



Overcoming

Indigenous Disadvantage

# Overcoming Indigenous Disadvantage

*Key Indicators 2007*

**R E P O R T**

Steering Committee  
for the Review  
of Government  
Service Provision

2007

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Indigenous Governance Awards Finalists 2006, photos courtesy of Wayne Quilliam and Reconciliation Australia:

– Wunan Foundation, WA. Charmaine Johnson, trainee tour guide with Wunan Foundation partner Kimberley Wilderness Adventures.

- Yirra Yaakin Aboriginal Corporation, WA. Board members Lynette Narkle, Frederick Spring and Gningala Yarran-Clanton.
- WuChopperen Health Service, Qld. Health Service health worker Virginia Coutts, Noah Noble and Tiana Yeatman.



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# Foreword

In 2003, when heads of Australian governments commissioned ‘a regular report against key indicators of Indigenous disadvantage’, they made a commitment to be held accountable for improving outcomes for Indigenous Australians. In April this year, the Council of Australian Governments reaffirmed its commitment to ‘closing the outcomes gap between Indigenous people and other Australians over a generation’. Against these objectives, *Overcoming Indigenous Disadvantage: Key Indicators* is like a report card, showing how much progress has been made, and how much further we need to go.

The Report focuses on the disadvantage experienced by many Indigenous people, arising from historical, social and economic causes. However, most Indigenous Australians live constructive and rewarding lives, contributing to their families and wider communities. This Report aims to help governments address the disadvantage that limits the opportunities and choices of some Indigenous people.

This third Report in the series reveals that many Indigenous people have shared in Australia’s recent economic prosperity, recording improved employment outcomes and higher incomes. There have also been welcome improvements in some educational and health outcomes for Indigenous children. Yet, even where improvements have occurred, Indigenous people continue to do worse than other Australians. And many indicators have shown little or no movement. Indeed, in some areas, particularly criminal justice, outcomes for Indigenous people have been deteriorating.

Such results should challenge all Australians to do whatever is necessary to remedy the causes of Indigenous disadvantage. Australia is not the only country confronting this challenge, and overseas experience shows that concerted action can make a difference. For example, taking what is perhaps the most important single indicator of disadvantage, the difference in life expectancy between Indigenous people and other citizens has been reduced to around seven years in North America and New Zealand. In Australia, the gap is almost two and a half times as great.

This Report contains further improvements in its scope and content. Nevertheless, and despite COAG’s endorsement of the indicator framework, data in some critical areas remain poor. For example, we still do not have meaningful comparative data on school attendance, or on learning outcomes for Indigenous children according to

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the degree of regional remoteness. Hospitalisation data for Indigenous people in NSW and Victoria, the two largest states, are considered to be of insufficient quality to be published. Nevertheless, some laudable efforts at data improvement are underway. These are strongly supported, but more is needed.

On behalf of the Steering Committee, my heartfelt thanks to all those who have contributed to this report, either by providing data or through their advice and feedback on earlier reports and proposals for change. I record our particular appreciation for the contribution over the past five years of Dan Black, who recently retired as Director of the ABS's National Centre for Aboriginal and Torres Strait Islander Statistics. Special thanks are also due to all those in the Working Group overseeing the development of the Report, including in particular its Convenor, Robert Fitzgerald, who also played a key role in consultations. Finally, thank you to all those who organised and participated in the consultations, which have contributed greatly to the advances evident in this latest Report.

Gary Banks

Chairman

May 2007

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# Acronyms and abbreviations

ABS	Australian Bureau of Statistics
ACDP	Aboriginal Communities Development Program
ACT	Australian Capital Territory
AHW	Aboriginal health worker
AIC	Australian Institute of Criminology
AIEW	Aboriginal and Islander Education Worker
AIHW	Australian Institute of Health and Welfare
AHMAC	Australian Health Ministers' Advisory Council
ANAO	Australian National Audit Office
APY Lands	Anangu Pitjantjatjara Yankunytjatjara Lands
ARIA	Accessibility and Remoteness Index of Australia
ARCPOH	Australian Research Centre for Population Oral Health
ASCO	Australian Standard Classification of Occupations
ASGC	Australian Standard Geographical Classification
ATSIC	Aboriginal and Torres Strait Islander Commission
ATSIS	Aboriginal and Torres Strait Islander Services
Aust	Australia
BOCSAR	Bureau of Crime Statistics and Research
CAEPR	Centre for Aboriginal Economic Policy Research
CAR	Council for Aboriginal Reconciliation
CDEP	Community Development Employment Projects
CHINS	Community Housing and Infrastructure Needs Survey
COAG	Council of Australian Governments
DEST	Department of Education, Science and Training
DEWR	Department of Employment and Workplace Relations

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DFACS	Department of Family and Community Services (now FACSIA)
DHAC	Department of Health and Aged Care
DHFS	Department of Health and Family Services
DMFT	Number of decayed, missing and filled permanent teeth
dmft	Number of decayed, missing and filled infant teeth
DUMA	Drug Use Monitoring in Australia
FACSIA	Department of Family and Community Services and Indigenous Affairs
GP	general practitioner
GSS	General Social Survey
GWEH	Gross weekly equivalised household
HREOC	Human Rights and Equal Opportunity Commission
IBA	Indigenous Business Australia
ICD	International Statistical Classification of Diseases and Related Health Problems
ICD-10-AM	International Statistical Classification of Diseases and Related Health Problems, 10 <sup>th</sup> edition, Australian modification
ICGP	Indigenous Community Governance Project
IESIP	Indigenous Education Strategic Initiatives Programme
IGA	Reconciliation Australia/ BHP Billiton Indigenous Governance Awards
IHO	Indigenous Housing Organisation
ILC	Indigenous Land Corporation
ILUA	Indigenous Land Use Agreements
IPP	Indigenous Pastoral Program
IVAWS	International Violence Against Women Survey
JJT	Juvenile Justice Team
K10	Kessler Psychological Distress Scale (10 questions)
K5	Kessler Psychological Distress Scale (5 questions)
LDC	Larrakia Development Corporation

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LSAY	Longitudinal Surveys of Australian Youth
LSIC	Longitudinal Study of Indigenous Children
MCATSIA	Ministerial Council for Aboriginal and Torres Strait Islander Affairs
MCEETYA	Ministerial Council on Education, Employment, Training and Youth Affairs
MOU	Memorandum of Understanding
NATSIS	National Aboriginal and Torres Strait Islander Survey
NATSIHS	National Aboriginal and Torres Strait Islander Health Survey
NATSISS	National Aboriginal and Torres Strait Islander Social Survey
NDICP	National Deaths in Custody Program
NHC	Nganampa Health Council
NHMP	National Homicide Monitoring Program
NHMRC	National Health and Medical Research Council
NHS	National Health Survey
NILS	National Indigenous Land Strategy
NIPC	National Indigenous Preschool Census
NNDSS	National Notifiable Diseases Surveillance System
NNTT	National Native Title Tribunal
NSSC	National Schools Statistics Collection
NSW	New South Wales
NT	Northern Territory
NTDE	Northern Territory Department of Education
OCSAR	Office of Crime Statistics and Research
OECD	Organisation for Economic Cooperation and Development
OID	Overcoming Indigenous Disadvantage
OIPC	Office of Indigenous Policy Coordination
ORAC	Office of the Registrar of Aboriginal Corporations
PISA	Program for International Student Assessment
POI	Persons of interest
Qld	Queensland

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RA	Reconciliation Australia
Review	Review of Government Service Provision
RSE	Relative standard error
SA	South Australia
SAAP	Supported Accommodation Assistance Program
SCRCSSP	Steering Committee for the Review of Commonwealth/State Service Provision
SCRGSP	Steering Committee for the Review of Government Service Provision
SDQ	Strengths and Difficulties Questionnaire
SEIFA	Socio-Economic Indexes for Areas
SF-36	Medical Outcome Short Form
SIDS	Sudden Infant Death Syndrome
STEP	Structured Training and Employment Project
STI	sexually transmitted infections
TAFE	technical and further education
Tas	Tasmania
TIMSS	Trends in International Mathematics and Science Study
Top End	northern part of the NT
UAI	universities admission index
UEWI	unlawful entry with intent
UNICEF	United Nations Children's Fund
US	United States of America
VET	vocational education and training
Vic	Victoria
WA	Western Australia
WA CHS	Western Australian Child Health Survey
WAACHS	Western Australian Aboriginal Child Health Survey
WHO	World Health Organisation
YPiCHS	Young People in Custody Health Survey

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# Glossary

- Aboriginal** A person who identifies as being of Aboriginal origin. May also include people who identify as being of both Aboriginal and Torres Strait Islander origin.
- Age standardised rates** Age standardised rates enable comparisons to be made between populations that have different age structures. Age standardisation is often used when comparing the Indigenous and non-Indigenous populations because the Indigenous population is younger than the non-Indigenous population. Outcomes for some indicators are influenced by age, therefore, it is appropriate to age standardise the data when comparing the results. When comparisons are not being made between two populations, the data are not age standardised.
- CDEP** Community Development Employment Projects (CDEP) is an Australian Government funded initiative that provides activities for unemployed Indigenous people to develop work skills and move into employment. For statistical purposes the ABS classifies participants in CDEP as employed rather than as unemployed or not in the labour force. Some CDEP activities are similar to those undertaken by participants in Work for the Dole, while other activities are essential roles in municipal services, health care, community services, education and other sectors that would be considered employment in mainstream communities and organisations (see section 3.5).

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**Core activity limitation (ABS definition)**

Self care, mobility and communication are defined as core activities. The ABS defines levels of core activity limitation as follows: mild, where a person has no difficulty with self care, mobility or communication, but uses aids or equipment; moderate, where a person does not need assistance, but has difficulty with self care, mobility or communication; severe, where a person sometimes needs assistance with self care, mobility or communication; and profound, where a person is unable to perform self care, mobility and/or communication tasks, or always needs assistance (see section 3.2).

**Confidence intervals**

Survey data, for example data from the 2004-05 National Health Survey, are subject to sampling error because they are based on samples of the total population. Where survey data are shown in charts in this Report, error bars are included, showing 95 per cent confidence intervals. There is a 95 per cent chance that the true value of the data item lies within the interval shown by the error bars. See ‘statistical significance’.

**Disability (ABS definition)**

A person has a disability if he or she has a limitation, restriction or impairment, which has lasted, or is likely to last, for at least six months and restricts everyday activities. These activities include: loss of sight (not corrected by glasses or contact lenses); or an aid to assist with, or substitute for, hearing is used; speech difficulties; shortness of breath or breathing difficulties causing restriction; chronic or recurrent pain or discomfort causing restriction; blackouts, fits, or loss of consciousness; difficulty learning or understanding; incomplete use of arms or fingers; difficulty gripping or holding things; incomplete use of feet or legs; nervous or emotional condition causing restriction; restriction in physical activities or in doing physical work; disfigurement or deformity; mental illness or condition requiring help or supervision; long-term effects of head injury, stroke or other brain damage causing restriction; receiving treatment or medication for any other long-term conditions or ailments and still restricted; or any other long-term conditions resulting in a restriction.



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<b>ICD</b>	ICD is the International Statistical Classification of Diseases and Related Health Problems, endorsed by the World Health Organization (WHO). It is primarily designed for the classification of diseases and injuries with a formal diagnosis. ICD-10-AM is the Australian modification of the tenth revision and was adopted for Australian use for deaths registered from 1 January 1999 (superseding ICD-9).
<b>Equivalised household income</b>	Equivalised household income adjusts the actual incomes of households to make households of different sizes and composition comparable. It results in a measure of the economic resources available to members of a standardised household (see section 3.6).
<b>Income ranges</b>	See ‘quintiles’.
<b>Inner regional</b>	See ‘remoteness areas’.
<b>Hospitalisation</b>	Hospitalisations recorded in this Report are called ‘hospital separations’ in many other publications using hospital statistics. A ‘separation’ refers to an episode of care, which can be a total hospital stay (from admission to discharge, transfer or death), or a portion of a hospital stay beginning or ending in a change of type of care (for example, from acute to rehabilitation). It is also defined as the process by which an admitted patient completes an episode of care by being discharged, dying, transferring to another hospital or changing type of care. For measuring a hospital’s activity, separations are used in preference to admissions because diagnoses and procedures can be more accurately recorded at the end of a patient’s stay and patients may undergo more than one separation from the time of admission. Admitted patients who receive same day procedures (for example, renal dialysis) are recorded in hospitalisation statistics.
<b>Indigenous status not stated/ Indigenous status unknown</b>	Where a person’s Indigenous origin has either not been asked or not recorded.

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<b>Indigenous</b>	A person of Aboriginal and/or Torres Strait Islander origin who identifies as an Aboriginal and/or Torres Strait Islander.
<b>Inner regional</b>	See ‘remoteness areas’.
<b>Jurisdiction</b>	The Australian Government or a State or Territory Government and areas that it has legal authority over.
<b>Labour force</b>	The labour force is the most widely used measure of the economically active population or the formal supply of labour. It is a measure of the number of people contributing to, or willing to contribute to, the supply of labour and, as defined by the ABS, comprises two mutually exclusive categories of population: the employed (people who have worked for at least one hour in the reference week, including those who have participated in Community Development Employment Projects (CDEP)), and the unemployed (people who are without work, but are actively looking for work and available to start work within four weeks).
<b>Major cities</b>	See ‘remoteness areas’.
<b>Mean and median income measures</b>	<p>A mean income value is the average value of a set of income data. It is calculated by adding up all the values in the set of data and dividing that sum by the number of values in the dataset. Median value is the middle point of a set of income data. Lining up the values in a set of income data from largest to smallest, the one in the centre is the median income value (if the centre point lies between two numbers, the median value is the average value of the two numbers).</p> <p>Median value is a better measure for income than mean as mean income values are more influenced by extreme income values (including the lowest and highest incomes). Therefore, median income value is a more accurate measure of income for an average household or average individual income earner.</p>

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	<p>For example, the gross monthly incomes for 9 households are: \$10 000, \$5000, \$2500, \$1500, \$1500, \$1500, \$1000, \$450, \$450.</p> <p>The <b>mean income value</b> among the 9 households is <math>(\\$10\,000 + \\$5\,000 + \\$2500 + \\$1500 + \\$1500 + \\$1500 + \\$1000 + \\$450 + \\$450) / 9 = \\$2655.6</math>. The <b>median income value</b> is the fifth value (the mid point), \$1500.</p>
<b>Non-Indigenous</b>	A person who does not identify as Aboriginal and/or Torres Strait Islander.
<b>Non-school qualification</b>	Non-school qualifications include vocational or higher education qualifications.
<b>Non-remote</b>	See ‘remoteness areas’.
<b>Outer regional</b>	See ‘remoteness areas’.
<b>Quintiles</b>	Income quintiles are groups that result from ranking all people in the population in ascending order (from the lowest to the highest) according to their incomes and then dividing the population into five equal groups, each comprising 20 per cent of the population.
<b>Rate ratio</b>	The rate ratio is the rate for the Indigenous population divided by the rate for the non-Indigenous population. See ‘relative Indigenous disadvantage’.
<b>Regional</b>	See ‘remoteness areas’.
<b>Relative Indigenous disadvantage</b>	Relative Indigenous disadvantage is measured by comparing the rate of Indigenous disadvantage (for example, the proportion of Indigenous people reporting they do not have a non-school qualification) with the rate for the non-Indigenous population. See ‘rate ratio’.

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**Relative standard error (RSE)** The relative standard error (RSE) of a survey data estimate is a measure of the reliability of an estimate and depends on both the number of people giving a particular answer in the survey and the size of the population. The RSE is expressed as a percentage of the estimate. The higher the RSE, the less reliable the estimate. Relative standard errors for survey estimates are included in the attachment tables. See also ‘statistical significance’.

**Remote** See ‘remoteness areas’.

**Remoteness** See ‘remoteness areas’.

**Remoteness areas** Remoteness areas are defined in the Australian Standard Geographical Classification (ASGC) developed by the ABS. The ASGC remoteness classification identifies a place in Australia as having a particular degree of remoteness. The remoteness of each place is determined using the Accessibility/Remoteness Index of Australia (ARIA). The ABS generates an average ARIA score for each location based on its distance from population centres of various sizes. Locations are then added together to form the remoteness areas in each State and Territory. Remoteness areas comprise the following six categories:

- major cities of Australia
- inner regional Australia
- outer regional Australia
- remote Australia
- very remote Australia
- migratory regions (comprising off-shore, shipping and migratory places).

The aim of the ASGC remoteness structure is not to provide a measure of the remoteness of a particular location but to divide Australia into five broad categories (excluding migratory regions) of remoteness for comparative statistical purposes. A map of Australia showing geographic areas according to each of the five remoteness categories is included in section 11.3.

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**Statistical  
significance**

Statistical significance is a measure of the degree of difference between survey data estimates. The potential for sampling error — that is, the error that occurs by chance because the data are obtained from only a sample and not the entire population — means that reported responses may not indicate the true responses.

Using the relative standard errors (RSE) of survey data estimates, it is possible to use a formula to test whether the difference is statistically significant. If there is an overlap between confidence intervals for different data items, it cannot be stated for certain that there is a statistically significant difference between the results. See ‘confidence intervals’ and ‘relative standard error’.

**Torres Strait  
Islander people**

People who identify as being of Torres Strait Islander origin. May also include people who identify as being of both Torres Strait Islander and Aboriginal origin.

**Universities  
Admissions Index  
(UAI)**

Eligibility for admission to a public university in Australia on the basis of merit is determined in each State and Territory through the use of a score — the UAI. Calculating the UAI varies between each State and Territory.

**Very remote**

See ‘remoteness areas’.

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# Terms of reference



PRIME MINISTER

CANBERRA

**3 MAY 2002**

Mr Gary Banks  
Chairman  
Steering Committee for the  
Review of Commonwealth/State Service Provision  
C/- Productivity Commission  
Locked Bag 2  
Collins Street East Post Office  
MELBOURNE VIC 8003

Dear Mr Banks

I am writing in my capacity as Chairman of the Council of Australian Governments (COAG). As you would be aware, COAG met on 5 April 2002 and agreed to undertake further work to advance reconciliation. A copy of the communiqué from the recent COAG meeting is attached for your information.

COAG agreed to commission the Steering Committee for the Review of Commonwealth/State Service Provision (SCRCSSP) to produce a regular report to COAG against key indicators of indigenous disadvantage. The key task will be to identify indicators that are of relevance to all governments and indigenous stakeholders and that can demonstrate the impact of programme and policy interventions.

The development of the indicators will be progressed in the first instance through discussions at officials level between COAG, the Ministerial Council for Aboriginal and Torres Strait Islander Affairs (MCATSIA) and the SCRCSSP. I understand that the SCRCSSP proposed at its recent meeting to progress this matter through a working group that will include representatives of the COAG senior officials working group on reconciliation and MCATSIA officials. Such an approach is consistent with the COAG decision.

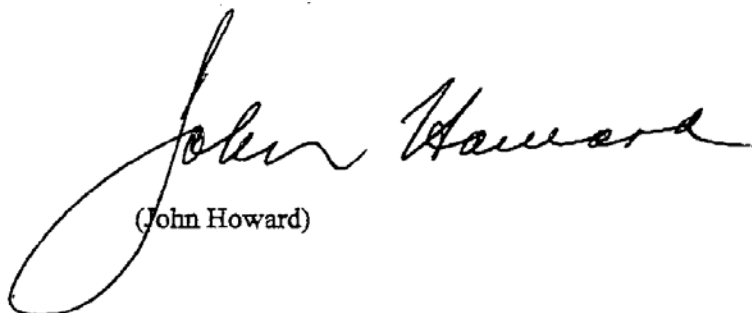
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In May 1997, I wrote to your predecessor, Mr Bill Scales, requesting that the SCRCSSP give particular attention to improving indigenous data. The development of the new COAG reconciliation report should not reduce the emphasis on indigenous data that is now a feature of the annual *Report on Government Services*. This emphasis has helped ensure that indigenous data in mainstream and targeted programmes are as comprehensive and comparable as possible.

I would appreciate further advice from you when the SCRCSSP has completed its work in developing a proposal for the report against indicators of indigenous disadvantage so that COAG members may consider the detail of the proposed approach.

I have copied this letter to the Chairman of MCATSIA and New South Wales Minister for Aboriginal Affairs, the Hon Dr Andrew Refshauge, and to the Minister for Immigration and Multicultural and Indigenous Affairs, the Hon Philip Ruddock MP.

Yours sincerely



(John Howard)