

The Northern Territory

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.

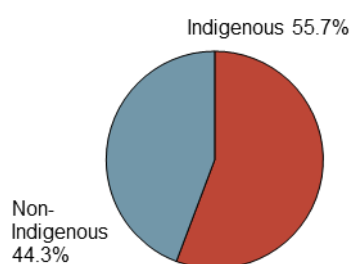
More detailed estimates and data for previous years are available from the project website.

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.

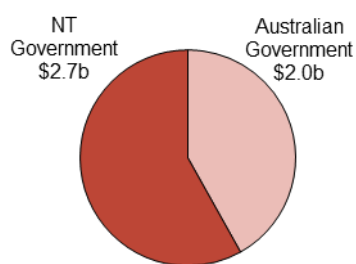
Expenditure patterns in the Northern Territory in 2012-13

Figure 1. Total government direct expenditure



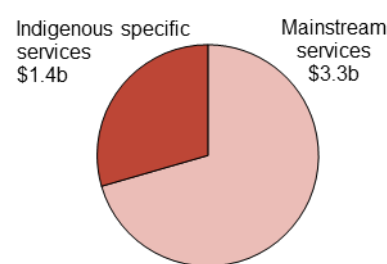
Total government direct Indigenous expenditure was estimated to be \$4.7 billion, accounting for 55.7 per cent of total government direct expenditure in the Northern Territory.

Figure 2. Funding source of total government direct expenditure



The Australian Government accounted for \$2.0 billion (42 per cent) of direct Indigenous expenditure, with the remaining \$2.7 billion (58 per cent) provided by the Northern Territory Government.

Figure 3. Composition of direct Indigenous expenditure



Mainstream services accounted for \$3.3 billion (71 per cent) of direct Indigenous expenditure, with the remaining \$1.4 billion (29 per cent) provided through Indigenous specific (targeted) services.

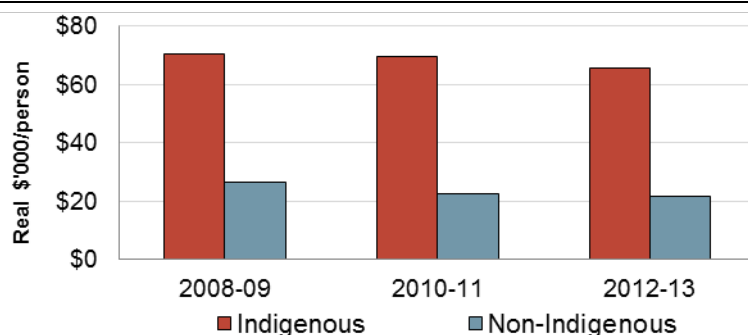
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Expenditure per person in the Northern Territory

Aboriginal and Torres Strait Islander Australians made up 29.5 per cent of the Northern Territory population at 30 June 2013.

Estimated expenditure per person in 2012-13 was \$65 502 for Aboriginal and Torres Strait Islander Australians, compared with \$21 796 for non-Indigenous Australians (a ratio of 3.01:1). Between 2008-09 and 2012-13, total government direct Indigenous expenditure decreased by \$116 million (2 per cent) in real terms, equivalent to a decrease of \$5008 per person (see figure 4).

Figure 4. Total government direct expenditure per person in the Northern 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 \$43 706 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* (\$26 380 or 60 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* (\$17 326 or 40 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 Northern 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 ratio of Indigenous to non-Indigenous expenditure per person in the Northern Territory was 2.43:1 (\$8826 per Aboriginal and Torres Strait Islander Australian compared with \$3638 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 Northern Territory was 3.34:1 (\$13 995 per Aboriginal and Torres Strait Islander Australian compared with \$4195 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 Northern Territory was 3.75:1 (\$10 195 per Aboriginal and Torres Strait Islander Australian compared with \$2709 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 Northern Territory was 3.30:1 (\$9491 per Aboriginal and Torres Strait Islander Australian compared with \$2877 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 Northern Territory was 6.01:1 (\$17 412 per Aboriginal and Torres Strait Islander Australian compared with \$2898 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 Northern Territory was 1.03:1 (\$5620 per Aboriginal and Torres Strait Islander Australian compared with \$5479 per non-Indigenous Australian).

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Table 1 Australian Government *plus* Northern Territory Government direct expenditure, the Northern 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	63	61	124	50.9	886	358	2.47
School education	462	403	865	53.4	6 500	2 374	2.74
Tertiary education	102	154	256	40.0	1 440	906	1.59
Total	628	617	1 245	50.4	8 826	3 638	2.43
Healthy lives							
Hospital services	460	323	784	58.7	6 474	1 906	3.40
Public and community health	383	186	569	67.3	5 385	1 095	4.92
Health care subsidies & support	152	202	354	42.9	2 137	1 193	1.79
Total	995	712	1 707	58.3	13 995	4 195	3.34
Economic participation							
Labour & employment	202	107	310	65.4	2 847	632	4.51
Social security support	520	352	872	59.6	7 312	2 077	3.52
Total	722	460	1 182	61.1	10 159	2 709	3.75
Home environment							
Housing	254	173	426	59.5	3 568	1 017	3.51
Community and environment	308	168	476	64.8	4 331	988	4.38
Transport & communications	113	148	261	43.3	1 591	872	1.83
Total	675	488	1 163	58.0	9 491	2 877	3.30
Safe and supportive communities							
Public order and safety	504	210	714	70.6	7 091	1 238	5.73
Community support & welfare	629	127	756	83.2	8 845	747	11.84
Recreation and culture	105	155	260	40.4	1 476	913	1.62
Total	1 238	492	1 730	71.6	17 412	2 898	6.01
Other government expenditure							
General govt and defence	338	790	1 127	30.0	4 749	4 655	1.02
Support to industry	62	140	202	30.7	871	824	1.06
Total	400	929	1 329	30.1	5 620	5 479	1.03
TOTAL EXPENDITURE	4 658	3 698	8 356	55.7	65 502	21 796	3.01

^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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Table 2 Australian Government and Northern Territory Government direct expenditure, the Northern 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	101	124	225	44.9	1 420	732	1.94
NT Government	527	493	1 020	51.6	7 406	2 907	2.55
Total	628	617	1 245	50.4	8 826	3 638	2.43
Healthy lives							
Australian Government	312	233	546	57.2	4 392	1 376	3.19
NT Government	683	478	1 161	58.8	9 603	2 819	3.41
Total	995	712	1 707	58.3	13 995	4 195	3.34
Economic participation							
Australian Government	705	413	1 118	63.1	9 920	2 433	4.08
NT Government	17	47	64	26.7	239	276	0.87
Total	722	460	1 182	61.1	10 159	2 709	3.75
Home environment							
Australian Government	106	109	215	49.3	1 492	644	2.32
NT Government	569	379	948	60.0	7 998	2 233	3.58
Total	675	488	1 163	58.0	9 490	2 877	3.30
Safe and supportive communities							
Australian Government	497	114	610	81.4	6 985	669	10.44
NT Government	741	378	1 120	66.2	10 427	2 229	4.68
Total	1 238	492	1 730	71.6	17 412	2 898	6.01
Other government expenditure							
Australian Government	229	530	759	30.2	3 218	3 122	1.03
NT Government	171	400	571	29.9	2 402	2 356	1.02
Total	400	929	1 329	30.1	5 620	5 479	1.03
All direct expenditure							
Australian Government	1 950	1 523	3 473	56.2	27 428	8 976	3.06
NT Government	2 708	2 175	4 882	55.5	38 074	12 820	2.97
Total	4 658	3 698	8 356	55.7	65 502	21 796	3.01

^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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Table 3 Real Australian Government and Northern Territory Government direct expenditure, the Northern 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	2 394	2 125	4 520	53.0	35 363	13 423	2.63
NT Government	2 380	2 054	4 434	53.7	35 147	12 972	2.71
Total	4 774	4 179	8 953	53.3	70 510	26 396	2.67
All direct expenditure 2010-11^f							
Australian Government	2 187	1 658	3 845	56.9	31 766	10 208	3.11
NT Government	2 594	2 014	4 608	56.3	37 675	12 401	3.04
Total	4 781	3 673	8 454	56.6	69 442	22 609	3.07
All direct expenditure 2012-13							
Australian Government	1 950	1 523	3 473	56.2	27 428	8 976	3.06
NT Government	2 708	2 175	4 882	55.5	38 074	12 820	2.97
Total	4 658	3 698	8 356	55.7	65 502	21 796	3.01

^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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