
2 The framework

This chapter explains the structure and logic of the *Overcoming Indigenous Disadvantage: Key Indicators* report framework. As noted in chapter 1, the report aims to be more than a compilation of statistics. The report's framework is intended to help governments target their efforts to overcome Indigenous disadvantage, and to provide meaningful information to Indigenous people.

Section 2.1 describes how the key elements of the framework fit together. Section 2.2 describes how changes to the Council of Australian Government's (COAG's) approach to Indigenous issues since the 2007 report have influenced the report framework, and section 2.3 summarises how the framework for this report differs from the framework in the 2007 report. Section 2.4 provides feedback from consultations conducted following the release of the 2007 report, and section 2.5 describes the report's approach to reporting on 'cultural' issues that influence the welfare of Indigenous people. Section 2.6 concludes with a discussion of data issues with broad implications for the information in this report.

2.1 The framework

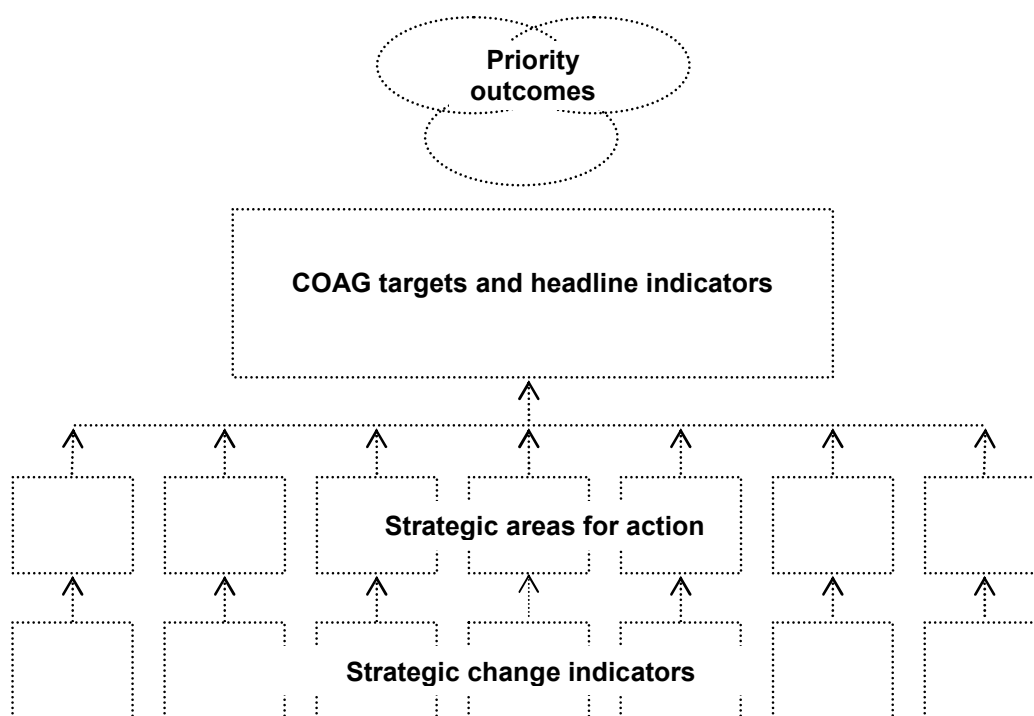
The terms of reference for this report require it to help inform governments' response to Indigenous disadvantage, by providing information about the impact of past program and policy interventions. Reports about the performance of governments usually focus on specific programs or policies, and usually take a 'silo' approach — education is reported by departments of education, health by health departments — and tend to focus on service inputs (how budgets are spent) and outputs (the actual services delivered).

While information on inputs and outputs is valuable, this report provides something different. The report's framework focuses on outcomes — the impact of policies and programs on Indigenous people — rather than inputs and outputs. It emphasises the need to assess the impact of programs and policies from a whole-of-government perspective. The current level of Indigenous disadvantage is the result of a complex mix of historical, social and economic factors. Closing the gaps in outcomes will require the combined efforts of governments, the community and, most importantly, Indigenous people themselves. Chapter 3 discusses in more detail the need for

coordinated government action to address the complex interactions between different aspects of disadvantage.

The key elements of the indicator framework are shown in a simplified form in figure 2.1.1. The framework is based on the best available evidence about the root causes of continuing disadvantage, in order to ensure that policy attention is directed to prevention, as well as responding to existing disadvantage. Each of the framework elements is discussed briefly below.

Figure 2.1.1 Framework elements



Priority outcomes

Three interlinked priority outcomes sit at the top of the framework — no single aspect of the priority outcomes can be achieved in isolation:

- Safe, healthy and supportive family environments with strong communities and cultural identity
- positive child development and prevention of violence, crime and self-harm
- improved wealth creation and economic sustainability for individuals, families and communities.

These outcomes reflect COAG's vision for Indigenous Australians to have the same life opportunities as other Australians. Indigenous people and their organisations have also endorsed these outcomes, in extensive consultations over several years.

However, it is extremely difficult to measure progress in achieving such broadly stated, aspirational outcomes, and to hold governments and service providers accountable. Therefore, the framework includes two layers of quantifiable indicators. The logic of the framework is that, over time, measurable improvement in these indicators will demonstrate progress toward achieving the priority outcomes.

COAG targets and headline indicators

The first layer of indicators is made up of the six targets COAG has set for closing the gaps in outcomes for Indigenous people, and a further six headline indicators selected by the Steering Committee to represent significant, high level outcomes.

In December 2007 and March 2008 COAG announced six closing the gaps targets (the name of the indicator in the framework is in italics, followed by the full text of the target):

- *life expectancy* — close the life expectancy gap within a generation (COAG 2007)
- *young child mortality* — halve the gap in mortality rates for children under five within a decade (COAG 2007)
- *reading, writing and numeracy* — halve the gap for Indigenous students in reading, writing and numeracy within a decade (COAG 2007)
- *employment* — halve the gap in employment outcomes between Indigenous and non-Indigenous Australians within a decade (COAG 2008a)
- *early childhood education* — providing access to quality early childhood education, within five years, for all Indigenous four year olds, including those in remote communities (COAG 2008a)
- *year 12 attainment* — at least halve the gap for Indigenous students in year 12 attainment or equivalent attainment rates by 2020 (COAG 2008a).

These ambitious targets highlight specific outcomes in areas that are either significant in their own right (life expectancy and early childhood mortality) or are important preconditions or preventative factors for addressing long term disadvantage (access to preschool, learning outcomes and school attainment, and employment). Prime Minister Rudd noted that practical targets formed the core of a

new partnership between Indigenous and non-Indigenous Australians:

Our challenge for the future is to embrace a new partnership between Indigenous and non-Indigenous Australians. The core of this partnership for the future is closing the gap between Indigenous and non-Indigenous Australians on life expectancy, educational achievement and employment opportunities. This new partnership on closing the gap will set concrete targets for the future: within a decade to halve the widening gap in literacy, numeracy and employment outcomes and opportunities for Indigenous children, within a decade to halve the appalling gap in infant mortality rates between Indigenous and non-Indigenous children and, within a generation, to close the equally appalling 17-year life expectancy gap between Indigenous and non-Indigenous when it comes to overall life expectancy. (Rudd 2008)

The Steering Committee has selected six headline indicators that sit alongside the COAG targets in the first layer of indicators. These headline indicators are all important outcomes in their own right, that will require whole-of-government action over the long term before significant progress can be measured:

- post secondary education, participation and attainment
- disability and chronic disease
- household and individual income
- substantiated child abuse and neglect
- family and community violence
- imprisonment and juvenile detention.

Together, the COAG targets and headline indicators provide an overview of the state of Indigenous disadvantage, and act as proxy measures for the priority outcomes. Chapter 4 includes a discussion of the evidence base supporting the selection of each indicator, the definitions of the specific measures used to report against each indicator, and the available data, including any information on recent trends.

Strategic areas for action and strategic change indicators

The COAG targets and headline indicators, by their very nature, are extremely important, but their whole-of-government, long term nature can make it difficult to hold specific governments or agencies accountable for outcomes. The second layer of the framework seeks to overcome this limitation by identifying ‘strategic areas for action’ — specific areas of policy where immediate action is needed if the COAG targets and headline indicators are to be achieved. Each strategic area for action has a small number of ‘strategic change indicators’ that measure short term progress.

The full strategic framework is presented in section 2.3. The rationale for each strategic area for action, and reporting against relevant strategic change indicators are presented in chapters 5 to 11.

Strategic areas for action

The seven strategic areas for action were chosen for their potential to have a significant and lasting impact in reducing Indigenous disadvantage. Each strategic area represents a set of related activities that evidence suggests have the potential to drive improvement in the COAG targets and headline indicators.

The strategic areas for action in this report differ slightly from those in the 2007 report, as they have been aligned with the seven ‘building blocks’ identified by COAG to support the reforms aimed at achieving the six COAG targets (COAG 2008b). (Changes to the framework since the 2007 report are summarised in section 2.3.) The seven strategic areas are:

- early child development (chapter 5)
- education and training (chapter 6)
- healthy lives (chapter 7)
- economic participation (chapter 8)
- home environment (chapter 9)
- safe and supportive communities (chapter 10)
- governance and leadership (chapter 11).

The strategic areas deliberately do not mirror typical government service silos. In some cases, a specific service area will logically play a major role, but in all strategic areas, more than one government agency will have to take action in order to achieve better outcomes. For example, in the area of ‘education and training’, the school system has an important role to play, but so do agencies dealing with transport availability, housing arrangements and health.

During consultations, many people have asked how governments’ progress in addressing the strategic areas for action would be monitored. The monitoring of specific government programs and services is beyond the scope of this report, but a summary of implementation measures being adopted by individual governments is contained in appendix 2. Data on Indigenous people’s access to a range of government services are included in the Indigenous Compendium of the Review’s annual *Report on Government Services* (SCRGSP 2009).

Strategic change indicators

A small number of targeted, shorter term ‘strategic change indicators’ measure progress for each strategic area for action. These indicators make it easier to track short term progress, and improve accountability for outcomes.

Linkages across the framework mean that some indicators could potentially be placed in more than one strategic area for action (for example, alcohol consumption and harm is relevant to both the ‘Healthy lives’ and ‘Safe and supportive communities’ strategic areas). Indicators have been placed in the strategic area where the evidence base suggests they will have greatest effect, but their potential to influence other outcomes is emphasised in the text.

Many potential indicators could have been included in this report. Potential indicators were assessed against the criteria listed in box 2.1.1 before they were added to the framework. Most of the indicators in the report met the criteria — but a few indicators were regarded as so important that they were included in the framework even though they did not meet some criteria. Similarly, most indicators are linked to outcomes — not to specific program or service outputs. However, some outputs are so closely tied to outcomes that they are included; for example, access to primary health care.

Box 2.1.1 Criteria used to select strategic change indicators

1. Relevance to priority outcomes
2. Actions in the strategic areas for action result in positive outcomes over time in the COAG targets and headline indicators
3. Supported by strong logic or empirical evidence
4. Sensitive to policy interventions and changes in policy settings
5. Meaningful to stakeholders and principally to the Indigenous community
6. Unambiguous and clear in meaning and interpretation
7. The existence, or ease, of developing supporting data sets

The first three criteria are closely related. The whole framework is geared toward achieving the priority outcomes, as evidenced by movement in the COAG targets and headline indicators. The report draws its strength from the evidence base or underlying theory of causality that links improvement in a strategic change indicator to progress toward the COAG targets and headline indicators, and therefore the priority outcomes. For most indicators, empirical evidence provides the basis for

satisfying this criterion. For some indicators, despite limited empirical evidence, causal logic and feedback from consultations were considered compelling.

The fourth and fifth criteria are also closely linked. The terms of reference for the report require it to inform Australian governments about the impact of policy programs and interventions, and to be meaningful to Indigenous people. All indicators have been endorsed by governments as relevant to policy actions, and most have been accepted by Indigenous people as meaningful. The Steering Committee is committed to further broad consultations with Indigenous people on the new indicators included in this report.

The sixth criterion recognises that, to be most useful, an indicator should be clear and unambiguous. Most indicators in this report are relatively easy to understand. However, in some cases, important indicators have been included, even though they may yield ambiguous results. For example, an increase in notifications of child abuse or neglect might reflect an undesirable increase in the incidence of such behaviour, but alternatively could reflect a desirable increase in the proportion of incidents being reported or investigated. In such cases, the report includes explanatory text that highlights the potential ambiguity.

The final criterion recognises the practical need for relevant data to report against an indicator. In many cases, the absence of directly relevant data means that proxy measures must be reported. In a few cases, important indicators have been included even though data are substantially qualified or not available for all jurisdictions. In two cases, indicators have been included even though there are no reliable data available (Indigenous cultural studies and governance). These indicators were considered to be so important that qualitative information using case studies has been included in the place of data. Some new indicators identified as high priorities by COAG (for example, ‘basic skills for life and learning’ and ‘teacher quality’ do not yet have data available, and data strategies are being developed.

Things that work

The Steering Committee recognises that indicators alone cannot tell the complete story about overcoming Indigenous disadvantage. The gaps in almost all reported outcomes can appear overwhelming — yet there are many examples of successful initiatives, often at the community level, that are acting to close those gaps. These successes are often not apparent from the aggregate data used to report against indicators.

For almost every indicator, the Steering Committee has included a number of brief case studies of programs or services that are making a difference — ‘things that

work'. These examples illustrate how things can change for the better, and provide models that other governments or communities can draw upon and adapt for their own use.

'Things that work' in this report were assessed against the criteria in box 2.1.2. However, formal evaluations of Indigenous programs are very limited, and in many areas, lacking altogether. Focused, rigorous research and program evaluation is urgently required to improve the effectiveness of government policies and programs. COAG has agreed to establish a clearinghouse to compile, disseminate, and promote research and program evaluation in the field of Indigenous policy. This could provide a valuable resource for policy makers and Indigenous communities, and a potential source of rigorously evaluated 'things that work' case studies for future editions of this report.

Box 2.1.2 'Things that work' criteria

'Things that work' case studies highlight programs or services that are successfully acting to close the gap in Indigenous outcomes. Case studies must:

- be relevant to a report indicator
- have measurable, up to date outcomes
- have a reasonable track record of success
- be supported by local Indigenous people who use or are affected by the case study
- be agreed for inclusion by all jurisdictions.

2.2 COAG developments

Since the 2007 report, COAG has re-emphasised its commitment to addressing Indigenous disadvantage.

Working Group on Indigenous Reform

In December 2007, COAG identified Indigenous reform as one of seven priority areas of national reform. COAG established a Working Group on Indigenous Reform (WGIR), chaired by the Hon. Jenny Macklin, Australian Government Minister for Families, Housing, Community Services and Indigenous Affairs, and comprising senior officials from each jurisdiction (COAG 2007).

The WGIR developed a broad Closing the Gaps framework to support its work. The WGIR framework was based on the indicators endorsed by COAG for inclusion in

the 2007 report, with some additional indicators drawn from new National Agreements between the Commonwealth and the states and territories (discussed below). However, the WGIR framework was structured slightly differently, in recognition of the specific areas of reform highlighted by COAG.

In related developments, in November 2008, COAG endorsed a new Intergovernmental Agreement on Federal Financial Relations, which included a new National Indigenous Reform Agreement (NIRA), based on the WGIR framework. The NIRA sets out the objectives, outcomes, outputs, performance indicators and performance benchmarks agreed by COAG in order to close the gap in Indigenous disadvantage.

In the interests of an integrated approach to Indigenous reporting, the Chair of the WGIR wrote to the Chairman of the Steering Committee in August 2008, requesting that the Steering Committee work with the WGIR to align the WGIR and OID frameworks and the NIRA. Following consultation between the WGIR and the Secretariat for the Review, the WGIR endorsed an aligned framework in October 2008, and COAG agreed to the new framework at its meeting in November 2008 (COAG 2008). In March 2009, Prime Minister Rudd wrote to the Chairman, updating the terms of reference for the report to take account of the new framework (p. XXII).

This report is based on that aligned framework. In summary, the alignment involved:

- retaining the priority outcomes as the government and Indigenous endorsed ‘vision’
- highlighting the COAG targets as government priorities within the headline indicators
- renaming the strategic areas for action to reflect more closely the WGIR building blocks for reform
- retaining all previous OID indicators, and adding additional indicators and measures from the WGIR framework.

The framework for this report, and a summary of changes from the 2007 report framework are presented in section 2.3.

National Agreements

In December 2007, COAG agreed to reform Specific Purpose Payments (SPPs) (COAG 2007). SPPs are financial agreements between the Australian Government and State and Territory governments, involving a contribution by the Australian

Government to the funding of services which are considered a joint Australian and State and Territory government responsibility.

At its 29 November 2008 meeting, COAG revised over 90 SPPs down to just five covering schools, vocational education and training, disability services, healthcare and affordable housing. Each of the five SPPs is associated with a new National Agreement that contains the objectives, outcomes, outputs and performance indicators for each sector. The performance of all governments in achieving the mutually agreed outcomes and benchmarks specified in each National Agreement will be monitored and assessed by the COAG Reform Council (CRC) (COAG 2008b). The WGIR was responsible for ensuring that all National Agreements included specific indicators for Indigenous Australians (COAG 2007).

The National Agreements are supplemented by National Partnerships (NPs). Funding for NPs may be conditional on states and territories meeting agreed performance benchmarks. The following Indigenous National Partnerships had been agreed as at March 2009 (although not all jurisdictions are signatories to all NPs):

- National Partnership Agreement on Indigenous Early Childhood Development
- National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes
- National Partnership Agreement on Indigenous Economic Participation
- National Partnership Agreement on Remote Indigenous Housing.

National Partnership Agreement on Remote Service Delivery Other National Partnerships, which are not Indigenous-specific, may also contribute to achieving the COAG Closing the Gap targets. Any National Agreement or National Partnership indicators that were relevant to outcomes for Indigenous people were included in the WGIR Closing the Gap framework, and so are included in the aligned framework for this report.

Annual report to Commonwealth Parliament

In 2008, the Prime Minister announced an annual report to Parliament on progress against COAG's targets for closing the outcomes gaps for Indigenous people. The first annual report was presented to Parliament on 26 February 2009.

The alignment of this report's framework with the WGIR Closing the Gap framework means that the COAG targets will be reported every second year in this report. The Steering Committee will ensure that reporting on the targets in this report is consistent with the Prime Minister's annual report to Parliament.

Report on Expenditure on Services to Indigenous Australians

At its December 2007 meeting, COAG agreed to report on expenditure on services for Indigenous people. The January 2008 meeting of the Ministerial Council for Federal Financial Relations agreed to the development of a national framework for reporting expenditure on Indigenous services. An inter-jurisdictional steering committee (for which the Productivity Commission provides the Secretariat, but separate to the Steering Committee which produces this report) has developed a framework and methodology for collecting and reporting these expenditure data. The proposed framework is scheduled for endorsement by the Ministerial Council and COAG.

A key objective of the expenditure report is to provide information that will enable governments to assess the effectiveness of, and better target, policy responses to Indigenous disadvantage. The proposed framework is closely aligned with this report's strategic areas for action (and associated indicators). Over time, it is hoped that the cost effectiveness of government policy can be informed by linking expenditure data to high level outcomes data from this report.

2.3 Changes to the framework for this report

To many readers, the framework for this report may not appear very different to that in previous reports. The broad structure (priority outcomes, headline indicators, strategic change areas and strategic change indicators) remains the same. However, the Steering Committee draws attention to the following changes:

- replacing the former twelve headline indicators with the six COAG targets and six headline indicators
- renaming the strategic areas for action to match more closely the WGIR 'building blocks'
- reorganising the reporting of strategic change indicators to match the new strategic areas for action
- the addition of several new indicators (from the WGIR framework, National Agreements and National Partnership agreements)
- reporting against additional measures for some indicators.

Changes to headline indicators

The twelve headline indicators in the 2007 report have been replaced with the six COAG targets (which represent explicit COAG commitments) and six high level outcome measures (table 2.3.1).

Table 2.3.1 Changes to headline indicators

<i>2007 report</i>	<i>2009 report</i>
Headline indicators^a	COAG targets^b and Headline indicators
Life expectancy at birth	<i>Life expectancy</i> <i>Young child mortality</i> <i>Early childhood education</i> <i>Reading, writing and numeracy</i>
Years 10 and 12 retention and attainment	<i>Year 12 attainment</i>
Labour force participation and unemployment	<i>Employment</i>
Post secondary education — participation and attainment	Post secondary education — participation and attainment
Disability and chronic disease	Disability and chronic disease
Household and individual income	Household and individual income
Substantiated child abuse and neglect	Substantiated child abuse and neglect
Imprisonment and juvenile detention rates	Imprisonment and juvenile detention
Family and community violence	Family and community violence
Deaths from homicide and hospitalisations for assault	
Suicide and self-harm	
Home ownership	

^a The 2007 headline indicators have been re-ordered in this table to match the COAG targets. ^b COAG targets are printed in *italic*.

Although there is significant overlap between the COAG targets and the previous headline indicators, the following changes are noted:

- The COAG targets of ‘Young child mortality’ and ‘Early childhood education’ have been added (sections 4.2 and 4.3). Similar information was previously reported as part of the ‘Early child development’ strategic area for action.
- The former headline indicator ‘Home ownership’ is now an indicator under the ‘Economic participation’ strategic area for action. Successful programs have shown that well targeted programs can improve the prospects for Indigenous home ownership in the relatively short term (section 8.3).
- The former headline indicator ‘Suicide and self harm’ is now an indicator under the ‘Healthy lives’ strategic area for action. Suicide is closely linked to the mental health indicator in this area, and programs exist that aim to improve outcomes in this area by limiting the incidence and growth of suicide ‘clusters’ (section 7.8).

- Information previously reported under the former headline indicator ‘Deaths from homicide and hospitalisations for assault’ is now reported under the headline indicator ‘Family and community violence’ (section 4.11).

Renaming the strategic areas for action

The former strategic areas for action have been renamed to match more closely the WGIR ‘building blocks (table 2.3.2). The WGIR building blocks reflect COAG’s priority areas of reform, and as with the strategic areas for action in the 2007 report, none of the strategic areas is service or agency specific, even though their names may suggest otherwise.

Table 2.3.2 Strategic areas for action

<i>2007 report^a</i>						
Early child development and growth (prenatal to age 3)	Early school engagement and performance (preschool to year 3)	Positive childhood and transition to adulthood	Economic participation and development	Effective environmental health systems	Functional and resilient families and communities	Substance use and misuse
<i>2009 report</i>						
Early child development	Education and training	Healthy lives	Economic participation	Home environment	Safe and supportive communities	Governance and leadership

^a The 2007 strategic areas have been re-ordered in this table to match the order of the WGIR building blocks.

There is significant overlap between the strategic areas for action in the 2007 and 2009 reports, the following changes are noted:

- ‘Early child development and growth (prenatal to age 3)’ has been renamed ‘Early child development’ (chapter 5)
- many elements of ‘Early school engagement and performance (preschool to year 3)’ and ‘Positive childhood and transition to adulthood’ have been combined in the new ‘Education and training’ area (chapter 6)
- ‘Economic participation and development’ has been renamed ‘Economic participation’ (chapter 8)
- many elements of ‘Effective environmental health systems’ are reported under the new area ‘Home environment’ (chapter 9)
- ‘Functional and resilient families and communities’ has been renamed ‘Safe and supportive communities’ (chapter 10)

-
- indicators previously reported under ‘Substance use and misuse’ have been moved to ‘Healthy lives’ (‘tobacco consumption and harm’) (section 7.4) and ‘Safe and supportive communities’ (‘Alcohol consumption and harm’ and ‘Drug and other substance use and harm’) (sections 10.3 and 10.4 respectively)
 - the most significant change is the elevation of ‘Governance and leadership’ to a specific strategic area for action, recognising the importance of good governance in communities, organisations and governments. This area includes indicators previously reported under the area ‘Economic participation and development’ (‘Case studies in Governance’ (section 11.1), ‘Governance capacity and skills’ (section 11.2) and ‘Engagement with service delivery’ (section 11.3)).

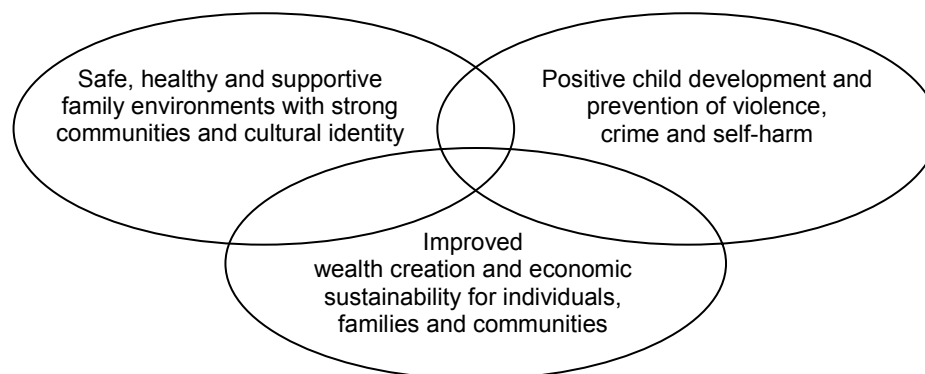
New indicators and measures

In this report, the term ‘indicator’ refers to a broad statement of *what* outcome is to be measured. Indicators are usually described in general terms, to allow for developments in the evidence base and changing data sets over time. The term ‘measure’ refers to *how* an indicator will be measured. Data availability means that proxy measures must be used to report against some indicators, and sometimes multiple measures may be required to illustrate a single indicator.

Drawing on the work of the WGIR, and indicators and measures in relevant COAG National Agreements and National Partnership agreements, several new indicators have been added to the framework for this report, and reporting against many indicators from the 2007 report has been enhanced with additional measures. Figure 2.3.1 presents the complete framework for the 2009 report. Changes to indicators from the 2007 report are printed in *italic*. Information on the measures reported for each indicator is provided in each indicator section, and summarised in appendix 5 ‘Measures and data sources’.

Figure 2.3.1 **Multi-level indicator framework**

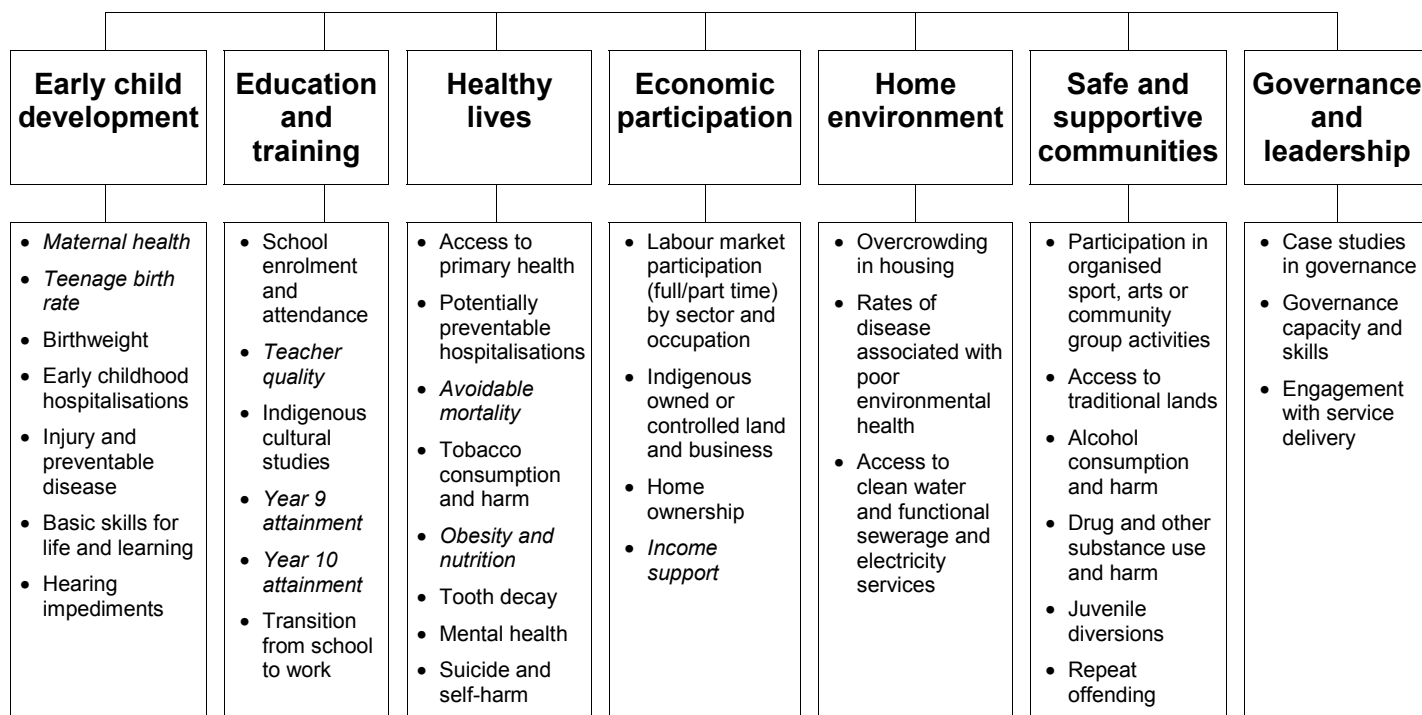
1. Priority outcomes



2. COAG targets and headline indicators

COAG targets	Headline indicators
<ul style="list-style-type: none"> • <i>Life expectancy</i> • <i>Young child mortality</i> • <i>Early childhood education</i> • <i>Reading, writing and numeracy</i> • <i>Year 12 attainment</i> • <i>Employment</i> 	<ul style="list-style-type: none"> • Post secondary education — participation and attainment • Disability and chronic disease • Household and individual income • Substantiated child abuse and neglect • Family and community violence • Imprisonment and juvenile detention

3. Strategic areas for action



^a New indicators since the 2007 report are noted in *italic*.

2.4 Consultations

Consultations with Indigenous people, government agencies and researchers have made important contributions to the ongoing development of the report. Initial consultations in 2002-03 provided a foundation for developing the framework. Following the release of each report, further rounds of consultation have sought feedback on the report and ideas for improving future reporting. Two reports on consultations have been produced (SCRCSSP 2003; SCRGSP 2007).

Consultations prior to the 2007 report revealed broad support for the existing framework — importantly, Indigenous people generally agreed that the indicators reflected the issues affecting their communities and causing disadvantage. Reflecting the diversity within the Indigenous population, there were different perspectives on some indicators, particularly those relating to home ownership and land. Nevertheless, there was broad acceptance of the inclusion of these indicators within the framework.

Following consultations in 2006, the Steering Committee made changes to some of the indicators in the framework for the 2007 report. These changes addressed all the straightforward issues raised in consultations, but a few specific topics were identified that required further investigation. Following the 2007 report, as well as general consultations, the Steering Committee made more detailed examination of the following topics:

- child abuse and neglect — Indigenous child abuse and neglect is of significant policy interest to governments, but no data are currently available on the underlying incidence of child abuse and neglect. Developments in this area are discussed in section 4.10
- substance use and misuse — alcohol, tobacco and other substance misuse contributes to poor health, family violence, child abuse and neglect, and poor educational outcomes, but there are limited data on rates of substance use and misuse, and the effects of a variety of policies initiated by governments and Indigenous communities. Developments in this area are discussed in sections 7.4, 10.3 and 10.4
- social and emotional wellbeing — Indigenous people have emphasised the role of social and emotional wellbeing in providing ‘protective factors’ for individuals and communities. However, it is difficult to define and measure social and emotional wellbeing. Developments in this area are discussed in section 7.7
- access to clean water and functional sewerage — a reliable supply of clean drinking water and a reliable and effective sewerage system are vital to good health. However, with available data it is difficult to compare access for discrete

Indigenous communities with access for similar sized mainstream towns. Developments in this area are discussed in section 9.3

- economic participation and development, particularly in remote areas — governments and Indigenous organisations have identified the importance of increased economic participation and development for Indigenous people, particularly in remote areas that are distant from mainstream labour markets. Developments in this area are discussed in chapter 8
- justice outcomes (imprisonment and juvenile detention, family violence) — Indigenous people are over-represented in the criminal justice system as both victims and offenders, and outcomes are getting worse over time. Better understanding of the underlying causes of poor justice outcomes could assist policy makers to target interventions. Developments in this area are discussed in sections 4.11 and 4.12
- development of an Indigenous language indicator — language is regarded as significant to the wellbeing of many Indigenous Australians but it is difficult to define a specific indicator. Developments in this area are discussed in section 2.5, and section 6.3 includes information on Indigenous language programs in schools.

These topics raise complex conceptual and data collection issues, and the Steering Committee acknowledges that improvements in reporting will take some time — potentially, several editions of the report. The Steering Committee is committed to ongoing consultations and development in these areas.

2.5 Culture

The representation of culture in the framework has been a constant topic of discussion during consultations with Indigenous people. Culture pervades every aspect of the lives of Indigenous people, and some studies have suggested that cultural strength can provide communities with a degree of resilience to entrenched disadvantage.

One clear message has been that no single indicator could adequately reflect the place of culture in the lives of Indigenous people, and several cultural indicators are included in this report. Just as culture pervades every aspect of the lives of Indigenous people, the cultural indicators are spread across the strategic areas for action. The links across the strategic areas for action and between these areas and the COAG targets and headline indicators are particularly strong for many of the cultural indicators.

The following sections outline the cultural indicators in this report. Consultations have suggested several cultural indicators that are highly meaningful to Indigenous people. However, many of these indicators are in areas that Indigenous people, in consultations, regarded as the responsibility of Indigenous people themselves, not governments, or are not sensitive to government policies and programs. Very often, there are no supporting data which would allow reporting. In some other areas, further work is underway to develop cultural indicators.

Indigenous cultural studies

‘Indigenous cultural studies’ is included in the ‘Education and training’ strategic area for action (section 6.3). Many people raised the potential for Indigenous cultural studies to benefit both Indigenous and non-Indigenous young people, and to address the ignorance and misunderstanding that often underlie racism. In addition, culturally appropriate curriculum may improve the motivation of Indigenous children to attend or remain at school.

Data are limited in this area. This report includes some information on: schools with culturally inclusive curricula, including selected case studies; and levels of Indigenous employment in schools.

Participation in Indigenous cultural activities

‘Participation in organised sport, arts or community group activities’ is included in the ‘Safe and supportive communities’ strategic area for action (section 10.1). The breadth of this indicator reflects the diversity of Indigenous culture. Art and ceremony are significant markers of a society’s spiritual and cultural strength in both western and Indigenous contexts, while there is strong anecdotal evidence that a range of sport and community activities can foster self-esteem, social interaction, and the development of skills and teamwork, leading to outcomes such as a reduction in juvenile crime.

Information is reported on involvement in a range of activities, supplemented with case studies on particular activities taking place in some communities.

Land

‘Access to traditional lands’ is included in the ‘Safe and supportive communities’ strategic area for action (section 10.2). Although there was unanimous agreement during consultations about the cultural significance of land, there was also widespread recognition of land as an economic indicator. Torres Strait Islanders

noted that the sea was more culturally important to them than land, although land was also important in economic terms. The ‘Economic participation’ strategic area for action includes the related indicator ‘Indigenous owned or controlled land and business’ (section 8.2).

Data in this area are very limited. This report repeats information from the 2007 report, drawn from the ABS 2004-05 National Aboriginal and Torres Strait Islander Health Survey (NATSIHS). Data on peoples’ ‘recognition of homelands/traditional country’ and their access to those homelands were available only for people in non-remote areas.

Governance and culture

‘Case studies in governance arrangements’ are included in the ‘Governance and leadership’ strategic area for action (section 11.1). Culture is an essential element of the determinants of good governance, and section 11.1 examines each of the following determinants using a series of case study examples:

- governing institutions
- leadership
- self determination
- capacity building
- cultural match
- resources.

Engagement with service delivery

‘Engagement with service delivery’ is included in the ‘Governance and leadership’ strategic area for action (section 11.3). Service engagement is a broad concept that encompasses accessibility (including barriers to access) and appropriate delivery (including recognition of Indigenous cultural perspectives in designing and delivering programs). This section includes information such as: perceived barriers to accessing services; difficulty communicating with service providers; information from primary carers of Aboriginal children on their satisfaction with access to community services and facilities; and case studies of effective service engagement.

Indigenous language as a potential indicator

An indicator of ‘Indigenous language’ attracted widespread support during consultations. Indigenous language is closely linked with Indigenous culture and law, and all three are linked with Indigenous wellbeing. However, there was no clear consensus about the form of a language indicator.

Information around the use of Indigenous languages, and speakers of Indigenous languages, is relevant to many areas of the report. Although at present there is not a large amount of empirical evidence, there is a clear relationship between the loss of Indigenous languages and speakers and ‘disadvantage’ — the focus of this report. Language and disadvantage can be linked broadly in two main ways, building upon the role that language plays in the continuation of culture and promotion of resilient communities:

- Disadvantage may occur at an individual level through a reduction in the numbers of speakers — for example through individual loss of culture and decreased wellbeing of speakers and communities. The 2006 ABS Census of Population and Housing found:
 - 170 Australian Indigenous languages with 3 speakers or more, based on coding within the Second Edition of the Australian Standard Classification of Languages (ABS 2005)
 - twelve per cent of Indigenous people in Australia reported speaking an Indigenous language at home. A large proportion of Indigenous people reported no Indigenous language use at home (86 per cent)
 - of those that speak an Indigenous language, 74 per cent live in very remote Australia, while only 1 per cent of Indigenous people in major cities speak an Indigenous language at home. The majority of Indigenous language speakers (56 per cent) live in the NT
 - the proportion of Indigenous language speakers increased with age, from 9 per cent of 0–14 year olds up to 11 per cent for those 45 or older.
- Disadvantage may occur at an aggregate level, with the loss of distinct languages or a reduction in the ability of a community to maintain cultural practices:
 - the 2005 National Indigenous Languages Survey report (AIATSIS and FATSIL 2005) found that, from an original number of over 250 Indigenous languages, only around 145 languages were still spoken. However, around 110 of these were considered ‘severely and critically endangered’. Only around 20 languages were considered ‘strong’.

Some further information about Indigenous languages is included in the report. Use of Indigenous languages in schools is included in the indicator ‘Indigenous cultural

studies’ (section 6.3). ‘Engagement with service delivery’ (section 11.3), includes information about communication between service providers and Indigenous people. Appendix 3 presents information about speakers of Indigenous languages, drawing on data from the 2006 ABS Census of Population and Housing.

Other potential cultural indicators

Other potential cultural indicators have been identified, but to date it has not been possible to construct indicators that met the criteria for strategic change indicators:

- Heritage — many Indigenous people expressed the view that government had a role in ensuring that cultural heritage was protected and maintained. However, it is difficult to construct a meaningful quantitative measure of ‘heritage’. For example, although heritage registers give legal protection to a number of sites, there is little information about sites that are not listed. There is also little information about the effectiveness of heritage listing.
- Indigenous culture and law — several Indigenous organisations emphasised the importance of official recognition of Indigenous culture by governments and the legal system. Possible indicators included: observance of Indigenous protocols in ceremonies; and recognition of Indigenous law and governance. Although no data sources exist to report on these indicators, some aspects of these suggestions are reflected in the governance case studies in section 11.1.

Both of these indicators reflect outcomes that are important for the wellbeing of Indigenous people but about which there is no consensus on specific indicators. Continuing research will be undertaken on other possible cultural indicators for future reports.

2.6 Data issues

Readers of this report should bear a number of issues in mind when interpreting the data in this report. (Appendix 4 contains more information about data limitations.)

Timeliness

The data in this report are the most recent available. Many data collections are not updated annually, and some data collections require significant time for processing and validation between collection and publication.

Sources

Data for this report have been drawn from three types of sources — Census, survey and administrative data. Each has strengths and weaknesses.

Census data

The ABS Census of Population and Housing takes place every 5 years. The Census is rich in information and has the potential for extensive disaggregation, and the 2006 Census is a major data source for this report.

The 2006 Census includes responses from just over 450 000 people who identified as being of Aboriginal and/or Torres Strait Islander origin, out of an estimated Indigenous population of just over 500 000. The undercount of Indigenous people was particularly significant in WA (estimated at 25 per cent) and the NT (estimated at 20 per cent). Census data for these jurisdictions still provide a high quality picture of the circumstances of those who were counted, but readers should not assume that the characteristics of those who were counted in the Census are necessarily the same as those who were missed.

Survey data

Survey data can provide a rich source of data at higher levels of aggregation, for example, national and State and Territory data, and sometimes remoteness area disaggregations. The reliability of survey data is limited by sampling error, especially if data are disaggregated further than the survey sample was designed to allow.

The ABS has introduced a three yearly rolling program of Indigenous household surveys, the most recent being the 2008 National Aboriginal and Torres Strait Islander Social Survey (NATSISS). Data from this survey are expected to be released during 2009, and will form an important input for the 2011 report. The next survey in the program will be the National Aboriginal and Torres Strait Islander Health Survey (NATSIHS) scheduled for 2011.

Data from other surveys are included in this report, but many general surveys do not contain a large enough Indigenous sample to allow detailed disaggregations.

Administrative data

Administrative data are usually collected as part of the management of a service delivery activity (for example, hospital patient records). These data are updated

frequently (often annually) but there can be issues with the accuracy of Indigenous identification across jurisdictions and over time. There may also be differences between states and territories in the types of services provided or definitions used within collections, which make it difficult to compare across jurisdictions or to estimate national totals. Major differences in definitions or data collections are noted in this report as appropriate.

In addition, administrative data can be affected by the availability or accessibility of services, and by Indigenous people's willingness (or 'propensity') to access those services. For example, different rates of substantiated child abuse and neglect across jurisdictions or over time may be the result of differential access to services or different propensities to report child abuse, rather than differences in its occurrence (section 4.10).

There has been a significant improvement in the availability of administrative data on hospitalisations of Indigenous people. The 2007 report included data for Queensland, WA, SA and the NT. This report also includes hospital data for NSW and Victoria for 2004-05 to 2006-07 (longer time series are also presented for Queensland, WA, SA and the NT). Data from Tasmania and the ACT are considered to be of insufficient quality for analytical purposes, due to a combination of poor Indigenous identification and the small absolute numbers of Indigenous people in those jurisdictions.

Interpreting the data

Indigenous identification

Virtually all the information in this report relies on self-identification by Indigenous people. Therefore, the accuracy of the data depends on the opportunities provided to identify as Indigenous, and peoples' willingness to do so.

The level of Indigenous identification can vary over time and across data collections. Improvements over time in data collections (for example, the adoption or correct application of the standard ABS question on Indigenous status) will improve the accuracy of Indigenous identification, but in some cases will also make trend analysis difficult. For example, it might be difficult to establish whether an increase in the recorded use of a service by Indigenous people reflects an actual increase in use, or better identification of existing service users.

Indigenous population

Most of the indicators in this report are expressed as rates, or as proportions of a particular population. Estimates of numbers of people are sometimes included, but using rates makes it easier to compare outcomes for Indigenous and non-Indigenous people. This report generally uses ABS estimates of the Indigenous population to create rates (for example, hospitalisations per 1000 people). Data from different sources, or for different years, might use population estimates from different sources. For example:

- Census data are compared to the number of Indigenous people identified in the Census (this provides internal consistency as both the numerator and the denominator are from the same source)
- data as at June 2006 are compared to the ABS estimate of the Indigenous population as at June 2006 (ABS 2007). This estimate is based on adjusted 2006 Census data
- data for other years generally are compared to the ABS 'low series' experimental projections of the Indigenous population for those years (ABS 2004). These projections are based on adjusted 2001 Census data and a set of assumptions about likely trends in Indigenous population growth (box 2.6.1). Indigenous population estimates and projections based on the 2006 Census are expected to be released later in 2009.

Box 2.6.1 Indigenous population growth

In September 2004, the ABS released experimental estimates of the Indigenous population for 2001, and projections from 2002 to 2009 for Australia and states and territories (ABS 2004).

Between the 1996 and 2001 Censuses, the number of people identifying as Indigenous increased by more than could be explained by known fertility and mortality trends. Therefore, the 2004 ABS publication provided two alternative sets of projections:

- 'low series' projections, that assume no further 'unexplained' growth in the Indigenous population, and the Indigenous population is projected to grow 1.8 per cent annually
- 'high series' projections, that assume that the 'unexplained' growth experienced between 1996 and 2001 continues, and the Indigenous population is projected to grow 3.4 per cent annually.

In this report, the 'low series' projections generally have been used as population denominators for the purpose of calculating rates and proportions.

Revised Indigenous population projections based on the 2006 Census are likely to be published by the ABS later in 2009.

Source: ABS (2004) unpublished.

Box 2.6.2 summarises information from the 2006 ABS Census of Population and Housing on the number of Indigenous people and where they live.

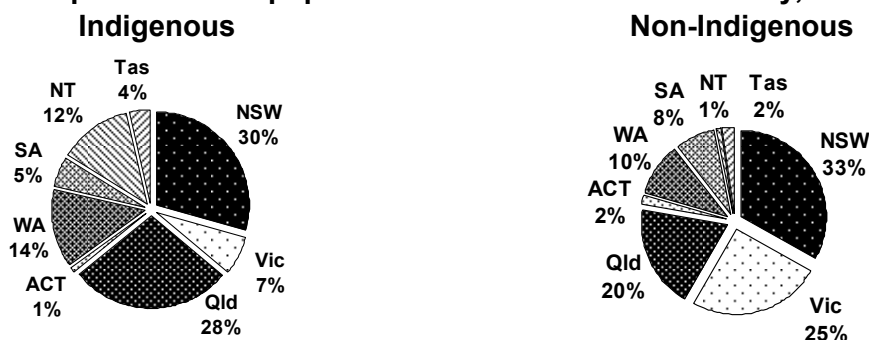
Box 2.6.2 How many people?

In 2006, the estimated resident Indigenous population of Australia was 517 000, out of a total population of 21 million people (2.5 per cent of the Australian population). In the Indigenous population, 463 700 (90 per cent) were of Aboriginal origin only, 33 300 (6 per cent) were of Torres Strait Islander origin only and 20 100 (4 per cent) were of both origins.

Throughout this report, the term ‘Indigenous’ is used to refer to Aboriginal people and Torres Strait Islander people. Although the situations of Aboriginal people and Torres Strait Islander people can be very different, the relatively small number of Torres Strait Islander people makes it difficult to report separately about their experiences. Available data are summarised in the section ‘Outcomes for Torres Strait Islander people’.

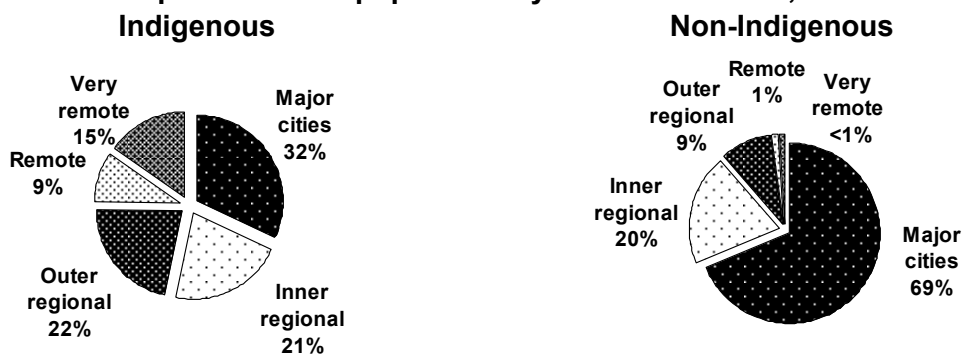
A higher proportion of both Indigenous and non-Indigenous populations lived in NSW than other states and territories (30 per cent and 33 per cent respectively in 2006). There were 194 000 Indigenous children aged 14 years and under in 2006 (38 per cent of all Indigenous people, compared with 19 per cent for the non-Indigenous population).

Proportion of the population in each State and Territory, 2006



An estimated 32 per cent of Indigenous people lived in major cities in 2006. A further 21 per cent lived in inner regional areas, and 22 per cent in outer regional areas. An estimated 9 per cent lived in remote areas and 15 per cent in very remote areas. Almost 90 per cent of non-Indigenous people lived in major cities or inner regional areas.

Proportion of the population by remoteness area, 2006



Source: ABS (2008a) 2008a, *Experimental Estimates of Aboriginal and Torres Strait Islander Australians*, Jun 2006, Cat. no. 3238.0.55.001. See appendix 3 for more information.

Sampling and measurement error — confidence intervals and standard errors

Survey data are subject to sampling error, because they are based on samples of the total population.

Generally, where sample data are shown in charts in this report, error bars are included, showing 95 per cent confidence intervals. (That is, there is a 95 per cent chance that the true value of the data item lies within the interval shown by the error bars.) If there is an overlap between confidence intervals for different data observations, it cannot be stated for certain that there is a statistically significant difference between the results. The Review has evaluated the statistical significance of differences between sample items and only highlighted differences in the text where they are statistically significant. (However, ‘statistically significant’ differences are not necessarily material or important.)

Learning outcomes data in this report (reading, writing and numeracy (section 4.4)) are subject to measurement error, which has a similar practical effect to sampling error. Learning outcomes charts in the report include 95 per cent confidence intervals, and the attachment tables for these data also include the confidence intervals.

Relative standard errors (RSEs) are a statistical measure of the precision of a survey statistic, and are used to calculate the 95 per cent confidence intervals. For the survey data included in the report, RSEs are included in the attachment tables.

Disaggregation

Different readers of the report might be interested in how results vary according to factors such as people’s sex, location or age. Where possible, relevant indicators are disaggregated into various categories — for example, by gender, remoteness and age groups. Where useful, rate ratios are calculated to compare rates between different groups. (A rate ratio compares rates so that statements such as ‘the Indigenous rate is three times the non-Indigenous rate’ can be made.)

Remoteness areas used in this report are from the ABS Australian Standard Geographical Classification (ASGC). The ASGC remoteness classification identifies a location in Australia as having a particular degree of remoteness based on its distance from population centres of various sizes. Some indicators are disaggregated into five Remoteness Area categories (major cities, inner regional, outer regional, remote, and very remote). When data quality does not support disaggregation into five categories, indicators may be collapsed into three categories (major cities, regional, and remote) or two categories (non-remote and remote).

A map of Australia showing geographic areas according to each of the five Remoteness Area categories is included in section 8.2. For more information on how remoteness is defined, see ABS (2001a, 2001b, 2008b).

Age standardisation

The Indigenous population has a younger age profile than the non-Indigenous population. Age standardisation, which accounts for differences in the age structures of populations, enables more realistic comparisons to be made between populations, and in this report has been applied to relevant data on health and justice outcomes.

2.7 References

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