

Closing the Gap on Indigenous Disadvantage: Progress towards this important goal

**A report prepared by:
Dr Lesley Russell
Menzies Centre for Health Policy
and
Dr Sarah Wenham**

July 2010

CONTENTS

INTRODUCTION	3
Life expectancy	3
Infant mortality	4
Access to early childhood education.....	4
Literacy and numeracy.....	5
Year 12 retention rates	5
Employment.....	5
CLOSING THE GAP, PRIME MINISTER'S REPORT 2010	7
Progress against targets.....	7
Actions on the ground.....	9
Tackling the national challenge	9
INDIGENOUS-SPECIFIC NATIONAL PARTNERSHIPS	11
NP for Remote Service Delivery	11
NP for Remote Indigenous Public Internet Access.....	12
NP for Remote Indigenous Housing	12
NP for Closing the Gap in the Northern Territory	13
NP for Indigenous Economic Participation	13
NP for Indigenous Early Childhood Development.....	13
NP for Closing the Gap in Indigenous Health Outcomes	14
Services for Indigenous communities in urban and regional areas.....	15
CLOSING THE GAP IN THE NORTHERN TERRITORY MONITORING REPORT JULY - DECEMBER 2009.....	16
PROFESSOR JON ALTMAN'S REVIEW OF THE CLOSING THE GAP IN THE NORTHERN TERRITORY MONITORING REPORT	20
REPORT ON THE EVALUATION OF INCOME MANAGEMENT IN THE NORTHERN TERRITORY – 20 AUGUST 2009	22

INTRODUCTION

In the early days of his Prime Ministership, Kevin Rudd committed to ‘closing the gap’ on Indigenous disadvantage, committing to six ambitious targets:

- Closing the life expectancy gap within a generation;
- Halving the gap in mortality rates for Indigenous children under five within a decade;
- Ensuring all Indigenous four year olds in remote communities have access to early childhood education within five years (by 2013);
- Halving the gap for Indigenous students in reading, writing and numeracy within a decade (by 2018);
- At least halving the gap in Indigenous Year 12 attainment or equivalent attainment rates by 2020; and
- Halving the gap in employment outcomes by 2018.

Time is ticking in terms of the self imposed timeframe on several of these targets. It’s not clear how much progress has been made.

Life expectancy

Over the years the Australian Bureau of Statistics has used several different methods for estimating the life expectancy of Indigenous Australians thus reducing the life expectancy gap between Indigenous and non-Indigenous Australians. The figure has moved from 20, to 17, to 11 years but this does not indicate an actual improvement in the life expectancy of Indigenous people.

In 2009 the Australian Bureau of Statistics released updated figures indicating that the average life expectancy gap between Indigenous and non-Indigenous Australians is around 11 years. Although the ABS argues that the new methodology for measuring Indigenous life expectancy, which matches death records with census data, is more accurate, some 26% of Indigenous deaths are not matched with a census record. This means that the latest figure of 11 years still lacks some accuracy.

Tobacco, obesity and physical inactivity are the leading risk factors. Together, they account for an estimated 45% of the total health gap. While smoking rates among Indigenous people have fallen from 52% in 1994 to 47% in 2008, rates of overweight and obesity have steadily increased for Indigenous Australians in the last decade from 51 to 60%. Indigenous Australians are nearly twice as likely to be obese as non-Indigenous Australians. Also, the proportion of Indigenous Australians who reported being sedentary increased from 37% in 2001 to 47% in 2004-05.

Assume a generation is 25 years: 8% of the time available to address this gap target has elapsed. The progress made to date is cosmetic, due to a different way of measuring the gap.

Infant mortality

Babies born to Indigenous women are more likely to die in their first year than those born to non-Indigenous women. In 2006-2008, the infant mortality rate for babies born to Indigenous women was highest in the Northern Territory (almost 14 babies died out of 1,000 births) and lowest in South Australia (less than seven babies died out of 1,000 births). The rate for the total Australian population was 4.1 deaths per 1,000 births in 2008.

In 2007, babies born to Indigenous women on average weighed 200 grams less than those born to non-Indigenous women and babies born to Indigenous women were twice as likely to be of low birthweight (less than 2,500 grams) than were those born to non-Indigenous women. Low birthweight can increase the risk of health problems.

In 2008, the gap in child mortality meant that 205 of 100,000 Indigenous children died before the age of 5, compared to 100 non-Indigenous children - a difference of more than 100. Indigenous children are twice as likely to die before the age of five than non-Indigenous children.

Factors that can exacerbate child mortality rates include poor antenatal care, smoking during pregnancy, alcohol consumption, teenage pregnancy, poor nutrition and low birth weight. Socio-economic disadvantage also increases the risk of child mortality.

Combined data from New South Wales, Queensland, South Australia, Western Australia and the Northern Territory show there has been a steady decline in the gap in infant mortality rate over the past decade. Robust data from other states is not available.

20% of the time available to address this gap target has elapsed. The data are not yet good enough for us to know if any progress has been made.

Access to early childhood education

The best available data shows only around 60 per cent of Indigenous children are enrolled in an early childhood education program in the year before school, compared to around 70 per cent of all children. There is currently only limited data to inform this target.

The National Preschool census 2009 showed that overall enrolments are very low. In 2008 only 1,749 Indigenous children living in metropolitan areas were enrolled in preschool, compared with 2,420 in provincial areas and 2,364 in remote areas. These numbers do represent an improvement on those in 2005, but really they are miniscule given that there around 82,000 Indigenous children aged 0-4. We do not know how many children enrolled in preschool actually attend regularly.

40% of the time available to address this gap target has elapsed. Current data are not sufficient robust to measure progress towards this target.

Literacy and numeracy

The evidence shows the gap in meeting literacy and numeracy standards between Indigenous and non-Indigenous students is large. These gaps are evident from as early as year 3 - with the largest gap in 2008 being 29.4 percentage points for Year 5 reading. Only 63.4 % of Indigenous Year 5 students were at or above the national minimum standard for reading compared to 92.6% of their non-Indigenous counterparts. The smallest gap (17.4 percentage points) was for Year 3 numeracy where 96% of non-Indigenous students were at or above the national minimum standard compared to 78.6% of Indigenous students.

In 2009, the percentage of Indigenous students living in very remote areas achieving at or above the national minimum standards was as low as 26.4 per cent for Year 5 reading and 21.4 per cent for Year 9 writing.

Literacy and numeracy scores vary across grades; in 2009 there was an improvement in the gap between Indigenous and non-Indigenous students' reading for Years 3, 5 and 7. For Year 9 students, the gap increased slightly.

20% of the time available to address this gap target has elapsed. There is little indication of any improvement and in some cases literacy rates have got worse.

Year 12 retention rates

In 2006, only 47.4% of Indigenous 20–24 year olds had completed Year 12 or equivalent qualifications, compared to 83.8% for the corresponding non-Indigenous cohort. However the percentage varies by location, from over 55% in major cities to less than 30% in remote areas.

As a proxy measure for the completion of year 12, the Prime Minister's 2010 Report uses indigenous school retention rates from Year 7/8 to Year 12. These rates have risen from 30.7% in 1995 to 46.5% in 2008. The increase has been especially evident over the last few years with a 6.4 percentage point increase between 2006 and 2008.

16.7% of the time available to address this gap target has elapsed. There has seemingly been some progress, but under the best circumstances this is a matter of a few percentage points increase in year 12 retention, when the gap target is 18 percentage points.

Employment

In 2008, the Indigenous employment rate was 53.8% compared to 75% for the non-Indigenous population. There was considerable variation between the states and

territories: the gap was 34 percentage points in the NT and only 9 points in the ACT. While the Indigenous employment challenge is greatest in regional and remote areas, employment rates in major cities are also significantly below the non-Indigenous average. However there is actually little variation in the Indigenous employment rates in major cities (59%), regional areas (51%) and remote areas (52%), due to CDEP participation.

Labour force non-participation is a major contributor to the employment gap, with 35.5% of the Indigenous workforce age population not in the labour force, compared to 21.7% for the non-Indigenous population.

The employment gap fell from 23 to 21 percentage points between 2002 and 2008, as Indigenous employment growth slightly exceeded non-Indigenous employment growth, during a strong period for the Australian economy.

20% of the time available to address this gap target has elapsed. Meeting this target will require the gap to fall a further 10.6 percentage points by 2018 – a faster reduction in the gap than has been recently achieved.

As Kevin Rudd acknowledged in a speech to Parliament earlier this year, entrenched Indigenous disadvantage is “a product of failed policy. Our Indigenous reform agenda seeks to redress decades of underinvestment, buck-passing, confused responsibilities within our Federal system, and piecemeal and poorly targeted investments.”

As the data above and the following report summaries highlight, there is little reason to indicate that current policies are successfully tackling Indigenous disadvantage, that current funding levels are commensurate with the problems, and that current leadership is sufficiently committed to ensure that the promises made in 2008 will be met within the timeframes outlined.

CLOSING THE GAP, PRIME MINISTER'S REPORT 2010

The 2010 Prime Minister's Report on Closing the Gap reports on the national measures taken since 2008 to address the gap in life expectancy and opportunities between Indigenous and Non-Indigenous Australians.

Progress against targets

In November 2008, the Australian Government laid out six discreet targets:

1. Close the gap in life expectancy between Indigenous and non-Indigenous Australians within a generation
2. Halve the gap in mortality rates for Indigenous children under five by 2018
3. Ensure access to early childhood education for all Indigenous four year olds in remote communities by 2013
4. Halve the gap in reading, writing and numeracy achievement for Indigenous children by 2018
5. Halve the gap in Year 12 or equivalent attainment for Indigenous 20-24 year olds by 2020
6. Halve the gap in employment outcomes between Indigenous and non-Indigenous Australians by 2018

Specific funding for each of these targets is not presented, however the Government has committed \$4.6 billion in COAG investment to the overall task of closing the gap. This funding is comprised of an additional \$1.94 billion for remote Indigenous housing, \$1.57 billion for Indigenous health over four years, \$564.4 million for early childhood development over six years, \$228.9 million for Indigenous economic development over five years and \$291.2 million to improve remote service delivery over six years.

Further information about funding follows in the next section of this report.

For most targets, data is not yet available and thus it is difficult to assess progress in any meaningful way. Baseline data (which for some targets is 2006 and others 2008) was taken for the Rudd government's 'Closing the Gap' scheme in 2009 – it is a pity that this was not done in earlier programs.

However the importance of accurate and transparent data has been acknowledged and \$46.4 million over four years has been committed to improve collection and reporting. The Closing the Gap Clearing House was launched in October 2009 and is intended to be a central source of information on what has been demonstrated (and, presumably, not demonstrated) to work.

Target: Close the gap in life expectancy between Indigenous and non-Indigenous Australians within a generation

2006 baseline data only is presented, taken from the Australian Bureau of Statistics. It shows that between 2005-07 the Indigenous life expectancy gap was 11.5 years for males and 9.7 years for females.

The five leading causes for this discrepancy in life expectancy are circulatory disease, injury and poisoning, diabetes, respiratory disease and cancer. However this data is only from QLD, WA, SA and NT due to a lack of reliability in data from other states. Tobacco, obesity and physical inactivity are the leading risk factors contributing to the health gap.

Target: Halve the gap in mortality rates for Indigenous children under five by 2018

Again, only baseline data is presented which shows the gap in child mortality in 2008 to be 103.7 deaths per 100,000 children aged 0 to 4 years (Australian Bureau of Statistics). In 2008, 205 out of every 100,000 Indigenous children died before the age of five, with most of these in the first year of life.

Indigenous infants are nine times more likely to die from a respiratory disease, five times more likely to die from Sudden Infant Death Syndrome and four times more likely to die from infections and parasitic diseases and injury and poisoning.

The report presents data that shows a decline in the gap in infant mortality rates from over 9 deaths per 1,000 live births in 1998 to under 5 per 1,000 in 2008 (Australian Bureau of Statistics - NSW, QLD, SA, WA and NT). Although this data is only for infants and only for some states, it does show a decrease prior to the government's Closing the Gap scheme. It will be interesting to see how much this current rate of decline increases based on the program.

Target: Ensure access to early childhood education for all Indigenous four year olds in remote communities by 2013

The report acknowledges that data to inform this target is limited and the best they have available suggests that just over 60 percent of Indigenous children are enrolled in early childhood education programs the year before school. This compares to around 70 percent for all children.

Although the report also acknowledges that enrollment data alone is not sufficient (as there is evidence to suggest that enrolled Indigenous children attend less frequently), there is no attempt to suggest what alternative data may be used to assess this target.

Target: Halve the gap in reading, writing and numeracy achievement for Indigenous children by 2018

The baseline data is taken across multiple year group levels in reading, writing and numeracy. The gap varies by grade and subject, with the largest gap being 29.3 percentage points for Year 5 reading and the smallest gap being 17.4 percentage points for Year 3 numeracy.

This target also includes some progress data from 2008 to 2009. The report states that “the variation between 2008 and 2009 literacy and numeracy achievement showed mixed results”, however no data is presented on these two subjects. Reading data is presented which showed a slight reduction in the gap for Years 3, 5 and 7 and a slight increase for Year 9.

Target: Halve the gap in Year 12 or equivalent attainment for Indigenous 20-24 year olds by 2020

The baseline for this target is 2006 data which shows the gap in attainment to be around 36 percentage points. In 2006, 47.4 percent of Indigenous 20-24 year olds had completed Year 12 or equivalent, compared to 83.8 percent in non-Indigenous comparators. The report suggests, through surrogate markers, that there has been some progress as Indigenous school retention rates from Year 7/8 to Year 12 have risen from 30.7 percent in 1995 to 46.5 percent in 2008, with a 6.4 percent increase from 2006 to 2008.

Target: Halve the gap in employment outcomes between Indigenous and non-Indigenous Australians by 2018

The baseline 2008 gap is 21.2 percentage points. The gap varies by State and Territory, with the NT and NSW having the largest gaps in 2008 of 34 percentage points and 27 percentage points respectively. The report presents data that demonstrates a decline in the gap from 2002 to 2008 of 2 percentage points – however given the baseline is 2008, this cannot be used to measure progress of the latest government program.

Actions on the ground

The report also outlines its funding of and key achievements in early childhood, schooling, health, healthy homes and economic participation, along with case study examples.

Funding has been allocated to a variety of programs and services across these areas, including \$970 million over five years to the Early Childhood Education National Partnership aimed at getting all children access to affordable, quality early childhood education in the year before formal schooling, \$2.5 billion for the three Smarter Schools National Partnerships, \$805.5 million over four years for the Indigenous Chronic Disease Package, \$5.5 billion over 10 years through the National Partnership on Remote Indigenous Housing and the reform of Community Development Employment Projects (CDEP).

Tackling the national challenge

The report also looks at measures the government is taking to restore positive social norms, support Indigenous leadership, help encourage responsible income management, improve the relationship between Indigenous and non-Indigenous Australians and involve the private sector in employment opportunities.

Of particular note is the income management scheme, instituted as part of the NT Emergency Response. The report claims income management received mixed opinions during the 2009 consultation process however many people were starting to see the benefits. With the Racial Discrimination Act being reinstated, income management is now set to be rolled out in disadvantaged locations across Australia. This is being done in spite of a lack of robust evidence to support its success.

INDIGENOUS–SPECIFIC NATIONAL PARTNERSHIPS

There are currently seven Indigenous specific National Partnerships (NPs) agreed by COAG. The Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) has the key responsibility for implementing the Commonwealth’s COAG commitments and working with the states and territories on these.

FaHCSIA is also the lead Commonwealth agency for the implementation of the National Urban and Regional Service Delivery Strategy for Indigenous Australians and the National Strategy for Food Security in Remote Indigenous Communities.

Table 1: Indigenous-specific National Partnerships

NP	Date agreed	Responsible Commonwealth agency	Total Funding (Commonwealth funding)
Remote Service Delivery	November 2008	FaHCSIA	\$291.5 million / 6 years (\$187.7 million)
Remote Indigenous Public Internet Access	July 2009	DBCDE	(\$7.0 million /4 years)
Remote Indigenous Housing	November 2008	FaHCSIA	(\$5.5 billion / 10 years)*
Closing the Gap in the Northern Territory	July 2009	FaHCSIA	\$793.3 million / 3 years (\$583.5 million)
Indigenous Economic Participation	November 2008	FaHCSIA	\$228.9 million / 5 years (\$172.7 million)
Indigenous Early Childhood Development	October 2008	DEEWR	\$564.9 million / 6 years (not clear#)
Closing the Gap in Indigenous Health Outcomes	March 2008	DoHA	\$1.6 billion (\$805.5 million / 4 years)

*\$1.94 billion in new funds

includes \$16.8 million previously committed to Indigenous Child Care Hubs and \$90.3 million previously committed for maternal and child health services

NP for Remote Service Delivery

This NP supports improvements to the delivery of services across 26 remote locations in the Northern Territory, Western Australia, Queensland, New South Wales and South Australia.

It will address many of the issues found in a 2009 report on the delivery of services in remote areas¹:

- Improved working relationships between Australian Government departments and service providers so that programs can be better tailored to individual community needs.
- Better alignment between community needs and government funded programs.
- More streamlined reporting requirements and better feedback on performance for service providers.
- Clearer and more consistent information from government departments.

Many service providers feel that current funding arrangements are worse than those of earlier years and that program devolution has increased red tape, reduced funding and impaired coordination between government departments.

NP for Remote Indigenous Public Internet Access

The aim of this NP is to provide increased public access to online resources and services for financial, educational, health, economic and social purposes; increased awareness of the benefits and uses of online resources and services; and increased computer literacy enabling effective use of information and communication technology and the internet;

The funding provides for **\$915,000 / 2 years** for new internet access, **\$3.61 million / 4 years** for expansion and maintenance of internet services and **\$2.44 million / 4 years** for training.

NP for Remote Indigenous Housing

This NP is to allow for the construction of up to 4,200 new houses in remote Indigenous communities, upgrades and repairs to around 4,800 houses in remote communities, improved tenancy management services, increased local training and employment opportunities in construction and housing management (to provide up to 2,000 new jobs) and access to affordable accommodation options in regional centres to support employment, education, training opportunities and access to support services in regional areas of high employment.

It is not clear if this NP also covers the agreement with the Northern Territory under which the Commonwealth has provided \$672 million to address the NT housing shortage, estimated as 4000 dwellings to adequately house the present population, and more than 400 new homes each year for the next 20 years. To date this effort has fared disastrously, with missing funds and a blow-out in costs.

¹ <http://www.finance.gov.au/oea/docs/ESDRIC.pdf>

NP for Closing the Gap in the Northern Territory

Funding for this NP in 2010-11 is **\$247.9 million**, of which the Commonwealth contribution is **\$171.2 million**. An independent outcome evaluation of this NP will be conducted in 2011-12. This will need to be completed and responded to in a timely fashion as funding for this NP finishes in June 2013.

The Closing the Gap in the NT National Partnership Agreement provides for the continuation until 30 June 2012 of a number of measures commenced in 2007 under the Northern Territory Emergency Response (NTER) and relevant legislation.

The objectives of the agreement are to:

- Ensure the protection of women and children;
- Reduce violence and improve family and community safety including through restrictions of alcohol and pornography, enhancing compliance and community education;
- Improve the quality of education, increase school participation and employment outcomes;
- Improve health and wellbeing, particularly that of children;
- Promote positive behaviours among Indigenous youth; and
- Promote personal responsibility.

NP for Indigenous Economic Participation

Funding of **\$228.8 million / 5 years** has been committed to create sustainable Indigenous employment opportunities. Up to 13,000 Indigenous Australians will be assisted into employment over four years through the creation of waged market jobs from Community Development Employment Projects (CDEP) program positions that have subsidised. Implementation commenced in 2009, with the rollout of jobs converted from CDEP completed by 1 July 2009.

NP for Indigenous Early Childhood Development

This NP was implemented in January 2009. It addresses the Close the Gap targets that relate to mortality rates for Indigenous children under five, Indigenous literacy and numeracy, and ensuring all Indigenous four year olds have access to quality early childhood education.

The Agreement has three priority areas:

1. Integrated delivery of services, including antenatal services, child and maternal health services, parenting and family support services, and early learning and child care. A minimum of 35 integrated Children and Family Centres will be established nationally. Total funds for this purpose are **\$292.62 million**.
2. Increased access to antenatal care, pre-pregnancy and teenage sexual and reproductive health services. Total funds for this purpose are **\$107.0 million**.

3. Increased use of antenatal, postnatal, child and maternal health services by Indigenous families. Total funds for this purpose are **\$165.3 million** (it is not clear how much of this is new funding).

NP for Closing the Gap in Indigenous Health Outcomes

Governments have committed **\$1.57 billion / 4 years** through COAG to close the gap on Indigenous health outcomes. The Commonwealth now refers to this as a program for tackling chronic disease.

The commitments made under this agreement include:

- Delivery of more than 133,000 additional health checks and 400,000 additional chronic disease management programs for Indigenous people over 4 years.
- Support for more than 160 new Indigenous outreach working positions, 75 extra health professionals and practice managers in Indigenous healthcare services, 38 new GP registrar training posts in Indigenous health services and expanded nurse scholarship and clinical placements.

Table 2: Funding for NP on Closing the Gap on Indigenous Health (from COAG agreement)

\$million

	2009-10	2010-11	2011-12	2012-13	Total
Commonwealth contribution	82.7	157.2	247.6	317.9	805.5
NSW	41.5	43.4	46.7	48.7	180.4
Victoria	14.2	14.4	14.5	14.9	57.9
Queensland	12.3	44.8	50.7	54.3	162.2
Western Australia	19.7	31.1	32.4	34.2	117.4
South Australia	6.3	12.3	16.0	19.3	53.9
Tasmania	1.6	1.8	2.2	2.5	8.0
ACT	5.4	3.5	3.5	3.5	15.9
Northern Territory	51.8	35.6	41.9	46.5	175.9
Total all jurisdictions	235.5	344.2	455.5	541.8	1576.9
Reforms by initiative					
- <i>primary care services</i>	85.3	148.9	240.2	305.4	779.75
- <i>fixing the gaps and improving the patient journey</i>	99.2	107.5	108.7	113.4	428.8
- <i>making Indigenous health everyone's business</i>	11.9	13.0	13.4	14.5	52.8
- <i>tackling smoking</i>	16.4	44.1	61.8	76.3	198.7
- <i>healthy transition to adulthood</i>	22.6	30.7	31.5	32.2	117.0

There is also a raft of smaller Indigenous –specific NPs for health which will provide **\$49.6 million** in 2010-11 and **\$187.1 million / 5 years** (see Table 3). Most of these payments (**\$29.3 million in 2010-11**) go to remote communities despite that fact that only 26% of the Indigenous population lives in remote or very remote areas. The only funds that will help Indigenous communities that are not in the NT or remote areas are provided through the NP on Indigenous early childhood development. This will provide **\$20.3 million** to the states and territories in 2010-11 (**\$93 million** over the forward estimates).

Table 3: Indigenous-specific National Partnership payments (Budget Paper No 1)

\$million

	2009-10	2010-11	2011-12	2012-13	2013-14
Closing the Gap -NT	8.9	4.9	4.9	-	-
Health services					
- <i>rheumatic fever ATSI kids</i>	2.3	2.4	2.5	2.5	2.6
- <i>NT sexual assault counselling remote areas</i>	1.4	1.4	1.5	-	-
- <i>NT satellite renal dialysis</i>	1.0	0.3	0.1	-	-
Other payments					
- <i>E Kimberley development</i>	19.9	20.3	3.3	-	-
<i>Indigenous early childhood development</i>	13.9	20.3	23	24	25.7
Total	47.4	49.6	35.3	26.5	28.3

Services for Indigenous communities in urban and regional areas.

COAG has also agreed to a Closing the Gap: National Urban and Regional Service Delivery Strategy, which commits governments to coordinate and target the funding provided under mainstream and Indigenous specific programs to address Indigenous disadvantage in urban and regional locations. No specific funding accompanies this agreement.

CLOSING THE GAP IN THE NORTHERN TERRITORY MONITORING REPORT JULY - DECEMBER 2009

The latest Closing the Gap in the Northern Territory Monitoring Report was released in June 2010 and contains data from July to December 2009. In spite of this 6 month delay in reporting (due to the compilation of the data), it is the most up to date information on the Northern Territory Emergency Response (NTER) launched by the Howard Government in June 2007.

The first section of the report outlines the background of the NTER, its redesign under the Rudd Government, the six Council of Australian Governments (COAG) Building Blocks the NTER seeks to address, and provides brief summaries of recent evaluations and reports of the NTER.

The second section looks to assess in greater detail the progress that has been made in the six COAG Building Blocks as well as any 'lessons learned' to date.

Northern Territory Emergency Response (NTER)

In June 2007, the Howard Government announced the NTER in response to the "Little Children are Sacred" report which documented child abuse and neglect in the Northern Territory. The legislated period of the NTER is 5 years, with the Closing the Gap in the NT National Partnership Agreement providing for the continuation of the measures until 30 June 2012.

In 2009, a consultation process was undertaken with the 73 NTER communities as well as other NT Aboriginal communities and town camps regarding the future directions for the NTER measures. The report states that many people said they felt hurt, humiliated and confused by the way the NTER had been initially implemented. However, they also said that children, the elderly and women were all feeling safer, better fed and clothed, and that there was less humbugging for alcohol, drugs and gambling. Following the consultation process, legislation was introduced into the Australian Parliament in November 2009 to restore the operation of the *Racial Discrimination Act 1975* in relation to the NTER legislation.

While this report states that its focus is on output measures (eg. increased police presence), it also expresses a desire to go beyond this (eg. incidence of reported crime). However, it acknowledges that these data are limited due to the inherent problems of the data set – for example crime may be under-reported or increasing police numbers can result in an increase in reported crime. Whether or not this argument can be made for the other building block measures is dependent on the particular nature of the data and thus information in the report should be interpreted with this in mind.

The six COAG Building Blocks that the report is organized under are:

- Early Childhood
- Schooling

- Health
- Economic Participation
- Safe Communities
- Governance and Leadership

Early Childhood

Data presented here is for July to December 2009 only and does not offer comparison with previous years.

As of December 2009, nine new crèches were being established, with five operational, 11 of 13 creche upgrades were completed, 106 children and 72 parents/caregivers participated in Intensive Support Playgroups (ISP) and 54 children and 55 parents/caregivers participated in Locational Supported Playgroups (LSP).

Three parenting programs were also operational; the Let's Start Program with NTER funding of \$313,500 to be provided from 2009-2012, the Child Nutrition Program with NTER funding of \$407,550 to be provided from 2009-2012 and the Core of Life Program with NTER funding of \$313,500 to be provided from 2009-2012.

Schooling

Comparative data is available here for December 2007, December 2008 and December 2009.

Overall enrolments have increased slightly since December 2007, from 7,748 to 7,961, an increase of 2.7%. In the same period, overall attendance rates have decreased by 0.3%.

65 schools are supported by the School Nutrition Program (down from 68 in 2008, although no explanation is offered for this), 140.5 full-time equivalent additional teachers have been funded and deployed, \$11.0 million in 2009-2010 has been committed for building up to 50 additional teachers' houses and \$15.7 million in 2009-2010 has been committed to the Quality Teaching Package and Enhancing Literacy.

Health

Again, comparative data is available here; some measures back to 2007, some 2008.

The report urges caution when interpreting hospitalization data as only raw data is presented and does not take into account factors such as population or treatment protocol changes (which future reports will look to address more adequately). Hospitalisations for preventable conditions for children aged 0-5 years have fallen from 2,954 in June 2007 to 2,171 in August 2009. Infectious and parasitic diseases and respiratory disease remain the most common causes of hospitalisations.

The number of audiological and dental follow ups for children has decreased since July 2008 and a new program for ENT follow ups was instituted in July 2009. Other health initiatives include funding to the Remote Area Health Corps (RAHC) to place 173 health professionals in the NT on short to medium-term placements, funding of 176.7 full time

equivalent new health positions, \$2.6 million in 2009-2010 to continue drug and alcohol treatment and rehabilitation services and 88 licensed community stores with the aim of improving the range and quality of groceries and the ability to partake in income management.

Economic Participation

Most data presented here does not offer comparison with previous years, however there is limited comparison with December 2008 and June 2009 information.

As at December 2009, 16,695 people were Income Management customers, an increase of 9.96% from June 2009. 96.4% of Income Management customers had an active BasicsCard which is a PIN protected card that allows customers to spend their income managed money at approved stores and businesses.

In 2009, 76 client interviews and focus groups involving 167 stakeholders were conducted which showed that two thirds of clients had a positive view of income management, while over half said their children were eating more, weighed more and were healthier.

Other indicators include:

- Income Support (which increased by 336 (2%) recipients from December 2008 to December 2009);
- Jobs Package (2,211 jobs created and 2,158 jobs filled as at December 2009);
- Job Placements (1,782 placements in prescribed communities, town camps and outstations as at December 2009);
- Work Experience;
- Non-payment periods;
- Off-benefit outcomes;
- Increased literacy and numeracy;
- Community Development and Employment Projects (CDEP) program (18% increase in participants between July 2009 and December 2009); and
- Youth in Communities (YIC).

Safe Communities

Comparative data from 2007 onwards are available.

Data show an increase in alcohol, substance abuse and drug related incidents. Similarly there was an increase in domestic violence, assault and sexual assault reporting and convictions, as well as reports of child abuse. Again, it should be noted that the increases in reporting may be linked to increased police numbers and night patrol services.

Amongst other safe communities initiatives are:

- Safe Places (20 fully operations as at December 2009);
- Mobile Protection Workers (45 of 73 communities were visited from July to December 2009);

- Remote Aboriginal Family and Community Workers (16 currently working in 12 communities);
- Legal Services (381 NTER related matters were handled between July and December 2009);
- Alcohol Restrictions and Alcohol Management Plans;
- Audit of Publicly Funded Computers;
- Substance Abuse Intelligence Desk and Dog Operations Unit; and
- Northern Territory Aboriginal Interpreter Services.

Governance and Leadership

The goal here is to promote effective governance arrangements in communities and organizations.

Commonwealth Ombudsman Support and Government Business Managers (as at December 2009 there were 56 GBMs) are working to coordinate and tailor services. Indigenous Interpreters (280 between July and December 2009) and Indigenous Engagement Officers (26 between July and December 2009) are also servicing NTER communities.

Land Tenure

Although not one of the building blocks, the report also looks at land tenure.

A total of 64 five-year leases were commenced in 2007 and 2008. As at 2009, the Valuer-General was finalising the amounts of rent to be paid by the Australian Government to Aboriginal land owners and rents will be backdated to the commencement of the leases.

PROFESSOR JON ALTMAN'S REVIEW OF THE CLOSING THE GAP IN THE NORTHERN TERRITORY MONITORING REPORT

“NT intervention three years on: government’s progress report is disturbing”

Professor Jon Altman reviewed the latest Closing the Gap in the Northern Territory Monitoring Report July – December 2009 two days after it was posted. He finds the report “serious and disturbing” and his article addresses not only what has been included in the report but also what he feels is missing.

The article commends the government’s report for its transparency in including information on many areas including early childhood facilities, economic participation, land tenure and governance and leadership. However there are also several criticisms, such as the focus on dollar inputs and outputs rather than outcomes, and a lack of assessment of whether the NTER is good value for money to the Australian taxpayer.

It is noted that multiyear comparative coverage from the start of the NTER is only available for schooling, health and crime (safe communities). Crime statistics appear to be worse. However the government report points out that this is likely due to an increase in police numbers and may actually be associated with improved community safety. Prof Altman acknowledges that this may be the case for some measures; however he questions this rationale for measures such as attempted suicide and mental illness. He also highlights that the logic of better servicing driving up negative numbers would not appear to apply to health and other areas.

The article criticises the government’s report for leaving out some issues of program delivery and broader policy that may be of interest. It goes on to look at three of these – housing and land tenure, employment and income management. In housing, the Strategic Indigenous Housing and Infrastructure Program (SIHIP) is facing issues of poor workmanship that may lead to houses being demolished and the NT government is now saying that it was blackmailed into participating in the program.

Although the Indigenous employment/population ratio in the NT may have improved slightly, it has been reported that 500 Community Development Employment Program (CDEP) transitional jobs might end by December 2010 and that over 4600 CDEP participants may shift from employment to welfare next year. The article also draws attention to the lack of information on the efficacy of income management and the Commonwealth Government’s discrediting of research published by the Menzies School of Health Research in Darwin in May 2010.

Overall, the article is highly critical of the latest report on the NTER, particularly the lack of true evaluation of progress in spite of significant continued resource commitments. While acknowledging the need for state subvention in remote Aboriginal communities, the report labels the delivery architecture “faulty and counter to sound principles of

participatory development”. It views the “state policy of normalization” (the NTER) as an “unconscionable policy failure without any apparent policy risk assessment or contingency planning”.

REPORT ON THE EVALUATION OF INCOME MANAGEMENT IN THE NORTHERN TERRITORY – 20 AUGUST 2009

Income management was introduced in September 2007 as one of the measures of the Northern Territory Emergency Response (NTER). It involves 50% of certain income support and family payments being held back to ensure this money is spent on priority items such as food, housing, clothing and utilities. These funds cannot be used for excluded items such as alcohol, cigarettes, pornography or gambling. Clients, in consultation with Centrelink, then allocate these income managed funds to priority areas of their choosing – for example to the BasicsCard for food and other essential items, to the automatic payment of rent and to utilities.

Income management was rolled out to 73 prescribed communities and town camps between September 2007 and October 2008. As of March 2009, 15,125 Centrelink clients were subject to income management, with 60% of these being female.

The latest government report on income management was released in 2009 and seeks to evaluate the program to date. The sources for the report come primarily from the consultation process conducted in mid-2009. This consisted of 76 face-to-face interviews with income management clients as well as focus groups involving 167 stakeholders (community representatives plus community sector and government employees). Three other sources of research (where some information about the effectiveness of income management was collected) were also used; a telephone survey of 66 community store operators, a survey of 49 Government Business Managers (GBMs) and an earlier qualitative report on community consultations.

The report is transparent with regards to the limitations of the available data and clearly outlines what these shortcomings are. It acknowledges that on the hierarchy of evidence, this data on income management sits towards the bottom, with the sample size being small, the data being based on perceptions and not having additional empirical support and the interviewees not being randomly selected. The lack of a comparison group or baseline data is also a significant issue as it prevents assessment of what would have happened in the absence of income management. In addition, as income management was implemented as part of a series of measures under the NTER it is difficult to identify what can be attributed to this program alone.

It is also worth noting that the 76 interviews were conducted in four locations and that views varied significantly by location. In two locations the majority of participants had a positive view of income management, while in the other two locations the majority had a negative view. The reason for this is not clear and highlights further the problems of using such a small sample size.

The evaluation of the program is structured around six key questions:

1. How well was income management implemented and administered?
2. Was more individual/family income being spent on priority needs?

- Has there been an improvement in food security and food choices?
3. Was less individual/family income being spent on excluded items and/or harmful behaviours?
 4. Has people's capacity to manage money improved?
 5. Has the wellbeing of children, families and communities improved?
 6. What other issues were identified by the evaluation?

In terms of implementation and administration, the initial high levels of confusion regarding income management have reduced over time, however even in the most recent consultations there were still a significant number of clients (39%) who could not explain the purpose of income management. Perceptions of the program appear to have become more positive over time, as initial views on income management were tied up with overall concerns of the NTER being unfair and discriminatory. In the consultations, two thirds of people saw income management as positive.

The introduction of the BasicsCard in late 2007 appears to have helped the process of income management as it is easier to use than store vouchers/fund transfers. However problems still remain, in particular the ability to check funds quickly and on short notice in order to keep track of payments and remaining balances.

Changes in expenditure patterns have been reported with 68% of store operators seeing an increase in fruit and vegetable sales and 47% seeing an increase in clothing sales. 75% of income management clients reported spending more on food and 58% reported spending more on clothing. Some focus group participants said that the types of food being consumed had not changed although the quantity and consumption frequency had improved, and 57% of clients said they were consuming more fruit and vegetables.

The majority of clients said that alcohol and drugs were not applicable to them, while over half reported spending less on gambling and cigarettes. Findings from the focus groups support less spending on cigarettes, alcohol, drugs and gambling. However many clients use most of their non-income managed money to buy cigarettes and some focus groups participants indicated that people find ways around income management such as using food, clothing and the BasicsCard as currency for gambling instead.

Improvement in money management is very difficult to assess based on the data collected and the report looks at surrogate measures such as more than half of people saying that the payment of rent and bills was easier, 33% reporting the purchase of a big or expensive item and 39% saying they had saved money since being on income management. The ability to handle long-term financial planning, budgeting and money management is something many of the focus group participants felt was still lacking.

Focus groups were positive about the improvement in children's wellbeing and over half of income management clients who were parents reported that their children were eating more, were healthier, weighed more and were going to school more regularly. Similarly, community wellbeing, with less humbugging, domestic violence, addictive behaviours and gambling, was reported to have improved, while reports on family wellbeing were

mixed. While these perceptions are not necessarily an accurate reflection of actual child and community wellbeing (as they are subjective impressions only), they do show that the members of the community are seeing positive changes as a result of income management.

The two other issues that the report includes are the impact of income management on mobility and the sharing of resources. The implementation of the BasicsCard appeared to address the key difficulty of income management with regards to mobility – the ability to use income managed funds when clients travelled to areas outside of their community. In addition, some clients found it easier to travel in general, as income management made it easier to purchase fuel and air travel. However some focus group participants suggested that the flexibility of the BasicsCard should be increased so that it could be used to pay for transport including taxis. The sharing of resources within families and clan groups is a traditional cultural practice and the reduction in cash has impacted this practice although 38% of clients say that they have shared their BasicsCard in spite of this breaching regulations.

The report concludes that several of the concerns around the initial implementation of income management had been addressed by the time of the 2009 consultations, through improvements such as the BasicsCard and improved communication. However some of these reported improvements may be due to increasing familiarity with the scheme, as those affected become used to dealing with it on a daily basis and start to perceive benefits. Importantly, the program of income management has been evaluated based mostly on the perceptions of those involved – little, if any, data is objective and thus conclusions about income management must necessarily be limited to the communities' reception of it rather than objective, quantifiable benefits.