2	1 793	1 355	1.32
Total	36	699	736	4.9	5 575	1 865	2.99
Safe and supportive communities							
Australian Government	35	348	383	9.1	5 368	928	5.78
ACT Government	69	719	787	8.7	10 571	1 916	5.52
Total	104	1 066	1 170	8.9	15 939	2 844	5.60
Other government expenditure							
Australian Government	47	1 171	1 218	3.9	7 247	3 122	2.32
ACT Government	16	919	936	1.7	2 499	2 452	1.02
Total	64	2 090	2 154	2.9	9 745	5 574	1.75
All direct expenditure							
Australian Government	192	4 111	4 303	4.5	29 470	10 963	2.69
ACT Government	230	4 234	4 464	5.1	35 240	11 291	3.12
Total	422	8 345	8 766	4.8	64 710	22 254	2.91

^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.

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The Australian Capital Territory

Table 3 Real Australian Government and Australian Capital Territory Government direct expenditure, the Australian Capital Territory, 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	81	3 624	3 704	2.2	14 168	10 380	1.36
ACT Government	142	3 716	3 858	3.7	24 941	10 646	2.34
Total	223	7 340	7 563	2.9	39 109	21 026	1.86
All direct expenditure 2010-11^f							
Australian Government	114	3 911	4 024	2.8	18 447	10 808	1.71
ACT Government	188	3 774	3 961	4.7	30 465	10 429	2.92
Total	301	7 684	7 985	3.8	48 911	21 237	2.30
All direct expenditure 2012-13							
Australian Government	192	4 111	4 303	4.5	29 470	10 963	2.69
ACT Government	230	4 234	4 464	5.1	35 240	11 291	3.12
Total	422	8 345	8 766	4.8	64 710	22 254	2.91

^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).

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