

---

# 1 OVERVIEW

Achieving better results in areas of government service provision is important for Australia's social and economic well-being. This Review contributes to the achievement of better results by presenting information about the effectiveness and efficiency of a number of government funded (and largely government-provided) human services. The areas covered in this Review account for \$38 billion in outlays or around 9 per cent of Australia's GDP.

The areas included in this Report are:

- public acute hospitals;
- public rental housing funded through the Commonwealth-State Housing Agreement;
- government primary and secondary schools;
- TAFE colleges and other government-funded vocational and training services;
- State and Territory police services<sup>1</sup>;
- State and Territory courts administration activities;
- State and Territory correctional services; and
- government-funded child protection, alternative care and crisis accommodation services.

This is the first of a series of annual reports. Subsequent publications will extend the coverage of the Review to include additional areas of government service provision.

## 1.1 Why measure performance?

The services covered in this Review make an important contribution to the quality of life in Australia. Government is a major provider of all these human services. Public acute care hospitals, for example, handled over 70 per cent of all acute patients treated in 1993–94. In 1994, government schools accounted for 72 per cent of all school student enrolments.

This Review represents an important collaboration by the Commonwealth, State, Territory and Local governments, and is part of a common sense approach to improving government services. At its meeting in February 1994, the

---

<sup>1</sup> Australian Federal Police general policing services provided to the ACT have also been included

Council of Australian Governments (COAG) agreed that, in clarifying the roles and responsibilities of Governments in the delivery of services, the overriding objective should be to improve outcomes for clients and value for money for taxpayers. A central element of this involves developing a better understanding of how existing services perform, and how well they currently meet the needs of their clients.

Improvements in the provision of these social services could benefit all Australians. The clients of the services could benefit by receiving services that are more relevant, responsive and effective. Governments could benefit by being encouraged to deliver the kinds of services that people want in a more cost effective manner. Taxpayers too could benefit from being able to see, for the first time in many cases, how much value they are receiving for their tax dollars, and whether services being provided effectively.

Monitoring the performance of government services can help to achieve many of these benefits. The process of developing this information helps governments to focus on and clarify their objectives, while publishing performance measures enables stakeholders and the community generally to assess how well these objectives are being met. Ultimately, this leads to better outcomes for clients, as well as better value for money for taxpayers, as service providers use these data to improve performance.

#### *Greater transparency of performance and accountability*

The publication of key performance indicators makes the performance of government services more transparent and strengthens accountability.

Performance information should provide answers to questions about what government services actually achieve, not just how much money is being spent and the number of recipients. It should, therefore, be concerned with outcomes as much as with outputs. That is, for example, with levels of literacy and numeracy, as well as the numbers of students passing through schools.

And just as importantly, good performance information can facilitate the identification of inequities in access and outcomes for disadvantaged clients, permitting these to be addressed. In short, good performance information is an invaluable tool for Government in decision making.

#### *Clarifying and defining objectives and responsibilities*

By publishing indicators relating to the objectives of service delivery, performance monitoring can play an important role in the ongoing debate about what these objectives should be. The Review has involved considerable work in agreeing on a core set of objectives for most areas.

Better performance information also provides the basis for a clearer delineation of Commonwealth, State and Territory, and Local government roles and responsibilities in the delivery of services. As the Council of Australian

Governments has noted, in areas of shared responsibility, the Commonwealth interest will most often be in the area of broad, jointly agreed, strategic goals, involving program planning and, together with the States and Territories, a concern for the achievement of program performance and outcomes for clients. The scope for reduced Commonwealth involvement in the operational management of service provision in areas of shared responsibility therefore depends significantly on progress in developing and publishing robust performance indicators.

#### *‘Yardstick competition’*

Performance information can also assist governments to improve their service delivery through ‘yardstick competition’. That is, by facilitating comparisons with programs with similar objectives within the same jurisdiction, across jurisdictions, or between modes of service delivery. The Steering Committee recognises that differences between jurisdictions and service providers will mean that caution should be exercised when making comparisons. In particular:

- comparisons between State and Territory systems rather than individual service units (such as hospitals) may not always represent comparisons of like with like;
- unit cost comparisons may suffer from the impact of intrinsic and environmental factors which differ from jurisdiction to jurisdiction. These include differences between the scale of operations of administration and service delivery, population dispersion and concentration, population age structure and social composition, and the cost of inputs; and
- policy differences may mean that jurisdictions place a different emphasis on or have different priorities in respect of particular outcomes or standards of service.

Nevertheless, this and subsequent reports will, provide the basis for more consistent comparisons of the effectiveness of government service providers across Australia based on more robust and complete data.

Yardstick competition also allows governments to identify more effective approaches and models — ‘best practice’ — and to use these to improve their own performance. As these data are built up over the years, they will also permit comparisons over time, permitting positive trends to be reinforced and negative ones to be addressed.

These comparisons, therefore, can be a strong catalyst for improving the effectiveness and efficiency of government activities that are not normally subject to direct competitive pressures.

## Performance monitoring in Australia

There is a growing trend in Australia towards defining clearer objectives for Government programs and measuring performance against those objectives. This is consistent with an international trend towards results-oriented service delivery (see Box 1.1).

### **Box 1.1: Overseas experience in performance monitoring**

#### **The Citizen's Charter in the United Kingdom**

The central element of the Citizen's Charter is to reform public services by raising quality, increasing choice, securing better value and extending accountability. The principles of the Charter are that all citizens have a right to expect:

- explicit standards of service and the publication of information reporting against these standards;
- information and openness;
- choice and consultation;
- accessible, courteous and non-discriminatory services;
- a well publicised complaints procedure; and
- value for money.

The aim of the charter is to raise the standard of public services and make them more responsive to the wishes and needs of their users.

#### **The National Performance Review in the USA**

The National Performance Review (NPR) in the United States, announced by President Clinton in March 1993, was a nation-wide initiative to 're-invent' the Federal Government. Its underlying philosophy was that programs — and government spending — should be judged by their results.

Under the aegis of the NPR, the Oregon Option is a project aimed at redefining the funding relationship between the Federal and Oregon State governments to focus on mutually agreed and measurable outcomes for public service delivery. Under this project, federal financial support is tied to progress against these outcome objectives, rather than to inputs or outputs.

Although the potential benefits of performance reporting have been recognised for some time, both in Australia and elsewhere, previous performance information tended to focus on process and activity levels. Put simply, if the objective was to find out how effective services were, and not just how much they were costing, governments were often not measuring the right things. One of the main reasons for this is that process and inputs are easy to define and measure while outcomes are complex to identify and complicated to measure. In addition, it can also be difficult to agree on the appropriate performance indicators for a particular program.

For many years, data provided in the reports of the Commonwealth Grants Commission (CGC) have enabled comparisons to be made of the costs of

delivering a range of State and Territory services. More recently, agreement on the uniform presentation of financial data, based on the Australian Bureau of Statistics' Government Finance Statistics, has enabled overall government financial performance to be assessed and contrasted on a comparable basis, but with more aggregation than in the data available from the CGC. This Review, however, takes the comparison beyond the cost of delivering services and the overall government financial performance, to consider, in a comprehensive manner, the outputs and outcomes of government service provision.

This Review, which presents performance data in a number of key social service areas, represents a significant departure from past practice in this country and has no direct parallels overseas. It is not confined to one service area across governments, or to a number of service areas from one government. Rather, it offers a collection of performance information (covering both effectiveness and efficiency) from all the relevant governments in the service areas identified. The scope of the Review, encompassing as it does a wide array of social programs, makes it an important step forward in Government administration in Australia.

As governments move further in the direction of openness and accountability, more performance information should become available to be published by the Steering Committee in its reports.

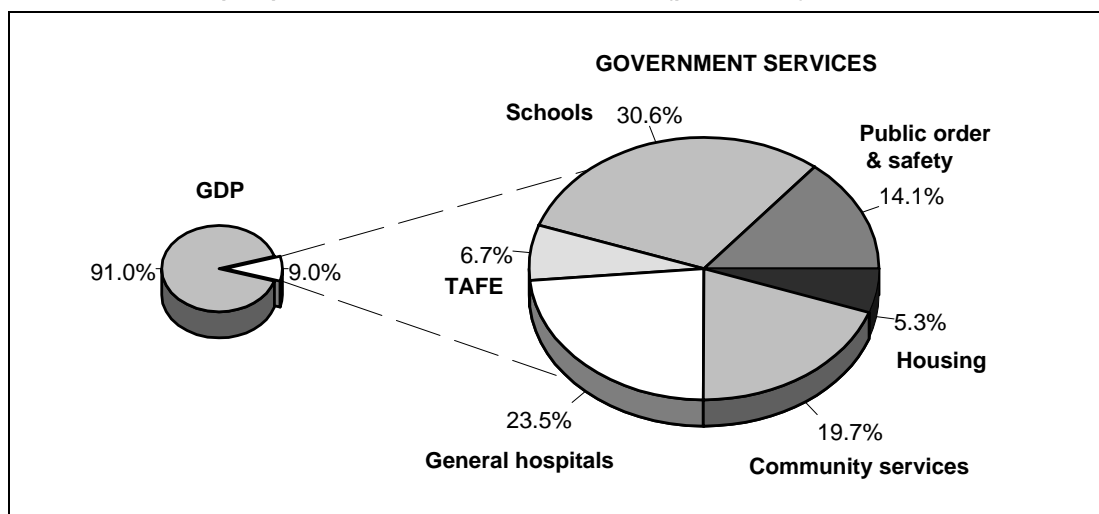
## **1.2 Areas covered in this Review**

The areas covered by the Review are a major portion of economic activity in Australia. Based on Australian Bureau of Statistics information<sup>2</sup>, total outlays in 1993–94 amounted to \$38 billion, or almost 9 per cent of total GDP and more than one quarter of all Commonwealth, State and Territory governments' activities, by outlays. School education was the largest area, with outlays of almost \$12 billion, followed by hospitals and community services (including aged care).

---

<sup>2</sup> ABS 5512.0. Note that the definitions of boundaries of each of the service areas used by the ABS do not exactly match those adopted for the purposes of this report. ABS data, nevertheless, have been used to describe the aggregate size and growth because of advantages of consistency both across service areas and with total ABS government expenditure and GDP figures.

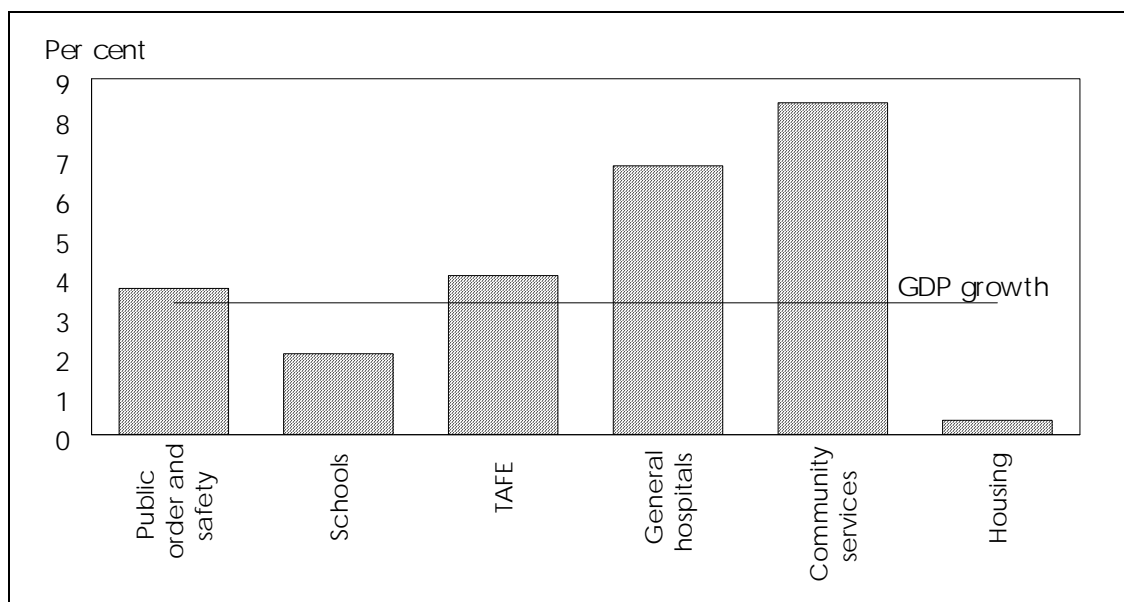
**Figure 1.1:** Commonwealth, State and Territory government outlays as a proportion of GDP, 1993–94 (per cent)



Source: Government Finance Statistics, Australia. ABS Cat. No. 5512.0 (unpublished data). Australian National Accounts: National Income and Expenditure Product. ABS Cat. No. 5206.0.

Notes: Outlays are all current and capital outlays. Outlays are for Commonwealth, State and Territory governments, local government outlays are not included. These figures are based on the ABS Government Purpose Classification. The definitions and data sources may vary from those used in the various chapters of this Report which have been collected according to the precise boundaries defined for each service area. Accordingly, these expenditure figures may differ from those contained in the body of the Review. Community services includes aged care.

**Figure 2:** Growth in Commonwealth, State, and Territory government outlays, 1982–83 to 1993–94 (per cent)



Source: Government Finance Statistics, Australia. ABS Cat. No. 5512.0. Australian National Accounts: National Income and Expenditure Product. ABS Cat. No. 5206.0.

Notes: Outlays are all current and capital outlays. Outlays are for Commonwealth, State and Territory governments, local government expenditure is not included. Community services includes aged care.

In addition, many of these service areas have grown at a faster rate than total GDP. The health and community services areas, in particular, have exhibited strong growth (Figure 2).

In most of these sectors, funding is provided by both the Commonwealth Government and by the State and Territory Governments, although overall, the States have the major role in service delivery and provide the majority of funding for these services (See Fig 3)<sup>3</sup>.

**Figure 3:** Commonwealth, States, and Territories governments share of outlays, 1993–94 (per cent)



Source: Government Finance Statistics, Australia. ABS Cat. No. 5512.0.

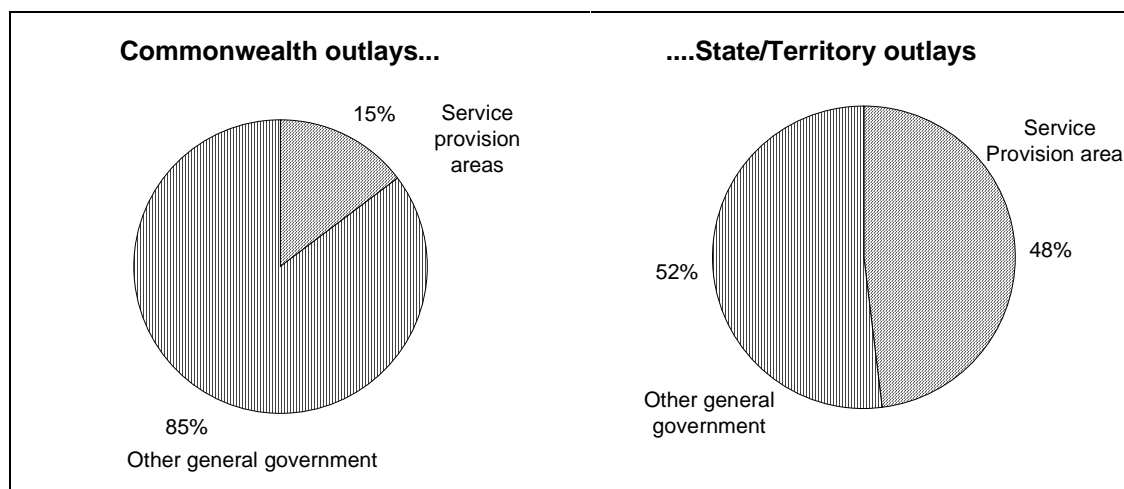
Notes: Outlays are all current and capital outlays. Outlays are for Commonwealth, State and Territory governments, local government expenditure is not included.

'Total general government' includes all Commonwealth, State, and Territory general government outlays (that is, excluding Public Trading Enterprises, but including transfers).

Community services includes aged care.

Accordingly, State and Territory government outlays on these services account for almost half of all their general government outlays, compared to about 15 per cent for the Commonwealth (Figure 4).

<sup>3</sup> Note that Financial Assistance Grants are excluded from Commonwealth funding for these services.

**Figure 4:** Proportional share of outlays, by level of government, 1993–94

Source: Government Finance Statistics, Australia. ABS Cat. No. 5512.0.

Notes: Outlays are all current and capital outlays. Outlays are for Commonwealth, State and Territory governments, local government expenditure is not included.

### 1.3 Recent developments

The services included in this Review have undergone significant changes in recent years. These changes both reinforce the need for an effective system of performance monitoring of government services in Australia, and affect the outcomes achieved. The major developments have included:

#### Increasing demands for government services

In many areas, demand is growing significantly.

The demand for hospital services has increased faster than population growth in terms of the number of patients requiring care. However, lengths of stay have fallen, resulting in a net decline in the total number of occupied bed days. The reasons for this change in the pattern of demand include technological and surgical improvements and an increased emphasis on same day surgery and community and home-based care (see below). The demands on hospital services are expected to grow further as a result of Australia's ageing population.

Increases in demand for other services are partly driven by policy changes. For example, the increasing prisoner numbers partly reflect tougher sentencing laws in some jurisdictions. Similarly, the introduction of mandatory reporting of suspected child abuse has had a significant impact on child protection services. The growth of the vocational education and training sector partly reflects efforts



to expand the degree of choice between this sector and other higher education alternatives, as well as increasing demands by industries.

### **Greater diversification of service delivery mechanisms and outlets**

A key recent development in many government services has been diversification of service delivery mechanisms and outlets.

In many cases, this diversification is a response to broader changes in community attitudes. For example, there is an increasing emphasis on the use of home and community based services in the delivery of health services. As noted above, this is one factor driving the reduction in average lengths of stay in hospital. Similarly, in the area of child protection and alternative care, there is an increasing emphasis on identifying solutions which involve children remaining within their family or finding other community-based care.

In some cases, it is also a policy response to contain costs. In courts administration, for example, alternative dispute resolution mechanisms (such as pre-trial conferences in some civil cases) have been promoted as a cheaper and faster alternative to court processes.

Increasing diversification also reflects changing demand patterns. For example, the diversification of service outlets for the delivery of vocational education and training (VET) is a response to changing community demands. The growth in community housing — albeit from a low base — as an alternative to public housing provides another example.

The growth in diversification increases the need for coordination between service delivery agencies, as increasingly the pattern of demand cuts across existing institutional structures. For example, the growth in VET services provided by schools creates a need for closer coordination between VET and school systems. The increasing demand for a continuity of care covering both hospital stay and post-discharge services creates similar pressures on the hospital and health system.

### **Some increased use of "market type mechanisms"**

Reforms underway in some areas involve greater use of “market type mechanisms”, including performance based funding and contracting.

A major change in hospital funding is underway across Australia with the introduction of casemix funding. This is an example of output based funding, and involves funding hospitals according to the number and type of patients they treat rather than the inputs they consume. Efforts to better account for outputs and outcomes are also a focus of the new Commonwealth-State Housing Agreement currently being negotiated.

A major example of contracting arises in corrective services. There has been a significant increase in recent years in the role of the private sector in the development, management and operation of prison facilities in several States.

## **1.4 Our approach to performance monitoring**

Performance indicators for monitoring purposes can be considered as data sets or combinations of data which are indicative of broader performance. For example, the number of complaints in a particular service area can be seen as an indicator of client satisfaction. The Steering Committee has sought to identify useful and meaningful performance indicators regardless of whether relevant data were available, rather than rely on available, but inappropriate data for performance monitoring purposes.

With such an ambitious task, it is inevitable that there will be some gaps in the data for this first Report. These are unavoidable, particularly when one considers that the jurisdictions did not develop their existing performance information specifications collaboratively, but designed them to meet their own regional needs. This is the first attempt to collect the same performance data across all the States and Territories, and in some cases the information is simply not yet available. In other areas, the quality of the data needs to be improved. An important challenge for all Governments will be to improve the data and to fill in the gaps for future Reviews.

The Steering Committee has identified three core requirements in order to monitor the performance of government services. They are:

- a framework of performance indicators;
- a complete set of indicators; and
- high quality data.

### **A framework of performance indicators**

A meaningful assessment of performance requires a framework of performance indicators. The performance monitoring framework needs to include efficiency as well as effectiveness: they are two sides of the same coin of "cost effectiveness". Efficiency is about producing more services and/or better quality services with existing or less resources — it is clearly not synonymous with cost cutting.

Effectiveness is aimed at achieving objectives, which requires measurement of outcomes. The lack of available information on outcomes (the impacts of the service on the client group) is a feature of government service delivery in Australia.

Attributing outcomes to service areas has made the development of effectiveness indicators difficult. For many service areas, the success in achieving final desired outcomes is affected by many other wider societal factors. For example, for many jurisdictions, one of the objectives of corrective services is to influence the rate of re-offending. However, the re-offending rate will be influenced by a range of factors including broad public policy issues (such as access to support structures in the community), the effectiveness of police, the courts system and the characteristics of the released prisoner population.

### **A complete set of indicators**

The key results for each service area are presented below. It should be noted, however, that considerable work is required to establish a complete set of performance indicators and comparable data for each of these indicators across jurisdictions. Accordingly, caution should be exercised in drawing overall conclusions about each service area from the indicators presented.

### **High quality data**

Clearly this Report is only a beginning, and further work is required to improve the completeness, comprehensiveness, quality and comparability of the data presented. The practical limitations of the indicators developed and the data collected for this Report are discussed in Chapter 2. Further work is required in recognising the policy and environmental differences between the jurisdictions and understanding the impact of these external factors on performance.

The Steering Committee also recognises that data collection and the development of performance indicators is a costly exercise. These costs may, over time, make the goal of comprehensiveness difficult to achieve. Currently however, there remains much scope to improve the level of reporting.

## **1.5 The performance of government services in Australia**

The results presented in this Review represent the first attempt to develop performance indicators and to collect data in a comprehensive and nationally comparable manner. Considerable care should be used in interpreting the data in this Report, particularly when attempting any cross-jurisdictional comparisons. At this stage, in some areas, comparisons may be misleading because of data incompleteness or lack of direct comparability. There are a number of caveats attached to the summary information presented below. These are set out in more detail in the relevant chapters.

Nevertheless, the exercise clearly demonstrates that all governments have committed themselves to searching for ways to improve their effectiveness and efficiency in all areas where they provide services to the community.

## Hospitals

An agreed framework of indicators has been developed to measure both the effectiveness and efficiency of public acute care hospitals in Australia.<sup>4</sup> The effectiveness measures cover the quality of care, the appropriateness of care, and the accessibility of services. The efficiency measures developed focus on the unit cost by type of treatment.

As is the case in several areas of government service provision, considerable effort has been invested in developing comparable information on efficiency measures relating inputs to outputs.

Presently, however, there is little comparable effectiveness information. The lack of information is partly due to the difficulty of attributing the health gain by patients to treatments provided. This is because treatment is only one of a variety of independent factors that will affect the well being of a patient. The influence of these independent factors will be more pronounced the longer and more complex the treatment.

Nonetheless, there is widespread recognition of the need for much better system-wide indicators on the effectiveness of health services. Considerable work is taking place in all jurisdictions to develop these. One example is the development of national and State and Territory health goals and targets. However, even once defined and developed, it is likely to take some time to establish the necessary data systems.

### *Waiting times for elective surgery*

Waiting times for elective surgery has been selected as one indicator of accessibility to public hospitals. The results of the first attempt to report on elective surgery waiting times for public hospitals by Mays (1995)<sup>5</sup>, indicate that waiting times varied considerably across Australia<sup>6</sup>. A significant factor in

---

<sup>4</sup> The Steering Committee acknowledges the role of the National Health Ministers' Benchmarking Working Group (NHMBWG) in developing the performance indicators for public acute care hospitals.

<sup>5</sup> Elective surgery is defined as surgery which, although deemed necessary by the treating clinician, can be delayed for at least 24 hours in the clinician's opinion. Data for *The National report on elective surgery waiting lists for public hospitals 1994* (Mays, 1995) were also disaggregated into two categories of urgency.

<sup>6</sup> Some limitations of the data are noted in Mays (1995). These include difficulties experienced by States and Territories in collecting the data according to agreed definitions and the short duration of the survey period which may not represent a typical period.

this variability would have been the differences in coding and counting practice between the jurisdictions at the time the data for this report were collected.

The results of the one month data collection by Mays indicated that in 1994, 9 per cent of elective surgery patients had waited more than 12 months Australia-wide. Across all specialities the highest proportion of these long wait patients at census were in the ACT (26 per cent) and the lowest in New South Wales (5 per cent).

### *Only limited system-wide data on the quality of care in public acute hospitals are available*

There is a lack of nationally comparable information on the quality of care in public acute care hospitals in Australia. To date, few States have instituted system-wide reporting of hospital quality of care performance data. However, the situation is changing with most, if not all, jurisdictions planning to introduce system-wide reporting of standard quality of care indicators.

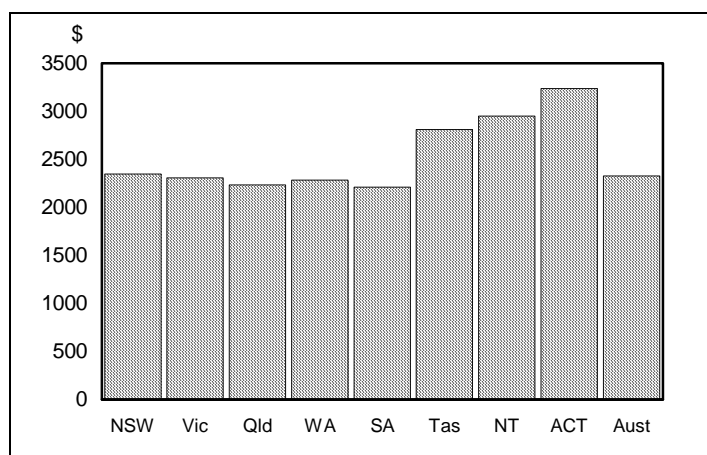
It has been possible to include in this report some of available data collected by States and Territories on quality of care. These data are not comparable between jurisdictions because of definitional differences.

### *Surgical intervention rates*

These measure the differing frequency of certain procedures in jurisdictions.

No State or Territory had rates significantly different from the comparison rates for all the selected procedures. However, there are some substantial differences for individual procedures. These data highlight the need to do further work on the underlying reasons for differences in procedure rates between States and Territories to enable appropriate interpretation of such data in subsequent

Recurrent unit cost, adjusted for the mix of cases treated for public acute care hospitals, 1993-94



Note: The unit costs are estimates based on an incomplete data source therefore caution should be exercised in interpreting the results.

reports. The available data do not allow definite conclusions about the relative level of care between the States and Territories to be drawn.

### *The cost of treating cases in hospitals varies across Australia*

Although the unit cost data need to be interpreted with caution, the larger States appear to have lower unit costs per inpatient case treated (adjusted for the

mix of cases). The difference between the highest cost jurisdiction and the lowest cost jurisdiction for recurrent expenditure, including labour costs, was over \$1000 per case treated — a variation of over 46 per cent.

### *Future directions*

There are currently a number of Commonwealth and State initiatives underway to develop consistent definitions and to collect comparable data on a wide range of efficiency and effectiveness indicators in the hospitals area. There also remains the need to ensure that better data are collected for the existing indicators. In particular, the key challenges over the next year are:

- to develop indicators and expedite the collection of comparable data on the quality of care;
- to collect more complete and comparable waiting time data;
- to improve and extend the current coverage of unit costs to include outpatient activity;
- where possible, to develop and implement a nationally comparable patient satisfaction methodology; and
- to develop agreed indicators for hospital service outcomes.

## **Public housing**

Housing assistance is a policy response to the basic human need for housing. Governments in Australia provide two main types of housing assistance — public rental housing and rent assistance. Chapter 4 focuses on public rental housing. The primary objective of this service area is to ensure that people on low incomes have access to secure, adequate and appropriate housing which is affordable.

While, considerable effort has been invested in developing indicators that address the key objectives of public housing services, and a reasonably extensive data set has been compiled, further work is required to improve the definitions of many of the indicators and the quality and consistency of data.

While some of the results are summarised below, further work is required to fully develop nationally comparable data for indicators that address the full range of effectiveness and efficiency issues.

### Targeting

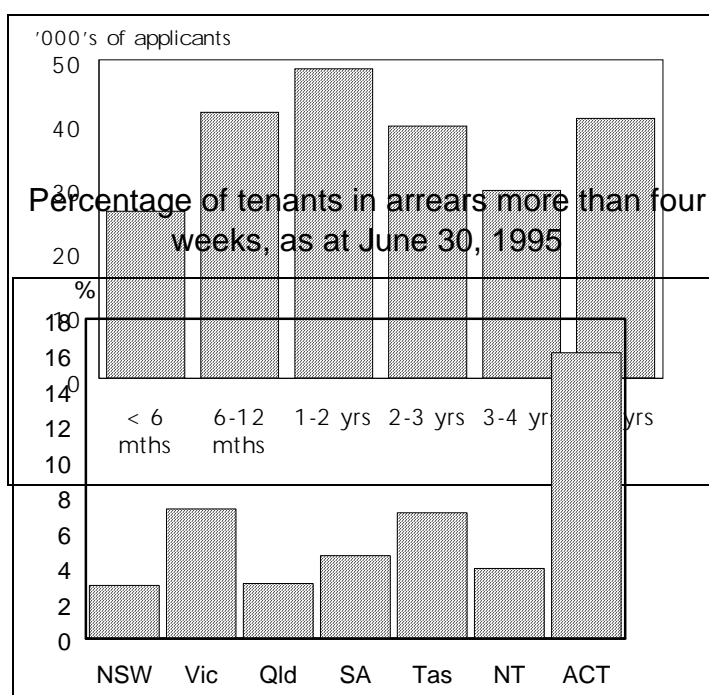
How well public housing is targeted to those in need is an issue that has received increasing attention in recent years. Initial results, based on estimates of tenants' ability to afford alternate private rental accommodation, suggest that public rental housing could be better targeted.

### Waiting periods

Preliminary results indicate that Australia-wide, some applicants appear to wait lengthy periods for access to public housing.

### Affordability

Distribution of public housing applicants on waiting lists in Australia, as at June 30, 1995



Note: Data for WA were not available on a comparable basis.

Once in public housing, rents generally appear to be set at affordable levels. Nearly all public tenants across Australia pay less than 25 per cent of their assessable income on rent as at 30 June, 1995, reflecting the rebate policies of State Housing Authorities.

### Rental arrears

Across Australia, most tenants appear to pay on time.

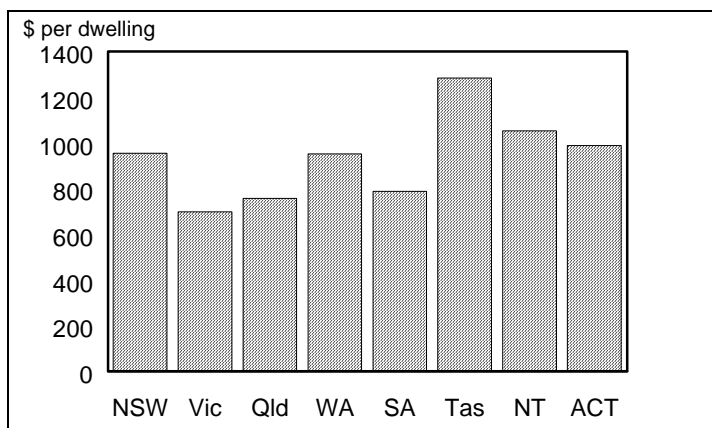
### Administration costs

The operating costs of delivering public housing services appear to vary significantly across jurisdictions, although the extent to which differences in

methodology and geographic and demographic characteristics contribute to this variation is not known at this stage.

*Further steps required*

Administration costs per dwelling, 1995



Note: Expenditure for WA and NT includes Aboriginal housing, community housing, and bond assistance functions. WA data also include joint venture

There are a number of initiatives underway to ensure that a more complete data set will be available for inclusion in the next Report. These include: developing a national customer satisfaction survey instrument and developing a standard approach to reporting on housing stock condition. Efforts are also underway to improve the comparability of data (for example, by developing a standard methodology for

valuing public housing assets). In addition, further work is required to refine and further develop definitions for existing indicators.

**Government school education**

This Report is concerned only with primary and secondary government schooling and focuses on the outcomes of each system, not individual schools. A preliminary framework of effectiveness and efficiency indicators has been developed for these government school systems. The effectiveness indicators address the range of objectives pursued at the system level. They are generally based on the Common and Agreed National Goals for Schooling in Australia and can be described by three main categories which are not mutually exclusive: student learning outcomes, social and other, and equity objectives. The efficiency indicators focus on costs per student.

The Council of Australian Governments (COAG) asked the Steering Committee to examine *government* services. Consequently, independent, private or religious school systems are not included in this Report.



### *Learning outcomes*

*No nationally comparable data on student learning outcomes are available.*

Performance measurement in government school education is a complex task and considerable effort has been spent on measuring performance, particularly of student learning outcomes. Until now, however, little consideration has been given to comparability between systems, and there is currently no nationally comparable information on student learning outcomes.

Standard assessment instruments undertaken by all, or a representative sample, of students within school systems are the primary source of aggregate student learning outcome information. This type of testing is relatively new in some States and Territories, and does not yet cover all learning areas. Differences between the jurisdictions in the timing of statewide testing, the year levels at which this is done, testing methodologies, curriculum content, and reporting frameworks mean that the results of tests in one system can not currently be compared to the results of other systems.

#### *State and Territory specific trends.*

Based on each State and Territory's existing standard test instruments, some limited conclusions can be drawn. Generally, the available information suggests there has not been any marked improvement or deterioration in student performance over the last few years. The absence of extensive time series information, however, means that within the jurisdictions, only partial analysis of trends is possible. Some key examples of results include:

- relatively stable scores in NSW over the past five years for Years 3 and 5 students' literacy and numeracy performance, while non-English speaking background students have improved in both areas over this period;
- improvements in Years 5 and 9 students' mathematics performance between 1991 and 1993 in Queensland, with a slight fall in the performance of Year 7 students over the same period;
- slight improvements in mathematics performance for Year 3 and Year 10 students in WA between 1990 and 1992, with an improvement for Year 7 students;
- in Tasmania, which has a relatively long record of reporting outcomes, numeracy levels have fallen over the last decade, while some literacy results have improved over the same period;
- in the NT, improvements in mathematics and reading for Year 5 and Year 7 students between 1990 and 1994; and
- where they are recorded, the learning outcomes for Aboriginal and Torres Strait Islander students are lower than those recorded for the population as a whole.

*Action is required to address the lack of comparable information.*

It is anticipated that the National Schools English Literacy Survey, to be completed by the end of 1996, will go some way to addressing the lack of comparable outcomes data, and will provide important information in terms of literacy.

The Steering Committee has recognised, however, the need to develop a mechanism for the ongoing reporting of comparable learning outcomes data across the curriculum. Given the strong government commitment to the existing State and Territory tests, the Steering Committee believes that these tests should be utilised in preference to the potentially costly duplication of outcomes measurement by an extended system of national surveys. Accordingly, it commissioned the Australian Council for Educational Research (ACER) to identify how comparisons between existing statewide testing programs could be established.

ACER has indicated that it is possible to report comparable outcomes, initially in mathematics and English, either by embedding common items in existing State and Territory tests or by administering tests to a common sample of students. The common item approach would utilise the existing testing infrastructure, obviating the need for the duplication of testing required by the common person approach.

Given the differences in years of testing, testing formats and methodologies, and some variations in the curriculum content, clearly whichever approach is adopted will require a significant commitment from the States, Territories and Commonwealth. In particular, the support of COAG is necessary to encourage the various governments to commit resources to ensure that comparable outcomes can be reported.

### *Social and other objectives*

School systems also aim to achieve a range of other objectives which relate to the attitudes and wellbeing of students, as well as to prepare students for participation in further education, the workforce, society, and active citizenship.

Distinguishing these objectives from academic learning outcomes does not mean that they are not closely linked to the curriculum, only that they are a set of objectives for which performance information supplementary to learning outcomes is required to measure effectiveness in meeting them.

This is a complex area, and to date there are only limited examples of efforts by school systems to define these objectives beyond broad generalities. In addition, there is only limited performance data available and much of these are only loosely linked with these general objectives. The data that are available are of two main types: student attitude surveys, and post school destination and experience surveys.

### *Equity objectives*

An important set of objectives for school systems relates to meeting the needs of groups identified as facing educational disadvantage. These include, amongst others, students with learning disabilities, students from low socio-economic and non-English speaking backgrounds (NESB), and Aboriginal and Torres Strait Islander (ATSI) students.

Five jurisdictions provided disaggregated information showing results by target group for statewide tests. These show, for example, that Aboriginal and Torres Strait Islander students in Queensland, WA and the NT achieved below other students in those jurisdictions in all subjects and at all year levels tested. In Tasmania, students at low socio-economic status (SES) neighbourhood schools performed at lower levels than those from higher SES neighbourhood schools. Performance of other target groups shows similar, although not so pronounced, differences.

### *Expenditure per student*

In 1993–94, the average Australia-wide expenditure per student was over \$5100. This varied widely across jurisdictions, from over \$4800 (Queensland) to nearly \$7700 (NT). Average in-school primary expenditure per student<sup>7</sup> ranged from nearly \$3900 in NSW to around \$5900 in the NT with a national average of just over \$4000. The range of average in-school secondary expenditure was from \$5600 (for Queensland) to \$8800 (NT), with a national average of \$6000.

Expenditure per student will be influenced by factors such as different population densities and the provision of schooling to disadvantaged groups, and as such is an imperfect measure of efficiency.

For those States and Territories able to provide disaggregated data, expenditure tended to be lower in larger schools and higher in schools that faced socio-economic disadvantage.

### *Future directions*

The tasks for the Steering Committee are to:

- establish comparable student learning outcome data by establishing equivalences between the existing State and Territory testing programs;
- develop a coherent framework of indicators to address the full range of school system objectives and to collect data on achieving those outcomes; and
- provide information on outcomes by target groups.

---

<sup>7</sup> Expenditure figures for 1992-93 and 1993-94 in the text and Tables of Chapter 6 include estimated superannuation liability.

The activities of the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA), including the Taskforce on School Statistics, the Department of Employment, Education and Training (DEET), and the States, Territories and Commonwealth, are continuing to progress these activities in parallel exercises as well as contributing to the Review.

### **Vocational education and training**

The framework of effectiveness and efficiency indicators developed for the vocational education and training (VET) systems in Australia is based on the common and agreed national goals for VET and the more recent Agreement for the Establishment of a National Training System. The effectiveness indicators are centred around the three main themes of improved responsiveness, increased opportunities, and improved outcomes. The efficiency indicators focus on unit costs.

While there is a strong commitment in the VET sector to collect comprehensive and consistent performance information, further work is required before a full set of comparable data are available for the complete range of performance indicators. In particular, issues of scope (what makes up the measures of VET activity), and boundary (what specific data items should be included to make up the statistics), are yet to be resolved for a number of the measures required for performance indicators. The information presented in Chapter 6 therefore needs to be treated as indicative and interpreted with caution.

#### *Planned levels of provision*

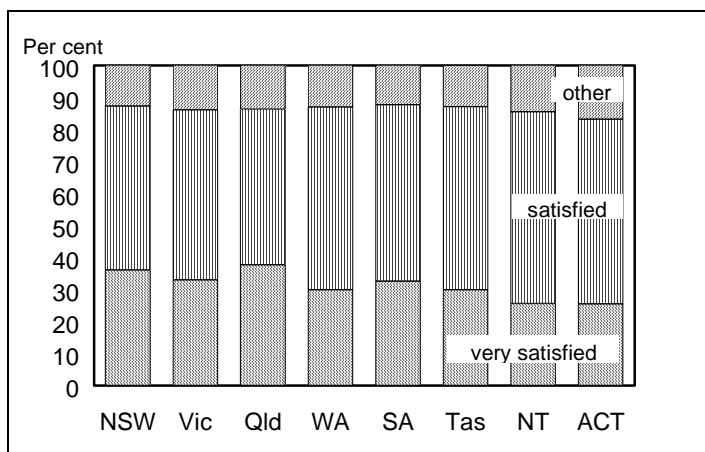
As part of the annual planning and budgeting process, VET systems of the States and Territories determine planned levels of training which aim to anticipate the training and education needs of various occupational groups. The aggregate of the State and Territory planned hours and enrolments at the occupational group level represents an overall target for each VET system and is the basis for resource allocation. Overall planned figures in the States and Territories were generally exceeded by a small margin in 1994.

#### *Module load completion rate*

The module load completion rate broadly measures the extent to which modules that are started are successfully completed by students. On average, the module completion rate, using hours as the measure of activity, was 84 per cent Australia-wide in 1994. This ranged from about 77 to 81 per cent in Queensland, WA, Tasmania, the ACT and Victoria, to 86 to 89 per cent in NSW, SA, and the NT. It should be noted that 1994 was the first year in which the module load completion rate was calculated, and this required some estimation by some systems.

#### *Graduate satisfaction*

### Graduate satisfaction



Source: NCVET 1993.

Based on a 1993 survey conducted by the National Centre for Vocational Education Research (NCVER), about 85 per cent of graduates in each State or Territory were 'satisfied' or 'very satisfied' with their Technical and Further Education (TAFE) course. About 70 per cent of graduates were in paid work six months after the

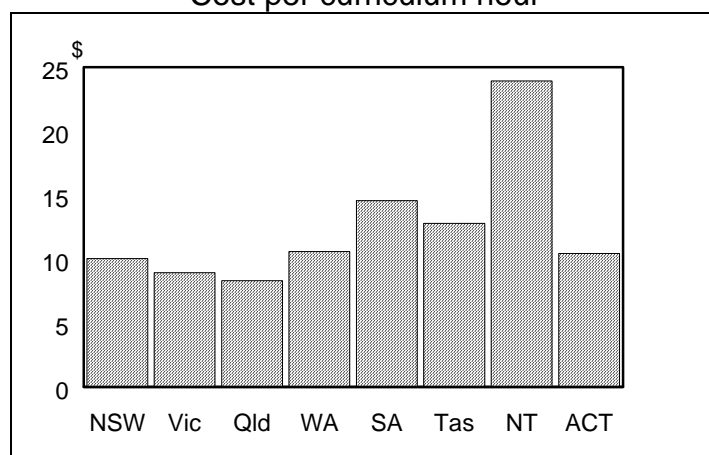
course was completed and, of those employed, 45 per cent said that their main job was related to the course.

### Participation

Participation of people aged 15 to 64 increased from 7.5 to 8.7 per cent of the population between 1985 and 1993, with a 1.5 percentage point increase in the participation of 15 to 24 year olds to 17 per cent in 1993. Australia-wide, females comprised 47 per cent of all persons enrolled in VET in 1989. This decreased slightly to 46 per cent in 1994, with Tasmania and Queensland the only States to experience an increase in female participation over that period.

In terms of other target group participation compared to population shares, Aboriginal and Torres Strait Islander people are generally well represented within TAFE Colleges. Completion rates for Aboriginal and Torres Strait Islander people, however, were lower than the general population in all States and Territories and the training undertaken is largely towards the preparatory

### Cost per curriculum hour



Note: Costs are indicative.

and operative levels of training.

### Unit costs

Recurrent cost per curriculum hour appears to vary significantly across jurisdictions (see chart). However, financial data were not collected to the same standard as activity data in 1994<sup>8</sup>. These

<sup>8</sup> The Australian VET Management Information Statistical Standard was implemented for activity data in TAFE in 1994, and is to be implemented for financial data in 1996.

figures are therefore only indicative of the differences in costs per hour in each State and Territory. In addition, factors such as population densities, provision of VET to disadvantaged groups, the types of courses provided, remote locations, distances, and community obligations impact on the cost of provision.

### *Future directions*

The two key tasks for the reporting of indicators in the VET sector are to improve the comparability of data on inputs, activity and outputs and to complete the collection of comparable industry and student outcome data.

Notwithstanding the current efforts to develop and implement data standards, there is a critical need for consistent and reliable information in the VET sector. A coordinated effort by the States and Territories, in cooperation with the Australian National Training Authority (ANTA), is required for timely progress to be made. A separate review, to report to ANTA later this year on key performance measures, along with the data difficulties identified by this Review, should provide some focus for this ongoing process.

There is currently limited outcome information for the VET sector, although more information should be available in the future. Graduate destinations are to be reported annually from December 1995, employers are to be surveyed on the relevance, quality, and timeliness of the training provided each three years from 1995 (reported in early 1996), and student satisfaction will be reported in 1996 and every three years thereafter.

## **Police**

Police have three key ongoing objectives: to protect, help and reassure the community; to prevent crime; and to enforce the law. Within this framework, a strategic statement has been developed and adopted by the Australasian Police Ministers' Council which provides a vision for a safer and more secure community by the year 2000<sup>9</sup>. The focus of this strategy, the *Directions in Australasian Policing*, is on securing a partnership approach to policing; an increase in community confidence in police; a reduction in the incidence, effects and fear of crime; and an increased level of community safety.

A limited number of indicators have been developed to address the three key effectiveness objectives, and go some way to addressing key result areas of the medium term strategy. However, a significant amount of further work is required to develop a full performance monitoring framework. The development of better, nationally comparable performance information,

---

<sup>9</sup> MCAJ (Ministerial Council on the Administration of Justice) 1993, *Directions in Australasian Policing, July 1994 - June 1996*, Ministerial Council on the Administration of Justice, Canberra.

particularly in relation to efficiency, will require a strong ongoing commitment by governments, and Police services in particular.

### *Protecting, helping and reassuring the community*

In the absence of nationally comparable information, a small national survey was commissioned by the Steering Committee examining community

#### **General satisfaction with police services\***

**Q:** *How satisfied are you in general with the services provided by the police?*

<b>Responses:</b>	<b>%</b>
Very Satisfied	19.8
Satisfied	48.2
Neither	17.5
Dissatisfied	10.4
Very dissatisfied	2.3
Don't know	1.8

\* National survey conducted by ABS, August 1995.

perceptions of police performance. The results suggest that most people are satisfied with Police services (see Box) and believe police treat people fairly.

Of those who had come into contact with police recently (excluding those arrested) about three quarters were satisfied with the treatment they received.

### *Preventing crime*

Crime statistics are the major indicator relating to this objective. The available statistics need to be interpreted with care for several reasons. The limited amount of nationally comparable *reported* crime data which are available indicate that there was an increase Australia-wide in the rates per 100 000 population of reported Motor Vehicle Theft, Unarmed Robbery And Sexual Assault crimes in 1994 compared to the year before. Over the same period there was a decline in the rates of Kidnapping and Unlawful Entry With Intent (UEWI) crimes. Property crimes are far more common than crimes against the person, with 514 063 premises being the victims of property crimes in 1994, while only 14 675 persons were victims of personal crime.

## Reported crime — number of victims by offence category<sup>1</sup>, Australia, 1993 and 1994

	1993	1994	% change
Murder	300	288	-4.0
Attempted Murder	369	334	-9.5
Manslaughter	37	32	-13.5
Driving Causing Death	222	196	-11.7
Sexual Assault	12555	13277	+5.7
Kidnapping / Abduction	628	548	-12.7
<i>Total NSCU Selected Offences: Person Crimes</i>	<i>14111</i>	<i>14675</i>	<i>+4.0</i>
Armed Robbery <sup>2</sup>	5324	5060	-5.0
Unarmed Robbery <sup>2</sup>	7465	8923	+19.5
Blackmail / Extortion <sup>2</sup>	142	168	+18.3
Unlawful Entry With Intent	382245	380152	-0.5
Motor Vehicle Theft	112578	119760	+6.3
<i>Total NSCU Selected Offences: Property Crimes</i>	<i>507754</i>	<i>514063</i>	<i>+1.2</i>

Source: *National Crime Statistics*: ABS Cat. 4510.0 (1994 and 1995)

Note: 1 The *National Crime Statistics* have been prepared using a set of offence definitions and counting rules that have been developed to ensure the greatest degree of comparability between jurisdictions. Further details regarding these definitions and counting rules, which are set out in the Explanatory Notes contained in *National Crime Statistics*.

2 Some person crimes are included in the figures for Robbery and Blackmail/Extortion because the victim in these cases can be either an individual person or an organisation.

### *Enforce the law*

All jurisdictions collect information on crime clearance rates. This indicator is generally not subject to strict definition, and very different results are published based on different interpretations of the figures. The absence of nationally comparable information on success in bringing offenders to justice is a critical gap in available information on police performance. Rather than publish the existing crime clearance data, the Steering Committee is aiming to publish more comparable information on clearance rates and, more critically, success in bringing offenders to justice by jurisdiction in future reports.

### *Action steps: efficiency and other indicators*

This first Report presents only a very limited set of partial measures of unit cost and workloads, which attempt to provide some information on efficiency. While it is clearly a difficult task, it is intended that a more appropriate set of efficiency indicators will be developed and included in future reports.

Better indicators and data are also required in some areas of effectiveness, particularly relating to community satisfaction, crime victimisation, and success in bringing offenders to justice.

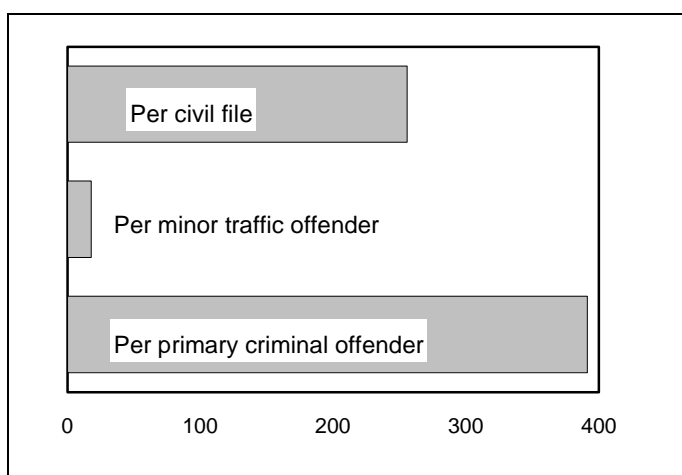


In relation to community satisfaction, a national annual survey of perceptions is required to provide the necessary information for a number of police performance indicators. More regular national surveys are also needed to provide the necessary data for indicators relating to crime victimisation. Both these activities will involve the ABS.

### Courts administration

Courts administration agencies throughout Australia provide a range of services integral to the effective performance of the judicial system. Although an increase in scope is planned for future reports, this chapter focuses on the administration of State and Territory Supreme, County/District and Magistrates' Courts. While there are some limitations to the data, there appears to be considerable variation in the results across jurisdictions. A significant factor in this variation is the diversity of the environments in which the different agencies operate. Key results include:

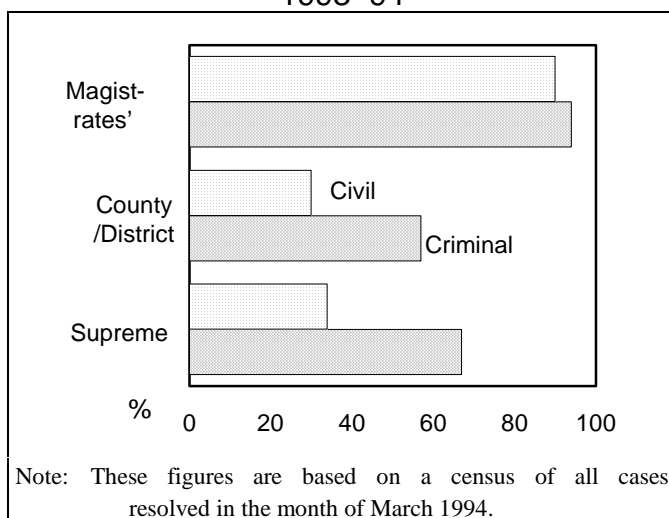
Average unit cost, Australia, 1993–94 (\$)



#### Average cost per case

There is significant variation in unit costs across types of cases and across States and Territories. Technological developments, such as electronic courts for minor traffic offences, have had a significant impact on administration costs.

Cases resolved within 6 months, Australia, 1993–94



Note: These figures are based on a census of all cases resolved in the month of March 1994.

#### Timeliness

While there is considerable variation across jurisdictions, a large proportion of criminal and civil cases are resolved within six months of filing and readiness respectively.

### *Future directions*

An overriding issue for the collection of courts' data in the future is the need to establish an ongoing data collection system. Most of the data available for inclusion in Chapter 8 were the product of a special collection organised by the senior officials of court administration agencies across Australia. While States and Territories acknowledge the benefits of continuing this collection on an annual basis, no formal mechanisms for achieving this have been put in place. Other issues include: extending the coverage of this chapter to include additional areas (for example, Commonwealth Courts); the resolution of a number of definitional issues; and the development of additional indicators relating to the quality of services provided.

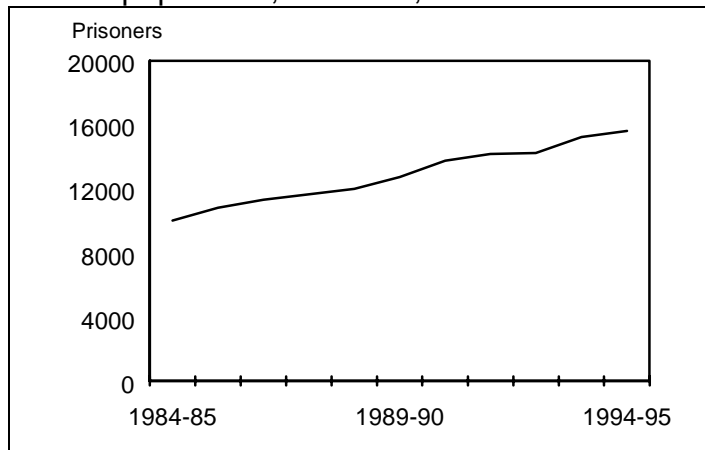
### **Corrective services**

Chapter 9 focuses on corrective services, including the prison system and community based corrections. A framework of effectiveness and efficiency indicators has been developed addressing the range of objectives pursued by corrective services authorities in the States and Territories. These indicators relate to personal development, reparation, containment, supervision and compliance, prisoner care, and efficiency.

The quality, consistency and comprehensiveness of the data contained in this chapter is variable. For some information, such as prisoner numbers, established data collections mean a strong degree of comparable information is available. In other areas, such as fixed capital values and costs, differences in methodologies across jurisdictions mean that comparability is limited. In addition, for some indicators, only limited data were available for inclusion in this Report.

Another key issue is the relationship between the set of objectives pursued by corrective services, and those of the broader criminal justice system.

**Prison population, Australia, 1984-85 – 1994-95**



### *Increasing prisoner population*

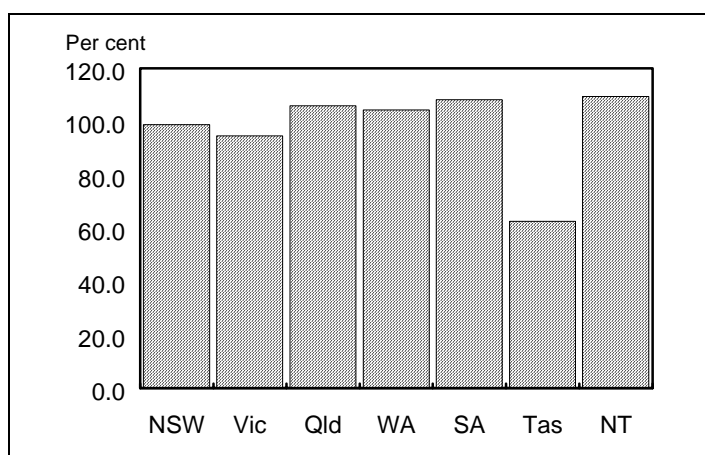
There has been a steady increase in the prisoner population over the last decade. There are now over 15600 prisoners in Australia — over 5500 more than a decade ago —

reflecting a steady increase in the national rate of imprisonment.

The rate of imprisonment is beyond the control of the corrective services authorities who are obliged to administer the sentences delivered by the courts. However, the increase in imprisonments has major cost and operational implications for corrective services.

The Steering Committee estimates that the additional number of prisoners associated with the higher imprisonment rate in 1994–95 compared to a decade earlier cost Australia about \$180 million in prison expenditure last financial year.<sup>10</sup>

Prison occupancy as a proportion of design capacity, Total, 1994-95



Note: Not applicable to ACT

### *Prison utilisation*

Prison systems are operating at close to maximum design capacity in most jurisdictions in Australia, and in four jurisdictions, aggregate occupancy levels slightly exceed design capacity.

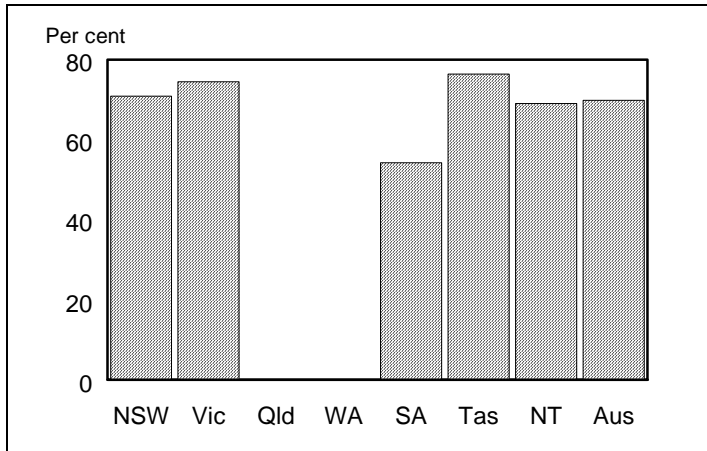
### *Containment and compliance*

In terms of containment, in 1994–95 the Australia-wide escape rate from prisons of all types was 1.8 escapes per 100 prisoner years. The escape rate for secure custody prisons was significantly lower (0.2 escapes per 100 prisoner years), compared to open security prisons (5.8 escapes per 100 prisoner years).

In relation to compliance, in 1994–95, approximately 78 per cent of community based correction orders were "successfully" completed (that is, the offender did not have their order revoked either for committing an offence whilst undertaking the order or for some other reason).

<sup>10</sup> This estimate is based on a number of assumptions and its derivation is explained in full in the Appendix to Chapter 9.

Percentage of prisoners employed, 1994–95



Note: Queensland and WA employment figures unavailable in the categories requested. Australia figure calculated excluding prisoners from these two States.

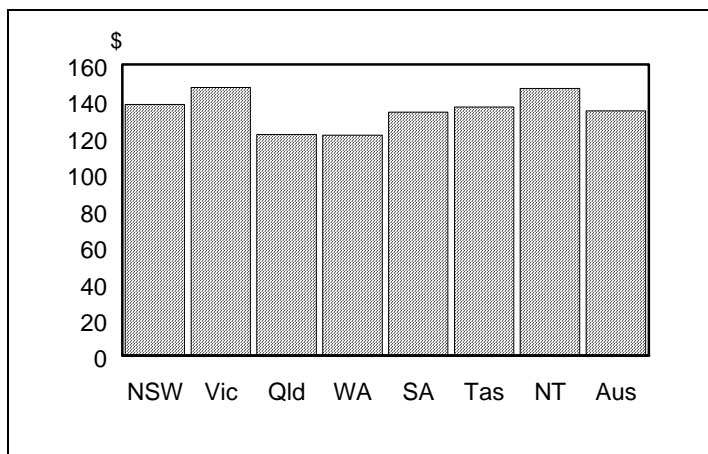
*Prisoner employment*

On average, for the jurisdictions that were able to provide information, about 70 per cent of prisoners were employed in 1994–95 while serving their sentence.

*Costs per prisoner*

Costs per prisoner appear to vary significantly across jurisdictions. However, further work is required to ensure that full costs are included on a nationally comparable basis.

Cost per prisoner day, 1994–95



Note: The cost of ACT sentenced prisoners is captured in the NSW figure, where their prisoners are held.

*Corrective services and the criminal justice system*

Corrective services in each jurisdiction is part of a wider criminal justice system encompassing courts and police. The boundary between objectives pursued by each

element of the system and the macro objectives of the system as a whole is not always clear.

The impact of corrective services on the incidence of re-offending by prisoners after their release (that is recidivism) has provided a focus for this question. All jurisdictions agree that reducing the incidence of recidivism may be one of a

number of objectives of the criminal justice system. Most jurisdictions also view it as an objective of corrective services, but acknowledge that many factors outside the control of corrective services also affect the level of recidivism. Recidivism data presented in Chapter 9 need to be understood in this context.

The limited data available suggest that around 40 per cent of prisoners released in 1993 returned to corrective services within two years. The figure for offenders released from community based corrections was significantly lower, reflecting the fact that many of those serving community based corrections are "one off" offenders of less serious crimes.

#### *Action steps required*

Several actions are required to improve the comprehensiveness and quality of the performance indicators and data relating to corrective services. These include further developing standard definitions and methodologies for the collection of information relating to personal development activities and unit cost indicators.

Another major area of activity is the development of indicators relating to the performance of the criminal justice system as a whole and the collection of data for these indicators, including additional information relating to the incidence of recidivism across Australia.

### **Support services for individuals and families**

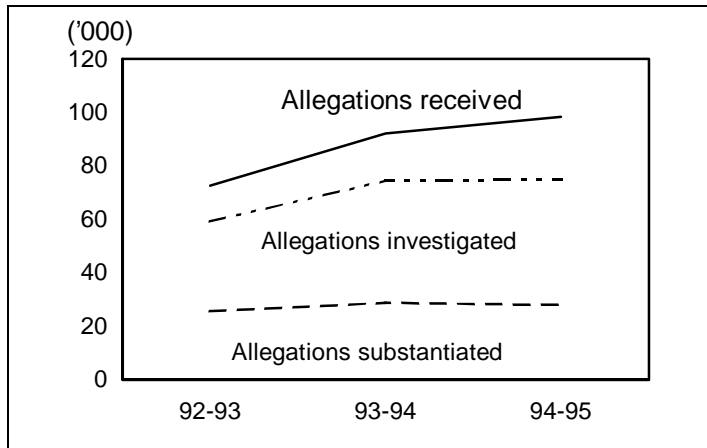
Chapter 10 covers three main categories of government funded support services: child protection, alternative care, and crisis and supported accommodation. Initial indicator frameworks have been developed for each service and it is intended that improvements will be made in subsequent reports.

For the purposes of making comparisons, both within and across jurisdictions, there are a number of limitations with the data collected for this Chapter. Accordingly, data should be treated as indicative, rather than definitive, and caution is required in drawing conclusions based on the information presented.

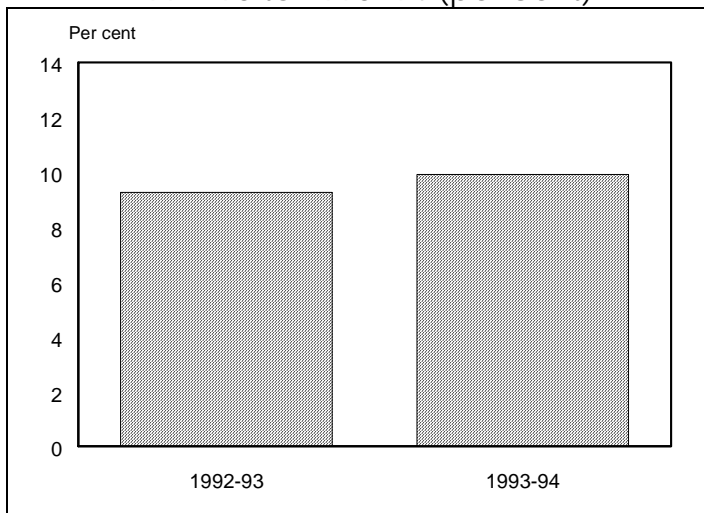
## Child Protection

### *Allegations and substantiations*

Allegations, investigations and substantiations, Australia, 1992-93 to 1994-95



Repeat maltreatment, within 6 months, Australia, 1992-93 to 1993-94 (per cent)



Note: Substantiated repeat maltreatment rates are defined differently by different jurisdictions and are significantly affected by different counting rules. Australia-wide rates have been calculated as the weighted average of jurisdiction rates. Data were not available for WA and the NT.

There has been a significant increase in community concern about child welfare, in part reflected in the number of allegations of child abuse and neglect (maltreatment). While the number of allegations and investigations have risen Australia-wide, the rate of substantiation has not risen to the same extent. In cases where the responsible Community Service Department believes that an allegation warrants an investigation, about 80 per cent of investigations are started within 5 working days.

#### *Limited outcomes data*

Data on outcomes for children are not comprehensive. Information was collected on repeat maltreatment (children who had a completed and substantiated maltreatment case that was followed by a further substantiated maltreatment notification within a specified period).

The number of repeat maltreatment cases within six months as a proportion of all cases was about 9 per cent Australia-wide in 1993-94.

In general, information on the outcomes for children is very limited. There are no nationally comparable data available at this stage on longer term outcomes

for children and response times to complete investigations. Cost data are also very limited at this stage.

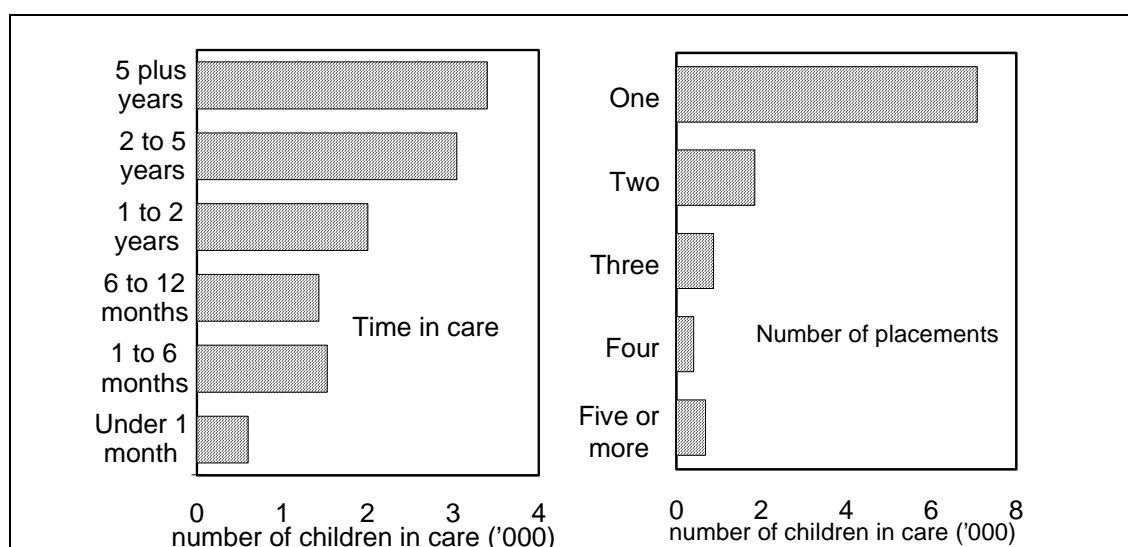
## Alternative care for children

### *Reasons for entry of children into alternative care*

Alternative care aims to provide services which meet the various needs of children for care and protection. Information provided by four jurisdictions indicated that of all those children that entered alternative care in 1994–95, about 14 per cent did so directly as a result of substantiated abuse and neglect. It would be expected that this share would be considerably greater if respite placements — for which the reasons for entry tend to be different — were considered separately. Aggregate information on the other reasons for entry to care is currently limited.

Data for six jurisdictions indicate that of those children who enter alternative care, over 50 per cent remain in care for more than 2 years. Of those children who were in alternative care for the entire 1994–95 year, about 65 per cent had one placement.

Length of time in care, and number of placements, Australia, 1994–95



Note: Based on NSW, Qld, WA, SA, Tas and ACT data.

Note: Based on NSW, Qld, WA, SA and ACT data.

### *Limited data on quality of service*

Information on the quality of alternative care is very limited at this stage. Although data were collected on maltreatment while in care, analysis is not straightforward. One reason is the variety of alternative care living situations for children (such as placement with relatives and supervision of children in

their own homes) in addition to placement in foster care or other care outside the home.

The main gaps in comparable alternative care data for States and Territories comprise the degree to which goals for children are realised on exit from care, and the costs of delivering services.

### **Crisis and supported accommodation**

A two week Australia-wide census of Supported Accommodation Assistance Program (SAAP) providers indicated that in September 1994 the average number accommodated each night averaged 12 000 people. Of all new arrivals requesting accommodation during the period, 44 per cent could be accommodated. Including requests for accommodation from new arrivals and those already accommodated, 6.6 per cent of total requests could not be met during the period. The national average of those that enter SAAP services whose previous accommodation was SAAP or other emergency accommodation was just under 15 per cent (one night censuses held from May 1992 to November 1994).

A new data collection system linked with the objectives of SAAP is currently being developed. This will assist in overcoming some of the reservations held concerning current national data collections.

## **1.6 The future for performance monitoring in the area of service provision**

The Steering Committee notes that considerable progress has been made in the development and reporting of performance indicators for government services in Australia. This progress is due, in large part, to the co-operation of the Commonwealth and State and Territory Governments, and the contribution of each service area's working group and the specialist research agencies. This commitment and on-going support is necessary for the Steering Committee and the Secretariat to continue this Review.

The task, that COAG has set the Steering Committee, however, is by no means complete. More remains to be done in terms of improving the reporting in the current areas under review.

In addition, there is scope to expand the coverage of the review to other areas of service provision not covered in this Report.

As the performance measures develop, it may be useful to measure the performance of government services with overseas counterparts or, if possible, with private providers of similar services. At this stage however, these



comparisons are prohibited by differences in client groups, roles, objectives, and accounting rules.

### **Improving the performance indicators and data**

Although the Steering Committee recognises that there are costs involved with developing a comprehensive set of indicators and data, a considerable amount of work is still required to improve the quality, consistency, completeness and comparability of performance indicators and data for subsequent reports. In particular, each service area must:

- *Improve the coverage and quality of outcomes data.* Further work is required to: develop nationally comparable information on student learning outcomes in schools; develop outcome indicators for vocational education and training, and hospitals; improve the coverage and quality of outcome data for police in relation to crime and crime clearance data, for corrective services in relation to recidivism, and for crisis services in terms of outcomes of intervention.
- *Improve the coverage of unit cost and other efficiency information:* Some service areas have had difficulty in developing unit cost and other efficiency information. For example, efficiency information for crisis services and police needs to be developed to include both information on resources used (inputs) as well as outputs produced. In areas where unit cost information is available, further work is required to ensure these are provided on a fully comparable basis including all costs. The treatment of fixed capital costs requires considerable work across all service areas.

### **Expanding the scope of the review**

Although it will not be possible — or desirable — for this Steering Committee to be able to monitor every service provided by governments in Australia, there is scope for expanding the services covered by the Review. At this stage, the Steering Committee anticipates including at least three new areas into the next Report — child care, aged care and disability services.

Indeed, both in the areas of aged care and child care, work has begun on developing performance indicators and collecting data. In relation to aged care, a working group has been established and a preliminary framework of indicators has been developed. However, this framework requires further work and a complete set of indicators relating to each dimension of effectiveness and efficiency is yet to be developed — particularly in the area of home and community care.

A working group has also been established for child care. This working group has set the boundaries and agreed to an approach for developing indicators and measuring performance.

The Steering Committee also intends to extend the coverage of the review in terms of the jurisdictions providing services. The performance information in the first Review of the Steering Committee mainly relates to services delivered by State and Territory Governments (although to varying degrees, responsibility for funding and program planning is shared with the Commonwealth). It is proposed that in the second and subsequent Reviews, an increasing amount of performance information will be included in respect of programs that are largely or wholly the responsibility of the Commonwealth. This could include, for example, the results of the ongoing evaluations of labour market program outcomes.

It is also proposed to extend the coverage to include information in respect of services in which Local Government has a greater role in delivery than those considered in this report. On November, 14 1995, the Prime Minister, the Honourable, P J Keating, MP, and the President of the Australian Local Government Association, Mayor David Plumridge, AM, signed a Commonwealth-Local Government Accord. This Accord, among other things, reaffirmed that the Commonwealth and Local Government will participate in a benchmarking and efficiency program, including assisting in the preparation of indicators of performance of Local Government services for inclusion in subsequent reports of the Steering Committee.

Thus, over time, it is proposed that the Review will become a genuinely federal document, covering a wide range of services delivered by all three tiers of government — Commonwealth, State and Territory, and Local Governments.