



BUDGET

CLOSING THE GAP BETWEEN INDIGENOUS AND
NON-INDIGENOUS AUSTRALIANS

STATEMENT BY

THE HONOURABLE JENNY MACKLIN MP

MINISTER FOR FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS

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CLOSING THE GAP

Closing the gap between Indigenous and non-Indigenous Australians is a national priority. If we are to create a better future for Indigenous Australia, the time for action is now.

The Australian Government has set ambitious targets for closing the gap on Indigenous disadvantage with respect to life expectancy, child mortality, access to early childhood education, educational attainment and employment outcomes.

Meeting these targets will not be easy. It will require sustained action across all levels of government, all sectors and the length and breadth of the country. Governments, Indigenous people and the private sector must work together if we are to make inroads.

The Prime Minister's National Apology on 13 February 2008 to Indigenous Australians, in particular the Stolen Generations, was a first necessary step for moving forward from the past. The National Apology built trust and provided a bridge of respect for addressing on-the-ground challenges.

The Australian Government is committed to a bi-partisan and evidence-based approach to closing the gap in life outcomes between Indigenous and non-Indigenous Australians.

Promoting economic participation, reducing welfare dependency, strengthening communities and better engaging Indigenous people in developing solutions are key to tackling Indigenous disadvantage.

Since the election in November 2007, the Budget measures, commitments fulfilled at Additional Estimates and redirected funding amount to more than \$1.2 billion over five years in Indigenous funding (see Appendix 1).

The Australian Government's commitment to turn around Indigenous disadvantage is supported by \$425.3 million in new funds in the 2008-09 Budget (see Appendix 2). The funding is provided across eight portfolios, but will be spent as part of an integrated whole-of-government strategy.

This Budget delivers the Government's election commitments and implements policies that will improve the lives of Aboriginal and Torres Strait Islander people.

The Budget measures build on \$580.0 million in major initiatives announced in February for closing the gap in life expectancy, infant mortality, education and employment. In addition, the Government has redirected \$222.5 million in funding to address key priorities.

Closing the Gap between Indigenous and non-Indigenous Australians

Not only is the Australian Government committing extra resources, it is introducing reforms within and across governments to ensure that resources are used strategically and effectively.

In this endeavour, our most important partners are Aboriginal and Torres Strait Islander Australians.

THE POLICY CHALLENGE

The Australian Government's reform agenda – both in Aboriginal and Torres Strait Islander affairs and across governments – is to address the structural and systemic problems that are producing appalling outcomes for Aboriginal and Torres Strait Islander people.

A generation of Aboriginal and Torres Strait Islander children – Australian children – is at stake. Time is fast running out. This fact is acknowledged by Indigenous elders and leaders, as well as by government.

There are just over half a million Aboriginal and Torres Strait Islander people in Australia today. There is an unacceptable gap in living standards, life expectancy and education, health and employment outcomes between them and non-Indigenous Australians. Action must be taken now to start closing the gap.

The gap is most evident in remote areas, and it is the children living in some 1200 communities in northern and central Australia who are most seriously affected. Preventable diseases are common and many residents are illiterate and innumerate. An epidemic of alcohol and other substance abuse, violence and anti-social behaviour is destroying lives in many remote communities.

Data indicate that Indigenous outcomes are generally worse in remote areas than urban areas. Compared to the non-Indigenous population, however, Indigenous outcomes across most indicators in urban areas are also poor. For example, at the last National Aboriginal and Torres Strait Islander Social Survey the proportion of Indigenous Australians aged 15 years and over who reported being victims of physical or threatened violence was similar in remote and non-remote areas. The proportion of Indigenous people in employment in urban areas is not significantly higher than in regional or remote areas. Indicators of health disadvantage are not significantly different.

Given that around three-quarters of Australia's Indigenous population lives in non-remote locations, the absolute number of Indigenous people who are suffering from poor outcomes is often greater in urban and regional areas.

We, therefore, will not close the gap without strategies for addressing disadvantage in urban and regional centres (Table 1).

Table 1: Estimated resident Indigenous population by degree of remoteness, 30 June 2006

Remoteness	Indigenous Australians		Other Australians		Proportion of the total population that is Indigenous
	No.	%	No.	%	%
Major Cities	164 274	31.8	14 003 400	69.4	1.2
Inner Regional	108 207	20.9	3 976 010	19.7	2.6
Outer Regional	113 301	21.9	1 852 380	9.2	5.8
Remote	49 478	9.6	265 364	1.3	15.7
Very Remote	81 914	15.8	87 160	0.4	48.4
Total	517 174	100.0	20 184 314	100.0	2.4

Source: ABS 2008 No. 4713.0 p.18

Increased funding for programs is not the only solution. We need new approaches and a greater return on investment through working strategically with the States and Territories and with the non-government and private sectors, the latter particularly in relation to a new Indigenous Economic Development Strategy.

In reforming the Australian Government’s relationship with the States and Territories, we are identifying and prioritising areas of action and targets in Indigenous affairs.

In the past infrastructure and services have not been provided at the same level as those provided to other Australians. There has been under-investment, parallel service-provision in some areas and poorly designed welfare arrangements, leading to sub-standard services and poor outcomes.

The Government is starting the hard work of addressing the failures of the past.

The Government is also determined to make sure that Aboriginal and Torres Strait Islander people benefit from policies and programs designed for all Australians. The ‘mainstream’ measures in Budget 2008-09 represent an investment in improving the lives of all Australians, Indigenous and non-Indigenous.

Above all we are building partnerships with Aboriginal and Torres Strait Islander people based on mutual respect and mutual responsibility.

Given the size of the challenge, there will inevitably be difficult decisions to make but these decisions will always be driven by hard facts and evidence.

All of our policy-making will be based on the analysis of available evidence. All approaches will be rigorously and regularly evaluated. Evidence and evaluation will be the key to determining where funds and policies are targeted into the future.

A NEW PARTNERSHIP WITH ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE

The Australian Government's relationship with Aboriginal and Torres Strait Islander people is being recast through meaningful engagement, not just consultation for its own sake.

The National Apology was the first item of business for Australia's 42nd Parliament. It was preceded by the first Welcome to Country performed for the start of a new Parliament.

The Prime Minister apologised for past policies including the removal of children based on race. At the same time he opened a new chapter in our nation's history, embracing the possibility of new solutions to old problems.

The National Apology also highlighted the ongoing needs – including family reunion services and counselling – of those Indigenous Australians separated from their families and communities. In February we delivered on our commitment of \$15.7 million over four years for Link Up and Bringing Them Home initiatives to support members of the Stolen Generations.

Indigenous Australians must be involved in developing and driving solutions. Actions like the National Apology are working to build the trust needed to work together on getting results.

Our 'closing the gap' commitments require effective engagement with Aboriginal and Torres Strait Islander people at all levels. Government needs to involve Indigenous people in the design and delivery of programs locally and regionally, and share responsibility for outcomes. Solutions developed on the ground must be driven by the communities that will ultimately determine their success or failure.

I recently co-chaired an Indigenous stream within the 2020 Summit, and will be hosting other Aboriginal and Torres Strait Islander stakeholder groups in advancing the agenda set out by the Council of Australian Governments (COAG).

The Government went to the election with a commitment to set up a national representative body to provide an Aboriginal and Torres Strait Islander voice within government. We will soon begin formal discussions with Indigenous people about the role, status and composition of this body.

The Australian Government also recognises the importance of the United Nations' Declaration on the Rights of Indigenous Peoples. Detailed consultations are currently being undertaken with Australia's State and Territory governments as well as with Aboriginal and Torres Strait Islander organisations and other key stakeholders on the Declaration.

FIRST STEPS IN CLOSING THE GAP

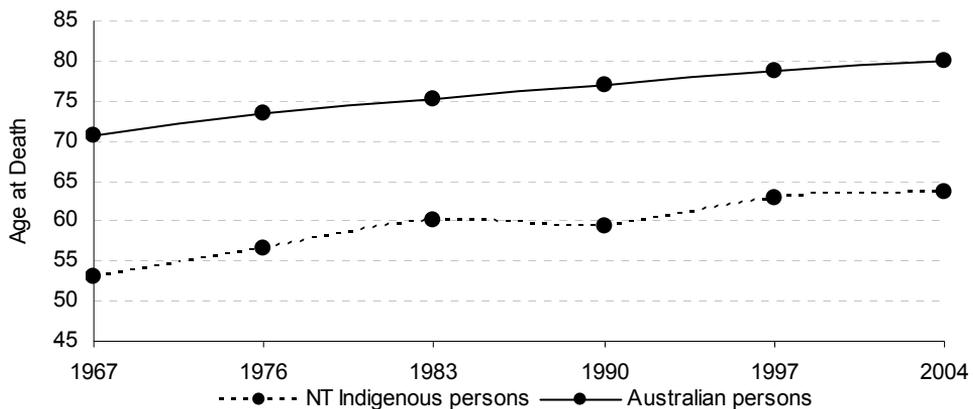
The Government recognises that new ways of doing things are essential. In the past, governments have accepted slow or no progress in Indigenous affairs. These low expectations contributed to poor outcomes.

This Government is taking a more vigorous and rigorous approach, leveraging what works and improving what doesn't. We are directing our policies and programs at a set of measurable and time-specific goals.

We have set targets:

- to close the life-expectancy gap between Aboriginal and Torres Strait Islander people and other Australians within a generation;
- to halve the mortality gap between Aboriginal and Torres Strait Islander children and other children under age 5 within a decade;
- to halve the gap in literacy and numeracy achievement between Aboriginal and Torres Strait Islander students and other students within a decade;
- to halve the gap in employment outcomes for Aboriginal and Torres Strait Islander people within a decade;
- to at least halve the gap in attainment at Year 12 schooling (or equivalent level) by 2020; and
- to provide all Aboriginal and Torres Strait Islander four year olds in remote communities with access to a quality preschool program within five years.

Chart 1: Closing the gap in life expectancy



Closing the Gap between Indigenous and non-Indigenous Australians

Achieving these ambitious targets will not be easy. It requires strong commitment and coordinated action within and across governments, robust mechanisms for advancing reforms, and an accountability framework that reports on progress. It is vital that the States and Territories are partners in this process.

In short, we want to achieve a situation where:

- there are agreed objectives – we all know where we are going and the outcomes we want to achieve;
- roles and responsibilities are clearly defined; and
- there is transparency and accountability.

COAG has formally adopted these targets, and has identified a number of strategic platforms or ‘building blocks’ that need to be in place in order to comprehensively address the current state of disadvantage:

- healthy homes;
- safe communities;
- health;
- early childhood;
- schooling;
- economic participation; and
- governance and leadership.

The Government is using these seven strategic platforms to address the identified drivers of disadvantage, and address them in an integrated way. Strategies aimed at achieving improvements in just one area will not work in isolation – the building blocks must fit together through the integration of policy ideas and their implementation.

Today’s Budget measures together with funds committed previously in Additional Estimates and other announcements represent significant down-payments on our commitment to ‘close the gap’, providing resources for key initiatives foreshadowed in our election platform or where needs have been urgent and obvious.

Building Blocks

Healthy homes

A healthy home is a fundamental precondition of a healthy population. Important contributors to the current unsatisfactory living conditions include inadequate water and sewerage systems, waste collection, electricity and poor housing infrastructure (design, stock and maintenance). Children need to live in accommodation with adequate infrastructure conducive to good hygiene and study and free of overcrowding.

Safe communities

Indigenous people (men, women and children) need to be safe from violence, abuse and neglect. Fulfilling this need involves improving family and community safety through law and justice responses (including accessible and effective policing and an accessible justice system), victim support (including safe houses and counselling), child protection and also preventative approaches. Addressing related factors such as alcohol and substance abuse will be critical to improving community safety, along with the improved health benefits to be obtained.

Health

Achieving improved outcomes for children requires access to, and delivery of, effective primary and preventative health care. Community primary health services play an important role and also need to be responsive to and accountable for achieving government and community health priorities. Parental health is critical to supporting children and the heavy onset of chronic diseases in the 34-45 age range requires concerted effort in prevention, management and treatment. Parents also need the skills to promote healthy, structured lifestyles.

Early childhood

For an equal start in life Indigenous children need early learning, development and socialisation opportunities. Access to quality early childhood education and care services, including pre-school, child care and family support services such as parenting programs and supports, is critical. Appropriate facilities and physical infrastructure, a sustainable early childhood education and health workforce, learning frameworks and opportunities for parental engagement are also important and require attention. Action in the areas of maternal, antenatal and early childhood health is relevant to addressing the child mortality gap and to early childhood development.

Building blocks continued...

Schooling

Human capital development through education is key to future opportunity. Responsive schooling requires attention to infrastructure, workforce, including teacher and school leader supply and quality, curriculum, student literacy and numeracy achievement and opportunities for parental engagement and school/community partnerships. Transition pathways into schooling and into work, post school education and training are also important. Life-long learning is important and attention is also needed regarding adult literacy and numeracy skills.

Economic participation

Individuals and communities should have the opportunity to benefit from the mainstream economy – real jobs, business opportunities, economic independence and wealth creation. Economic participation needs to extend to disadvantaged job seekers and those outside of the labour market. Access to land and native title assets, rights and interests can be leveraged to secure real and practical benefits for Indigenous people. Other financial assets, capacity building, employment and training programs, incentive structures and social and physical infrastructure, including communications and transport, are needed to foster economic participation and community engagement. Through this participation, parents and other adults can become effective role models for their families and community. The design and delivery of welfare (both transfer payments and services) needs to promote active engagement, enhanced capability and positive social norms. Ensuring that communities have support to address factors that are a barrier to engagement such as problem gambling is critical.

Governance and leadership

Strong leadership is needed to champion and demonstrate ownership of reform. Effective governance arrangements in communities and organisations as well as strong engagement by governments at all levels are essential to long term sustainable outcomes. Indigenous people need to be engaged in the development of reforms that will impact on them. Improved access to capacity building in governance and leadership is needed in order for Indigenous people to play a greater role in exercising their rights and responsibilities as citizens.

HEALTHY HOMES

Housing and homelessness across the Australian community is a priority policy area for this Government. Most Indigenous people live in urban and regional areas and face significant housing challenges. Aboriginal and Torres Strait Islander people are more likely to have low incomes or be in single parent or multi-dependant families, making it difficult to pay market rents and meet financial institutions' criteria for loans.

Only one quarter of Indigenous adults live in homes owned or being purchased by a member of the household, compared to more than three quarters of non-Indigenous adults.

These issues are compounded by the current highly competitive rental market and more general housing affordability issues.

The current COAG reform processes are exploring the important links between Indigenous housing and broader housing policies, and will consider the specific needs of Aboriginal and Torres Strait Islander people living in urban and regional areas.

However, the poorest housing and greatest housing need is undoubtedly in remote communities. Here, overcrowded and sub-standard housing is the norm. Isolation and climate make houses difficult and expensive to build. They wear out quickly.

Families cannot function in overcrowded and poorly maintained housing. Children will not do well at school if there is no quiet space for study and they cannot sleep at night.

In the Northern Territory, the *Little Children are Sacred* report highlighted the link between 'overcrowding and massive exposure to substance abuse and household violence - not to mention sexual abuse and other violence directed against children'.

The Australian Government has already made major funding commitments to Indigenous housing. Over the next four years we will be investing \$1.6 billion in remote Indigenous housing, with reformed delivery arrangements.

The revised arrangements will start as new housing bilateral agreements are concluded with State and Territory Governments. These arrangements must deliver effective provision and management of public or community housing which ensures tenants are held to public tenancy requirements.

The Government's housing reform agenda is most advanced in the Northern Territory. We are pursuing a strategic alliance approach under which three design, construction and training consortiums will undertake the work in partnership with the Australian and Northern Territory Governments.

The alliance will provide:

- community involvement in how the work is delivered;
- greater transparency of the costs and risk in remote work;
- innovation in design and the development of better delivery models; and
- employment and training of local Aboriginal people.

The Government is also currently reforming community housing management and maintenance in a partnership with the Northern Territory Government. In 64 communities, the Territory Government will manage the housing stock according to its Remote Public Housing Management Framework.

After a transition period, the new arrangements will provide:

- waiting lists based on need;
- effective maintenance and upkeep procedures; and
- support services to ensure that tenants understand their rights and responsibilities and can meet their obligations, including paying rent and maintaining their home.

Similar reforms will be introduced in other jurisdictions.

Land-tenure reform

A pre-condition of better housing is secure long-term tenure of the underlying land. Without this security, ownership of assets is uncertain, responsibilities for management and maintenance confused, and incentives for private investment absent.

We are insisting on appropriate security to underpin housing investment in remote Australia. We are accountable to all Australian taxpayers to make sure the money we spend achieves the best housing outcomes. And we are accountable to the residents of remote communities to make sure houses are properly managed and maintained.

Appropriate security means a lease or other arrangement which ensures clarity of ownership and responsibility for assets.

Landmark housing project for Northern Territory communities

A landmark joint housing program between the Australian and Northern Territory Governments was announced on 12 April 2008. It will deliver vital construction, refurbishment and infrastructure developments, as well as jobs for local people, in 73 Indigenous communities and some urban areas.

The Australian Government's contribution of \$547 million over four years is part of a larger commitment of \$813 million to Indigenous housing and infrastructure services in the Northern Territory to 2011. The Territory Government is contributing a further \$100 million.

The program will deliver:

- around 750 new houses
- more than 230 new houses to replace houses to be demolished
- more than 2500 housing upgrades
- essential infrastructure to support new houses
- improvements to living conditions in town camps.

Major works will proceed in 16 high-need communities with refurbishments in an additional 57 communities.

As part of the contractual arrangements, successful tenderers will be required to meet targets for local Indigenous employment. Local people will get jobs and training in their own communities, leading to future employment opportunities in construction, repairs and maintenance.

Tenure reform will also underpin the extension of home-ownership opportunities to people living on Indigenous land in remote Australia. Leases will facilitate private sector investment to expand the housing asset base and to encourage private home ownership.

In the Northern Territory, where land tenure is a matter for the Australian Government, we are working with the Northern Territory Government, land councils and Aboriginal communities to ensure we have the necessary pre-conditions for substantial investments.

In the Northern Territory, our approach to tenure is neither prescriptive nor coercive. Communities and traditional owners may wish to pursue a range of options – from the 99-year township leases now provided for under the former Government's legislation to more limited 'block leases' with shorter lease terms.

We are working with the States on developing the right conditions for secure tenure over housing where they have the legislative responsibility. Options for leasing are currently being considered in Queensland, Western Australia and South Australia. We have approached the New South Wales Government about taking steps to allow home ownership on Aboriginal land in that State.

We need new flexible approaches, recognising that there is no universal solution.

In urban and regional Australia the Government's long-running Home Ownership Program, providing low-cost home loans adapted to Indigenous circumstances, continues to be one of the most successful Indigenous initiatives. Now administered by Indigenous Business Australia (IBA), the program has helped more than 13,000 Indigenous families to buy their homes since its establishment in 1975. Beginning last financial year, IBA also offers a special package for Indigenous people living in remote Australia through the Home Ownership on Indigenous Land Program. Take up of this program is expected to accelerate as the issues that have inhibited private ownership on communally owned land are resolved.

Home ownership has not been possible for most residents of remote Indigenous Australia. However, it must be among the choices available to all Australians.

SAFE COMMUNITIES

Community safety is a critically important building block to a better future for Aboriginal and Torres Strait Islander people. Many communities, however, have been left to their own devices without proper policing or enforcement of the law. Chaotic and violent communities will never have the future they deserve.

Data from the Australian Bureau of Statistics and Northern Territory Police shows that Indigenous Australians are far more likely than non-Indigenous Australians to be the subject of violence, including murder and assault. Indigenous children are many more times likely than non-Indigenous children to be under care and protection orders or in out-of-home care (Table 2).

The COAG Working Group on Indigenous Reform is currently developing a sustainable reform proposal that will contribute to the safety of Aboriginal and Torres Strait Islander Australians. Future Australian Government expenditure in this area will be guided by the work done through COAG. In addition, the Standing Group of Attorneys-General is developing a National Indigenous Law and Justice Framework which will provide a genuinely national approach to responding to community safety issues.

As part of an Australian Federal Policing Plan, the Australian Federal Police (AFP) will be working to recruit more Indigenous trainees, developing educational programs on policing in Indigenous communities, and boosting the profile and work of AFP officers in Indigenous communities through community activities. The AFP will also convene a

national forum to coordinate the recruitment of Indigenous Australians into Federal and State police agencies.

Table 2: Substantiated child abuse notifications: number and rates per 1000 children aged 0-16 years by Indigenous status and State and Territory, 2006-07

	Number of children			Rate per 1,000 children		
	Indigenous	Other	Total	Indigenous	Other	Total
New South Wales	3,276	10,414	13,690	53.5	7.1	9
Victoria(a)	697	5,891	6,588	56.6	5.3	5.9
Queensland(b)	1,203	6,138	7,341	20.3	6.9	7.7
Western Australia	438	716	1,154	15	1.6	2.4
South Australia	439	1,314	1,753	39	4.1	5.3
Tasmania(c)(d)	31	768	799	4	7.5	7.2
Australian Capital Territory	75	483	558	41.3	6.9	7.8
Northern Territory	395	145	540	16.8	4.2	9.3
Australia	6,554	25,869	32,423	31.8	5.8	7

(a) Due to new service and data reporting arrangements, the Victorian child protection data for 2006–07 may not be fully comparable with previous years' data.

(b) 2006–07 data for Queensland are interim and will be revised in 2008.

(c) Data relating to substantiations in Tasmania for 2005-06 should be interpreted carefully due to the high proportion of investigations not finalised by 31 August 2006

(d) The high number of children in substantiation with an unknown Indigenous status in Tasmania makes the counts for both Indigenous children and other children unreliable.

Protecting children on the APY Lands

On 6 May 2008 the Australian Government committed more than \$19 million to protect children from abuse in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands in northern South Australia.

This partnership with the State Government is in response to the findings of the Mullighan Inquiry into child sexual abuse on the APY Lands, tabled in the South Australian Parliament on 6 May.

Commissioner Mullighan found evidence that since 2000 at least 141 children in the APY Lands had been sexually abused, some under the age of ten. Young girls were reported as accepting that abuse was inevitable and resistance futile.

The Australian Government is providing \$15 million for a third police station and accommodation for 13 extra police officers and child protection workers. This is on top of an existing commitment to provide \$7.5 million over two years to construct police stations and associated accommodation at the communities of Amata and Ernabella.

The Australian Government is also providing;

- \$2.8 million for a successful residential program for secondary students;
- Up to \$1.3 million under the Personal Helpers and Mentors Program to assist people suffering mental illness; and
- \$768,000 under the Family Violence Partnership Program for a joint initiative with the State Government to set up a safe house in Coober Pedy to help women and children at risk of violence.

There will also be a crackdown on the movement of illegal alcohol and drugs and the distribution of pornography.

The Australian Government will work with the South Australian Government to urgently progress the \$25 million committed to new and upgraded housing in the APY Lands.

A taskforce has been set up to consider further measures, and discussions have begun between the two governments on the introduction of welfare reform in the APY Lands.

The findings of the Mullighan Inquiry have been referred to the Australian Crime Commission.

HEALTH

The Australian Government is committed to improving the access of Aboriginal and Torres Strait Islander people to comprehensive primary health care services. The aim is to provide coordinated clinical care, population health and health promotion activities to facilitate illness prevention, early intervention and effective disease management.

Evidence from Australia and overseas shows that improved access to comprehensive primary health care can make a real and sustainable difference to overall health in the longer term.

This strategy is firmly based on the principle of working in partnership with the Aboriginal and Torres Strait Islander community-controlled health sector.

The Government has committed \$19 million over three years in strengthening the Indigenous health workforce, to encourage more Indigenous people to take up careers as health professionals. We know that a strong Indigenous health workforce will be critical to improving Indigenous health services in the long term.

In February, the Government provided a \$21.5 million boost over five years to improve remote area health services in the Northern Territory:

- \$10 million to upgrade and expand health-care facilities;
- \$5.4 million to establish satellite renal dialysis facilities; and
- \$6.1 million to provide the intensive and sustained counselling and support needed to help victims of sexual abuse and their families.

These are in addition to extra funds provided in February and in this Budget to follow up the child health checks conducted as part of the Northern Territory Emergency Response (see 'Northern Territory Emergency Response' below).

Addressing alcohol and substance abuse will make communities safer and healthier.

In February, the Government allocated \$49.3 million over four years as part of its COAG commitment to support substance and alcohol rehabilitation and treatment services across Australia, particularly in remote areas. This commitment builds on COAG's investment of \$49.3 million over four years announced in July 2006 to address drug and alcohol use in Aboriginal and Torres Strait Islander communities.

The Rudd Government is committed to addressing the drivers of chronic disease in the Indigenous population. Over the next four years the Rudd Government will invest \$14.5 million in tackling high rates of smoking in Indigenous communities. Tobacco smoking is the number one risk factor for chronic conditions and diseases like cardiovascular disease and cancer, which are the cause of so many premature deaths in Indigenous communities.

The Australian Government is determined to close the life expectancy gap between Indigenous and non-Indigenous Australians within a generation. Much needs to be done, but we are taking the first steps.

EARLY CHILDHOOD

The early years of a child's life determine their future health and wellbeing. The health of a child starts before birth.

For the critical years from conception to age eight, we are focusing on three areas:

- child and maternal health services;
- early development and parent and family support; and
- literacy and numeracy in the early years.

Currently, Aboriginal and Torres Strait Islander children do not get an equal start in life.

Aboriginal and Torres Strait Islander babies are three times more likely to die in their first year than other Australian children. They are more likely to suffer from poor maternal nutrition and be of low birth weight, contributing to chronic disease later on. An Indigenous baby born today can expect to live an average 17 years less than a non-Indigenous baby.

Maternal and child health and development are critical to improving Indigenous life-expectancy.

In February the Government committed \$101.5 million over five years to 2010-11 for *New Directions: An equal start in life for Indigenous children – child and maternal health services*. This builds on the 2007-08 Budget measure *Health@Home Plus* and provides for more comprehensive child and maternal health services and wider access to home-visiting programs.

This strategy, to address early childhood development including maternal and child health, provides health care and access to early learning support for Indigenous mothers, babies and children. It also funds a control program for acute rheumatic fever and rheumatic heart disease. In 2005-06, hospitalisations for rheumatic heart disease were eight and 13 times higher for Indigenous males and females respectively than for non-Indigenous Australians. Matched funding is being sought from State and Territory Governments.

An additional \$10 million over three years to 2010-11 is provided in the Budget for an Indigenous mothers' accommodation fund, to support women who need to leave their communities temporarily to have their babies.

Across the Australian community, the Government is making early childhood education a key plank of our Education Revolution. We have committed to providing universal access to early learning programs, including Aboriginal and Torres Strait Islander children living in remote areas. All four years olds including Indigenous children living in remote communities will have access to 15 hours of affordable, quality early learning programs a week, for a minimum of 40 weeks a year delivered by a qualified teacher. This initiative will be rolled out progressively until fully implemented in 2013.

Considerable evidence points to the benefits of early learning programs for disadvantaged children, including laying the foundation for later literacy and numeracy achievement.

SCHOOLING

Literacy and numeracy are critical to a better life for individuals. Economic self-reliance in Aboriginal and Torres Strait Islander communities depends on a sound foundation of education and training.

The 2006 National Report on Schooling in Australia indicates that reading, writing and numeracy outcomes for Indigenous students continue to be substantially lower than for non-Indigenous students. Retention rates to Year 12 are also much lower than for other students (Chart 2).

Many Indigenous children are fundamentally disengaged from education. In remote Australia, there has been chronic under-investment in educational infrastructure on the assumption that many children simply do not go to school.

In February we provided \$98.8 million over five years from 2007-08 for 200 extra teachers for remote community schools in the Northern Territory. These teachers will assist in the education of around 2000 young people of compulsory school age who are currently not enrolled in school in communities involved in the Northern Territory Emergency Response. This funding is part of our commitment to build a skilled and professional workforce to cope with the challenges of remote Indigenous education. Strong and informed school leadership and quality teaching are essential to improving Indigenous education outcomes.

The Australian Government is also looking to the States and Territories to ensure that resources in their jurisdictions are allocated to areas of high need.

In this Budget, the COAG goal of halving the gap in literacy and numeracy achievement within a decade is supported by \$56.4 million in national funding over four years. This measure provides an Indigenous focus within the Government's *National Action Plan on Literacy and Numeracy*.

Closing the Gap between Indigenous and non-Indigenous Australians

The funds will provide extra help for schools, enabling them to expand intensive literacy and numeracy approaches (such as the National Accelerated Literacy Program) that have been successful with Aboriginal and Torres Strait Islander students.

The measure will also provide professional support for teachers of Aboriginal and Torres Strait Islander students to develop Individual Learning Plans. Many education providers already support Individual Learning Plans for Indigenous students to identify the strengths and weaknesses of each student and set out the areas to be targeted for improvement. The new funding will expand this good practice nationally.

Parents will be able to see these plans and, with teachers, become part of their children's learning development. Schools and Aboriginal and Torres Strait Islander families will work together to reinforce the value of education.

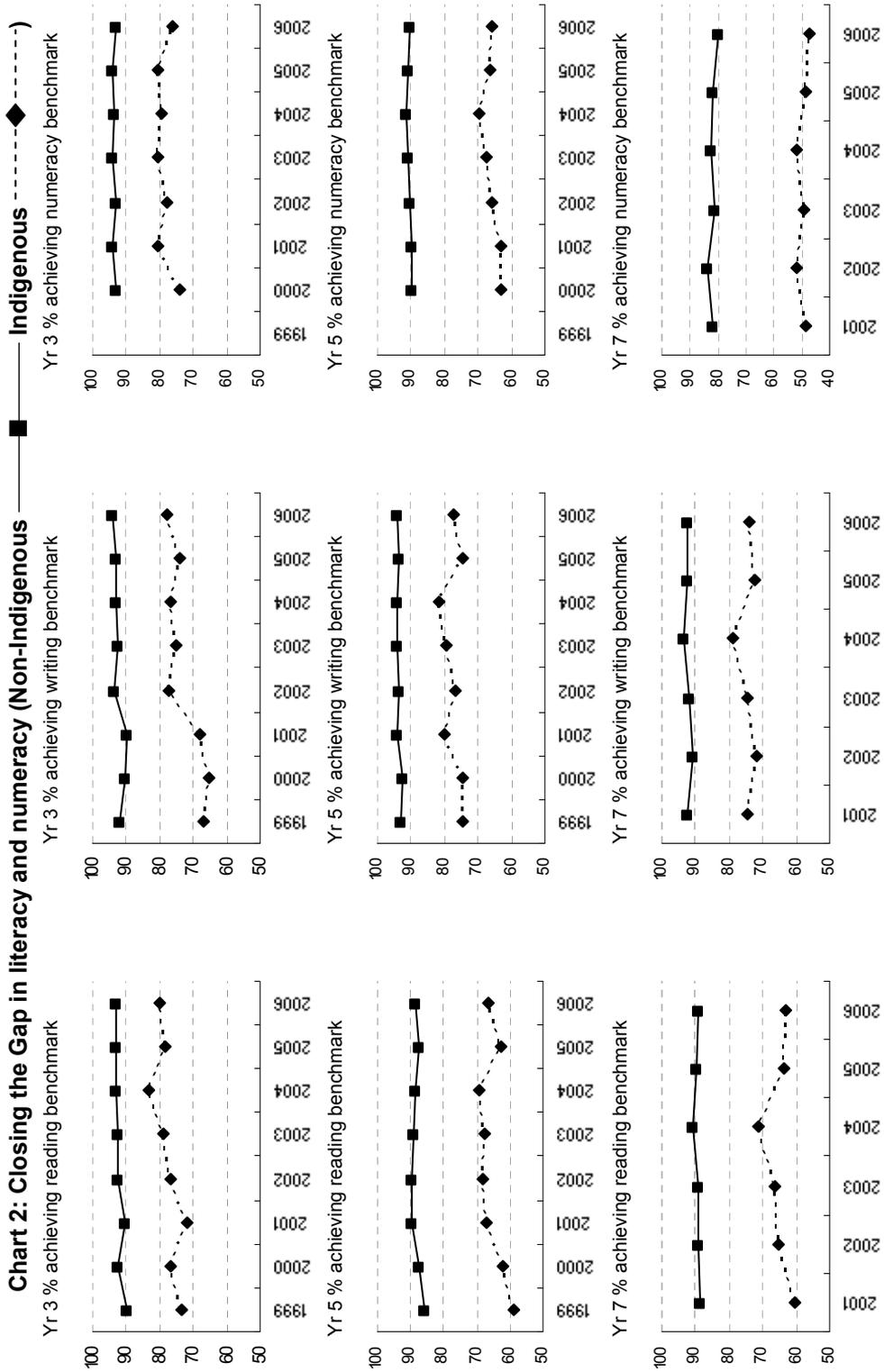
This initiative is consistent with the proposal from the 2020 Summit for education providers to implement individual education compacts for Aboriginal and Torres Strait Islander children with their families.

In the Northern Territory, funding of \$28.9 million over four years will build three Indigenous student accommodation facilities: two 40-bed facilities and one 72-bed facility. The Indigenous Land Corporation (ILC) has committed a further \$15 million to this measure. The facilities will accommodate students from years 8 to 12 and help to give Aboriginal young people from remote areas access to a secondary education. This measure will contribute to COAG's goal of halving the gap in Years 12 or equivalent attainment by 2020, offering new opportunities for many young Territorians.

The Australian Government will look to maximise the educational and employment outcomes of these students by developing strategic links between the colleges and major sources of employment in each region. The boarding colleges will also be developed to provide appropriate pastoral care and support to students and their families, many of whom may not have lived away from home before.

In March 2008 the Government announced funding for a 120-bed secondary student hostel in Weipa, Queensland, under the existing \$38.8 million Indigenous Boarding Hostels Partnership Program.

In the longer term the students and their families will benefit from the improved education and employment outcomes that these opportunities will provide, which will in turn have an impact on health and general wellbeing.



ECONOMIC PARTICIPATION

Participation in the Australian economy and intergenerational wealth transfer are critical to reducing Aboriginal and Torres Strait Islander disadvantage.

In the election context, we made a commitment to an overarching Indigenous Economic Development Strategy (IEDS).

One of the central aims of the strategy will be to increase employment for Indigenous Australians, particularly young people, providing meaningful work with career progression.

The IEDS will harness new and existing infrastructure, Indigenous financial assets, land reform, the native title system, education and training, health and employment services and business development programs, together with networks across government and the private sector. It will include the development of stronger partnerships with industry aimed at getting more jobs for Indigenous people.

The strategy will also address issues such as appropriate monitoring of and support for Indigenous organisations receiving royalties and native title payments, corporate governance and leadership of Indigenous organisations, and financial literacy within Indigenous communities.

Current structures and programs supporting Indigenous economic development are being reviewed to assess progress to date, identify strategic directions and strengthen linkages. The Government will also be considering a number of interesting ideas around Indigenous economic development put forward at the Australia 2020 Summit on 19-20 April 2008.

The implications of the IEDS will be considered in the context of the Single Indigenous Budget for 2009-10.

In this Budget the Business Ready Program for Indigenous Tourism (BRPIT) will receive \$1.8 million next financial year to promote Indigenous tourism to the international market.

BRPIT supports 24 start-up and established tourism businesses across Australia, giving individuals and communities a path to economic independence as well as a means of preserving and celebrating their culture. The 24 businesses will receive continued mentoring and other support to enhance their sustainability.

Hostels to provide accommodation for up to 100 young people will be built in four West Australian communities (Halls Creek, Derby, Fitzroy Crossing and Broome) to give young Indigenous Australians better access to skills training related to employment. This is a joint project with the Western Australian Government, announced in April 2008. The Australian Government will contribute \$10 million to

fund construction, with the State Government taking responsibility for project management.

The Government has also provided \$10 million over five years between 2007 and 2011 for the establishment of a Remote Enterprise Centre in Alice Springs. The centre will support new and existing remote businesses, including Indigenous businesses, by connecting them to other companies for mentoring and private investment and partnerships. It will provide access to technical experts, scientific advice and the latest technology, as well as help to identify new markets and provide advice on legal and regulatory issues.

In February, the Government provided additional funding of \$7.6 million over four years to 2010-11 for the National Arts and Crafts Industry Support Program. This will expand the program's assistance to Aboriginal art centres and other organisations which support and develop the Indigenous visual arts and crafts sector.

A further \$5.5 million of funding was committed by the Government in February to support the Yamatji Marlpa Narna Baba Maaja Aboriginal Corporation, the native title representative body for the Yamatji and Pilbara regions, to assist in the Pilbara Connection Project. This funding will help facilitate negotiations on current and future mining activity in the Pilbara.

Two portfolio agencies contribute to the Government's economic development objectives.

Indigenous Business Australia provides loans, grants and other support for small Indigenous businesses, and makes larger strategic investments with joint-venture partners on behalf of Indigenous Australians.

The ILC National Indigenous Land Strategy 2007-12 focuses on economic-development outcomes from the ILC's land acquisition and management functions. ILC projects prioritise the provision of training, sustainable employment, capacity building and business incubation, as well as the forging of partnerships across government, Indigenous communities and organisations and the private and non-government sectors. These partnerships attract the financial and human resources to allow the development of long-term sustainable projects, particularly in key industries such as pastoralism and tourism.

The activities of these agencies are being reviewed in the context of the upcoming Indigenous Economic Development Strategy.

The Budget is providing \$2.6 million in 2008-09 to continue the Australian Public Service Indigenous Employment Strategy. The strategy, overseen by the Australian Public Service Commission, provides service-wide initiatives to increase Indigenous recruitment and extend career-development opportunities to Indigenous people. It is part of our commitment not just to increase Aboriginal and Torres Strait Islander

employment, but also to ensure that Indigenous expertise and perspectives make a significant contribution to policy-making processes across government.

CDEP reform

A key element of the Government's economic development agenda is reform of the Community Development Employment Projects (CDEP), a long-standing program providing work experience for unemployed Aboriginal and Torres Strait Islander people on community development activities.

We want the program to focus on work readiness skills in communities, getting more Aboriginal and Torres Strait Islander people into regular jobs where opportunities exist, extending local business opportunities and providing meaningful activities in poor labour markets.

We are currently consulting with CDEP providers, all levels of government and a diverse range of other stakeholders on these reforms.

Welfare reform

The Government is committed to a welfare-reform agenda which acknowledges that passive welfare in Indigenous Australia has not contributed to individual or family wellbeing. It is cited as one of the underlying causes of substance abuse, family violence and community dysfunction.

Welfare reform is a central measure in the Northern Territory Emergency Response, through the implementation of income management across prescribed areas.

Under the Northern Territory Emergency Response, 41 communities and associated outstations as well as town camps in and around Darwin, Katherine, Tennant Creek, Alice Springs, Adelaide River and Jabiru are now subject to income management.

Income management ensures that welfare payments are spent in the interests of children. It provides better financial security for many mothers, grandmothers and other community members to feed and raise their children.

Early indications from the Northern Territory are that a significant proportion of managed funds are being spent on food and some community stores are reporting increased turnover in fruit and vegetables.

The Budget provides funds to continue the roll out of income management in the Northern Territory and strengthen Centrelink's engagement with communities.

In December 2007 we announced funding to support a trial of welfare reform in four communities on Cape York. An important community-generated initiative, this trial also involves a landmark partnership between the Australian and Queensland Governments.

The Queensland Government has established a Family Responsibilities Commission to engage with families on their community obligations, including as welfare recipients. The State is also matching the Australian Government's \$48.8 million commitment to the trial, ensuring that communities will also benefit from improved services and outcomes in health, housing, education, policing, justice and child safety.

The Australian Government will introduce measures to enable participants in CDEP to come under the jurisdiction of the Family Responsibilities Commission and associated income management arrangements, as part of the Cape York welfare reform trial.

At a local level, the services provided by both governments will be coordinated through a new single local agreement which identifies the responsibilities and commitments of all parties.

This work being progressed by the Australian and Queensland Governments and the Cape York Institute for Policy and Leadership to tackle the problems caused by drug and alcohol abuse and welfare dependency in four trial Cape York communities is an excellent example of collaboration across government and with the non-government sector.

In February this year, another joint initiative was announced, this time with the Western Australian Government, to introduce income management trials in selected communities in that State.

In his inquiry into the deaths of 22 Kimberley Aboriginal men and women, coroner Alastair Hope recommended that in cases of child neglect, compulsory income management should be made available to officers from the state department responsible for child protection.

In the trial to begin next financial year in the main towns of the Kimberley and the Cannington area of Perth, income management will be tied to the welfare of children of both Indigenous and non-Indigenous welfare recipients.

The trial will give child protection authorities the power to recommend to Centrelink that income-support and family payments are quarantined to be used for the benefit of children. It will be the first activation of income management powers in child protection cases under the National Child Protection Framework.

The Australian Government will fund money-management support services providing financial education training and financial crisis support to people affected by income management. The Western Australian Government will also be providing support services to help implement the trials.

Environmental measures

Four environmental measures in the Budget will strengthen the nexus between Indigenous economic development and Indigenous people's relationship with the

land, building on unique Indigenous knowledge and assets. All are part of the \$2.25 billion *Caring for Our Country* initiative.

The Budget triples Australian Government funding for Indigenous Protected Areas, investing more than \$50 million over the next five years. The Indigenous Protected Areas Program assists Indigenous land owners to develop, declare and manage protected areas on their land and develop cooperative management arrangements with government agencies.

The 24 existing Indigenous Protected Areas cover more than 20 million hectares of land, and make an important contribution to Australia's network of parks and reserves, the National Reserve System. The *Caring for Our Country* initiative will help to expand this area significantly.

A \$10 million element of *Caring for Our Country* will support Indigenous land managers to engage with emerging emissions markets through awareness raising, local capacity building and on-ground technical support. The funding will assist research into the scientific and market potential of carbon trading, help to build partnerships between the private sector and Indigenous communities and promote sales to growing national and international markets.

Another Budget measure, *Working on Country*, provides \$90.0 million to enable the employment of up to 300 additional Indigenous rangers to protect and manage the environment. The rangers will provide valuable environmental services in areas such as weed and feral animal eradication, fire management, fencing, restoration of vegetation and protection of endangered species.

The rangers will receive training including through a nationally accredited land-management qualification, supported by Indigenous knowledge.

Australian Government funding for sea country Indigenous partnerships will be boosted by \$10.0 million over the next five years through the \$200 million *Reef Rescue Plan*. An element of this plan, Land and Sea Country Indigenous Partnerships, aims to build the capacity of traditional owner groups in sea country management. The new funds will be used to:

- expand the existing Traditional Use of Marine Resource Agreement program across the Great Barrier Reef catchment; and
- strengthen communications between local communities, managers and reef stakeholders and build a better understanding of traditional owner issues in management of the Great Barrier Reef Marine Park.

These measures build on our 2007 election commitments on Indigenous economic development.

NORTHERN TERRITORY EMERGENCY RESPONSE

This Budget continues funding for the Northern Territory Emergency Response (NTER). In total \$323.8 million in 2008-09 is provided for the NTER.

The measures introduced in the Northern Territory aim to protect Aboriginal children from abuse and build the foundation for stronger communities and families. It represents a major commitment of government resources and on-the-ground effort to address the chronic problems that have led to poor outcomes for people living in the communities and town camps of the Northern Territory.

This Government is committed to ensuring the NTER serves the interests of Indigenous children. At the 12 month mark, the Government will undertake an independent and transparent review to assess the effectiveness of all measures and make recommendations into the future.

COMMUNITY SAFETY

This is a key focus of the NTER, following the *Little Children are Sacred* report and the Government's concern for the safety and wellbeing of children.

Family violence and child protection issues are complex as they are bound up with health issues, including alcohol and substance abuse, and socio-economic and environmental conditions as well as law and order challenges.

The Budget provides for the continuation of interrelated measures which together will improve community safety.

Through the Family Support Package (\$9.8 million in 2008-09) families and children in 22 remote communities will continue to receive support and assistance from a local Aboriginal family and community worker and/or a safe house. A mobile child-protection team based in Darwin will provide outreach services to families in remote communities.

To support the maintenance of law and order in remote communities, the Government provided \$18.5 million in February for the deployment of 66 extra police from the Australian Federal Police and \$3.9 million to support night patrol services.

To complement this commitment the Budget provides \$29.3 million to continue the operation of night patrols, support the deployment of the 66 additional police, and support activities linked to the new alcohol and pornography laws in the Northern Territory.

Further youth alcohol diversion projects will be funded (\$9.5 million in 2008-09) to reduce substance abuse among Aboriginal young people aged 12 to 18. Safe and healthy activities as an alternative to drinking and other substance abuse will provide

positive experiences in areas such as the arts, sport and youth leadership. The activities will also promote school attendance and pathways to training and employment.

The National Indigenous Violence and Child Abuse Intelligence Taskforce is undertaking targeted intelligence operations relating to child abuse violence within Indigenous communities in the Northern Territory. These activities will continue with funding of \$4.2 million in 2008-09. Intelligence will be provided to the Northern Territory Police to assist their investigations and prosecutions against the perpetrators of these crimes.

The Budget also provides \$2.8 million in 2008-09 to Indigenous Legal Aid and interpreter services to meet the increased demand generated by the implementation of particular NTER measures.

HEALTH

In February, the Government provided an additional \$99.7 million over two years for the *Improve child and family health and expand health service delivery* measure to expand primary health care services for Indigenous people in remote areas of the Northern Territory. It is funding additional doctors, nurses and other health professionals in order to expand the capacity of health care services in the Northern Territory in the long term.

With more than 8700 child health checks completed, the focus is now on treating the health problems identified by the checks and continuing drug and alcohol services and special services for children and communities affected by child abuse and trauma. The Budget provides a further \$13.6 million dollars in 2008-09 for this purpose.

EARLY CHILDHOOD

The Budget provides \$3.4 million in 2008-09 for the continuation of early childhood development services, five playgroups and ten crèches established in the first year of the NTER. These services provide vulnerable parents with assistance to develop their parenting skills and deal with complex issues such as family violence, alcohol and substance abuse and child neglect and abuse.

Access to early childhood programs will lead to improvements in life outcomes. Young children and their parents will gain learning and development opportunities, leading to a smoother transition to school and later employment.

Health follow-up in the Northern Territory

Almost a third of the children seen as a result of the health checks in the Northern Territory were found to have ear disease and approximately one in 14 children required specialist ear-nose-throat (ENT) services to help treat hearing impairment.

Accelerated ENT surgery for Indigenous children in the Northern Territory began in April 2008.

Successive sessions have been conducted by ENT surgeons in Central Australia. Five hundred children across the Northern Territory are expected to receive ENT surgery through visiting surgeons.

An analysis of the first 5598 health checks reveals that nearly two-thirds of children examined by medical teams have been referred for further treatment. Of these:

- 36 per cent have been referred for follow-up primary health care, including treatment of skin conditions or ear infections, immunisation, and new blood tests for anaemia;
- 28 per cent have been referred for dental treatment;
- 11 per cent have been referred for paediatric services;
- 8 per cent are in need of audiology and tympanometry services; and
- 7 per cent have been referred for ear, nose and throat specialist services.

Mobile dental facilities will be used for dental follow-up across the Territory and extra dental staff will visit clinics.

With follow-up care well under way, child health checks are continuing for children who did not receive a check in the initial phase.

EDUCATION

In 2006, the apparent retention rate of Indigenous students in the Northern Territory from Year 8 to Year 12 was 40.5 per cent compared to the non-Indigenous rate of around 75 per cent. The Australian Government considers education to be a key driver of change. The Government will invest a further \$19.1 million in 2008-09 in building a quality education workforce, providing additional classrooms and expanding literacy and numeracy programs to deal with the chronic education deficits in the remote Northern Territory.

This initiative will focus particularly on developing local Indigenous people already working in schools who are more likely to stay in communities and contribute to their development. Local Indigenous education workers will be supported to achieve higher qualifications, equipping them to play a greater role in the schools where they work. Quality teachers make all the difference, and Indigenous children must have access to teachers with the skills and knowledge to help them achieve the educational outcomes they need. The Government is committed to ensuring that Indigenous students, wherever they live, have access to educational opportunities equivalent to their non-Indigenous peers.

A critical link to the investment in education is the continuation of the School Nutrition Program with funding of \$7.4 million next financial year. The program provides breakfast and lunch to school-aged children (as needed) in the 67 community schools in NTER areas. The program, involving parents and community members, boosts school attendance and improves children's concentration and engagement in learning.

EMPLOYMENT

The Budget continues funding (\$75.4 million in 2008-09) for employment services, pre-employment programs and literacy and numeracy training for Indigenous working age adults in the Northern Territory to increase access to skills development and jobs. Funding will also continue for Community Employment Brokers who work in communities to maximise job seekers' access to and retention in employment services. A further \$5.8 million in 2008-09 will continue the delivery of Centrelink services, infrastructure and support in remote regions of the NT.

The Northern Territory Jobs Package (\$92.6 million over three years) has to date funded the creation of 647 off-CDEP jobs that support delivery of Australian Government funded services. These jobs have been created in a wide range of sectors – health, education arts, sport and recreation, broadcasting, language and culture, and night patrol services. Around 290 ranger and pastoral management jobs will start before 30 June 2008. A further 900 jobs are expected to be created across the whole of the Northern Territory.

Jobs in services delivered by local government will commence soon, with additional funding provided by the Northern Territory Government which is instituting a major reform of local government from 1 July 2008.

Jobs in services provided by the Northern Territory Government will be co-funded in 2008-09.

The Government has announced the CDEP will be restored from 1 July 2008 in those communities where it was shut down as part of the NTER. The restoration is an interim measure while the Government consults with Indigenous people and other stakeholders about future directions for the program (see 'CDEP reform' above).

WELFARE REFORM

The Budget is providing \$69.2 million in 2008-09 to continue the implementation of income management in the Northern Territory (see 'Welfare reform' above). In 2008-09 income management will apply to around 20,000 Centrelink customers in the Northern Territory.

The implementation of income management has revealed that some Indigenous families would benefit from training in money management. Funding for income management in 2008-09 includes \$3.1 million for financial management support services. These services will deliver financial education, training and financial crisis support to people in communities where income management has commenced.

GOVERNANCE AND LEADERSHIP

The Government is committed to working cooperatively with the communities involved in the NTER and has been regularly consulting with an Indigenous Reference Group.

Government Business Managers (GBMs) are the local face of the Emergency Response, coordinating government business and living in and working with communities. Their knowledge of local progress of NTER measures and information on local issues and concerns guides coordinated government action and decision-making tailored to the particular needs of each community. The Budget provides \$30.8 million in 2008-09 for the continuation of their role. A further \$7.0 million in 2008-09 is provided for improved staff accommodation for government personnel currently residing in cyclone-prone remote Northern Territory communities.

Community engagement will be enhanced with \$3.8 million in 2008-09 for the employment of up to 20 Indigenous community members to act as community agents. Agents will be a conduit between community and government representatives, engaging families and individuals in the NTER and working to bring about greater community input into government decision-making.

Early lessons from the roll out of NTER measures show that effective engagement of local people in the design and delivery of activities is a key to achieving improved outcomes.

A further \$32.4 million has been committed in 2008-09 for NTER leadership and coordination activities. This funding will support NTER activities through providing logistical and administrative support. This measure will also provide for a community capability fund which can be used by GBMs for practical responses to the needs of local people, particularly in the areas of environmental health and safety. It will also support ongoing monitoring of NTER measures and the 12 month review of the NTER.

\$0.2 million in 2008-09 has also been committed to support the ongoing role of the Commonwealth Ombudsman in the NTER. The presence of the Commonwealth Ombudsman provides assurance of fair and accountable public administration of the NTER.

STRENGTHENING INDIGENOUS GOVERNANCE

The Australian Government supports Aboriginal and Torres Strait Islander people through the provision of leadership training and provides incorporation and other services for Indigenous corporations.

The successful Indigenous Women's Leadership Development Program has been expanded to include men and young people. Regional workshops on leadership are held across Australia as part of this program.

On 1 July 2007 the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) came into effect, delivering modern corporate governance standards to some 2500 Indigenous corporations.

The Office of the Registrar of Aboriginal and Torres Strait Islander Corporations administers the Act and delivers intensive interventions to target core problems in the Indigenous corporate sector, including:

- delivering a specialised training program in good corporate governance;
- assisting corporations to redesign their rules and operations for success;
- establishing a register of disqualified officers;
- strengthening regulatory work to deal with persistent poor corporate behaviours; and
- establishing specialist appointment, recruitment and retention services for use by agencies and key Indigenous corporations to help treat problems contributing to corporate failure.

Persistent problems in corporate governance impact on general community governance, and undermine the return on investment in services and assets for Indigenous communities.

Strong leadership and good corporate governance are required if we are to achieve long-term sustainable outcomes in partnership with Aboriginal and Torres Strait Islander people.

MORE EFFECTIVE GOVERNMENT

Improving outcomes for Aboriginal and Torres Strait Islander people requires a reform of governance and accountabilities – new ways of working – to ensure that our expenditure is targeted, effective and accountable.

The key elements of this approach include:

- a new partnership with Aboriginal and Torres Strait Islander people – working with Aboriginal and Torres Strait Islander people rather than imposing solutions on them (see ‘A new partnership with Aboriginal and Torres Strait Islander people’ above);
- a new partnership with other governments – framed around collaborative rather than coercive working relationships;
- highly collaborative working relationships between ministers and between agencies within the Australian Government;
- a commitment to transparency, accountability and an improvement in the quality of engagement by government with Indigenous people, especially in remote areas; and
- an enhanced focus on improving the performance of mainstream programs and services in meeting Indigenous needs.

COAG – A NEW PARTNERSHIP WITH OTHER GOVERNMENTS

Given that delivery of basic services is the responsibility of the States and Territories, partnership with this level of government is critical to the success of our strategies.

COAG is the key forum through which reforms will be advanced.

COAG has adopted the Australian Government’s targets, and agreed on a new model of cooperation to meet our ‘closing the gap’ commitments. A COAG Working Group on Indigenous Reform will progress work to reach our targets.

The Government is also working to ensure that local government meets its obligation to Aboriginal and Torres Strait Islander people, especially in the Northern Territory which is bringing in major local government reforms from 1 July 2008.

COLLABORATIVE WORKING RELATIONSHIPS WITHIN THE AUSTRALIAN GOVERNMENT

The Australian Government has to continue breaking down its own silos, achieving high-level coordination and a common purpose around Aboriginal and Torres Strait Islander policies and programs.

We are leading from the top. An Indigenous Affairs Committee of Cabinet, chaired by the Prime Minister, is setting directions. The Committee is assisted by the Secretaries' Group on Indigenous Affairs which ensures coherent direction across government agencies in policy development and program implementation.

From 2009-10, the Single Indigenous Budget process will determine strategic investment, directed by the Committee and focusing on the 'building blocks' endorsed by COAG. All new investment will be targeted at measures to close the gap.

A COMMITMENT TO TRANSPARENCY AND ACCOUNTABILITY

The Government will be accountable for outcomes for Indigenous Australians, hence our commitment to measurable targets and milestones and to regular reporting.

On the first working day of each parliamentary year the Prime Minister will report to Parliament on progress on our specific targets.

The necessary corollary is transparent monitoring to measure progress across government. Through the COAG Working Group on Indigenous Reform we will be progressing arrangements for independent national monitoring and reporting of progress against agreed targets.

On 20 March 2008 the Prime Minister announced the establishment of a new National Indigenous Health Equality Council to assist in the development and monitoring of targets relating to life expectancy and child mortality.

These arrangements will complement, and not duplicate, other accountability arrangements including the *Overcoming Indigenous Disadvantage* reporting framework, program performance reporting, the National Aboriginal and Torres Strait Islander Health Performance Framework, and new arrangements being established to monitor performance through Specific Purpose Payments. They will complement the framework being developed by Commonwealth and State Treasurers to report on overall expenditure on Indigenous services funded from mainstream and Indigenous-specific sources.

Building the evidence base – closing the evidence gap

The Government's commitment to evidence-based policy is supported in this Budget with funding of \$1.7 million over two years for two initiatives:

- the expansion of the National Aboriginal and Torres Strait Islander Social Survey (NATSISS) – to be conducted (for the third time) by the Australian Bureau of Statistics later in 2008 – so that it can obtain more detailed information about the situation of Indigenous children; and
- the establishment of a national clearinghouse on best practice and successful Aboriginal and Torres Strait Islander programs. The clearinghouse will provide a single point for gathering and disseminating reliable information to underpin policy development in Aboriginal and Torres Strait Islander affairs.

IMPROVING THE PERFORMANCE OF MAINSTREAM PROGRAMS AND SERVICES

In urban and regional locations, the emphasis will be on improving the performance of mainstream programs, making them more responsive and accessible to Aboriginal and Torres Strait Islander people. If we are to close the gap on Indigenous disadvantage across the country and meet our targets, mainstream services must perform better for Indigenous Australians.

Improved outcomes for disadvantaged and other vulnerable groups are being built into the reforms of Specific Purpose Payments. These reforms will occur through the new frameworks for Australian-State funding agreements with an emphasis on delivering improved outcomes for disadvantaged and other vulnerable groups.

A key aspect of reforms to Australian-State funding agreements will be to clarify roles and responsibilities, reduce duplication and waste and enhance accountability to the community. Agreed objectives and outcomes for each of the new agreements will replace input controls in current agreements. The new agreements will provide greater flexibility for jurisdictions to allocate resources to areas where they will produce the best outcomes for the community. However, this flexibility will be accompanied by enhanced reporting arrangements on progress towards meeting the objectives and outcomes.

A concerted effort across government to identify and remove barriers to access to mainstream services is also underway. This will improve engagement with and outcomes for Indigenous people, including through ensuring that Indigenous-specific and mainstream services in urban and regional centres are complementary and together deliver the best possible mix of services for Aboriginal and Torres Strait Islander people.

The onus is on all levels of government to do better in the delivery of mainstream services, including greater efforts to reduce bureaucratic red tape, increase the flexibility of funding, and develop more cost-effective means of service provision.

Improved outcomes for Aboriginal and Torres Strait Islander people are being included in the terms of reference of key COAG working groups.

In March 2008 COAG agreed on a series of specific actions across health, education, affordable housing and water supply that will begin to improve the lives of Aboriginal and Torres Strait Islander people. They will provide at least 48,000 dental services to Aboriginal and Torres Strait Islander people over four years under the new Australian Dental Health Program, and target the needs of Indigenous Australians through the Transition Care initiative, the elective surgery waiting list reduction plan and the Place to Call Home program for homeless people.

These initiatives demonstrate that we are leveraging programs to ensure that Indigenous Australians have effective access to universal services.

In the Education, Employment and Workplace Relations portfolio alone, a range of mainstream measures in this Budget will have a significant impact on closing the gap for Aboriginal and Torres Strait Islander people:

- the Computers in Schools program will contribute to the Government's strategy to lift retention rates;
- Trade Training Centres in Schools will prioritise supporting secondary school communities with Indigenous students;
- continued Indigenous participation in vocational education and training will be encouraged and monitored under the plan for 450,000 additional training places. The Job Network and Disability Employment Network will be monitored in relation to their ability to support Indigenous Australians in accessing pre-employment training;
- barriers to addressing quality early childhood education for Indigenous families, particularly in remote areas, will be addressed; and
- the national curriculum will provide a world class curriculum for Indigenous students.

In January the Government announced the development of a Homelessness White Paper, which will include a comprehensive national action plan for reducing homelessness over the next 10 years. A homelessness Green Paper will be released in May 2008 for public consultation prior to the White Paper being finalised and delivered in September 2008.

The issue of homelessness is of particular concern to the Indigenous population, as Aboriginal and Torres Strait Islander people are 10 times more likely to access homelessness services and close to one third of all people with unmet requests for supported accommodation in 2005-06 were Aboriginal and Torres Strait Islander people. Indigenous Australians are 13 times more likely to be imprisoned and therefore at a higher risk of experiencing homelessness. Upon release, ex-prisoners tend to lack accommodation and employment options, which inhibits their ability to obtain secure long-term housing and reconnect with their families, friends and community. Furthermore, Indigenous households experience higher levels of housing stress, as some 80 per cent of Indigenous households are in the lowest 40 per cent of household incomes.

Our work on homelessness across the Australian community is another example of a major mainstream activity that will have significant benefits for Aboriginal and Torres Strait Islander people and where there will be a particular focus on Indigenous needs.

GOING FORWARD

Looking to the future, we must make a sustained and determined effort to ensure that the fundamentals of a decent life – good health and nutrition, a safe and comfortable home, a high-quality education and the opportunity to participate in the economy through work – are shared by all Aboriginal and Torres Strait Islander people.

This Budget is one step in a much longer journey.

Closing the Gap between Indigenous and non-Indigenous Australians

APPENDIX 1: INDIGENOUS MEASURES: NEW AND REDIRECTED FUNDING FOLLOWING THE 2007 ELECTION AND 2008-09 BUDGET MEASURES

New and redirected funding following the 2007 election (funding over 5 years from 2007-08)		2008-09 Budget Measures	
2007-08 Additional Estimates	\$m		\$m
Welfare Reform – Cape York Trial	48.8	Expansion of Intensive Literacy and Numeracy programs and Individual Learning Plans (over four years)	56.4
Yamatji – additional funding for resolution of native title claims	5.5	Indigenous Boarding Colleges (over four years)	28.9
NTER – Employment and Welfare Reform	92.6	Indigenous Mothers' Accommodation Fund (over three years)	10
NTER – Improve child and family health and expand health service delivery	99.7	Closing the Gap in the Northern Territory:	
NTER – promoting law and order	18.5	• Night Patrol services (2008-09)	17.7
NTER – Enrolment and participation in school	98.8	• Aboriginal Interpreter Service (2008-09)	0.8
NTER – Night Patrols operational equipment	3.9	• Indigenous Legal Aid (2008-09)	2.0
Bringing them Home Counsellors and Link Up Services	15.7	• Extension of the National Indigenous Violence and Child Abuse Intelligence Task Force (2008-09)	4.2
Indigenous Children – child and maternal health	90.3	• Crèches (2008-09)	2.3
Indigenous Children – reducing rheumatic heart fever	11.2	• Further Welfare and Employment Reform (2007-08 and 2008-09)	75.4
Indigenous Early Development and Learning Services – Parenting Support	16.6	• School Nutrition (2008-09)	7.4
National Arts and Crafts Industry Support Programme	7.6	• Enhancing Education (2008-09)	19.1
Better Outcomes for Hospitals and Community health - \$20m boost to health services in the Northern Territory	21.5	• Centrelink – Services and Activities (2008-09),	5.8
Indigenous Drug and Alcohol Services – expansion	49.3	• Government Business Managers (2008-09)	30.8
Total	580.0	• Leadership and Coordination Activities (2008-09)	32.4
Redirected funds		• Community Engagement (2008-09)	3.8
Land and Sea Country Indigenous Partnerships*	10.0	• Continuation of Early Childhood Program (2008-09)	0.4
Indigenous Protected Areas*	50.0	• Family Support Package (2008-09)	9.8
Indigenous Emissions Trading*	10.0	• Provision of Ongoing Accommodation for Government Personnel in Remote Communities (2008-09)	7.0
Working on Country*	90.0	• Income Management (2007-08 and 2008-09)	69.2

Closing the Gap between Indigenous and non-Indigenous Australians

New and redirected funding following the 2007 election (funding over 5 years from 2007-08)		2008-09 Budget Measures	
	\$m		\$m
Protecting Children on the APY Lands	19.0	• Playgroups (2008-09)	0.7
Indigenous Health workforce	19.0	• Youth Alcohol Diversion (2008-09)	9.5
Indigenous Tobacco initiative	14.5	• Promoting Law and Order (2008-09)	11.6
Joint project with WA government – accommodation in four communities	10.0	• Follow Up Health Care (2008-09)	13.6
Total	222.5	• Commonwealth Ombudsman Support (2008-09)	0.2
		Continuation of the Australian Public Service Indigenous Employment Strategy (2008-09)	2.6
		Indigenous Policy – Building an Evidence Base (2008-09 and 2009-10)	1.7
* Part of the \$2.25 billion Caring for Country initiative.		Business Ready Programme for Indigenous Tourism – extension (2008-09)	1.8
Note: Totals may be affected by rounding.		Total	425.3
Grand total of New and Redirected funding following the 2007 Election and 2008-09 Budget measures \$1.2 billion			

APPENDIX 2: 2008-09 INDIGENOUS BUDGET MEASURES

2008-09 Budget Measure	Description
<i>Closing the Gap for Indigenous Australians</i>	
Expansion of Intensive Literacy and Numeracy and Individual Learning Plans	\$56.4 million over four years to 2011-12 to expand the use of best practice intensive literacy and numeracy programs for Indigenous students and provide professional development support for teachers to develop and update Individual Learning Plans with Indigenous students and families.
Indigenous Boarding Colleges	\$28.9 million over four years to 2011-12 to construct and operate three Indigenous boarding colleges to cater for 152 Indigenous secondary school students from remote parts of the NT.
Indigenous Mothers' Accommodation fund	\$10 million over three years to 2010-11 to establish an Indigenous Mothers' Accommodation Fund, which will provide safe and supported accommodation for women who have to travel from their communities to give birth.
<i>Closing the Gap in the Northern Territory:</i>	
Night Patrol Services	\$17.7 million in 2008-09 to enable the continued operation of night patrol services in 73 NTER communities.
Aboriginal Interpreter Services	\$0.8 million in 2008-09 for additional funding for the NT Aboriginal Interpreter service to improve engagement with Indigenous people in the NT.
Indigenous Legal Aid	\$2.0 million in 2008-09 to three critical programs to enable ongoing access by Indigenous people in the Northern Territory to legal services and respond to increased demand from Indigenous people for legal aid.
Extension of the National Indigenous Violence and Child Abuse Intelligence Taskforce	\$4.2 million in 2008-09 to provide additional resources to the Australian Crime Commission to better support child abuse investigations in the NT and inform criminal intelligence on child abuse and violence in Indigenous communities.
Crèches	\$2.3 million in 2008-09 for ongoing operational funding for 10 crèches established in 2007-08 as part of the NTER.
Further Welfare & Employment Reform	\$75.4 million over two years to 2008-09 to improve access for Indigenous adults living in the Northern Territory to skills development and jobs through additional employment and pre-employment programs.
School Nutrition Program	\$7.4 million in 2008-09 for the continuation of the Commonwealth contribution towards improving school attendance and student well-being through the delivery of breakfast and lunch programs to schools in NTER communities.
Enhancing Education	\$19.1 million in 2008-09 for additional classrooms; literacy and numeracy programs; and quality teaching programs in schools in NTER communities.
Centrelink services and activities	\$5.8 million in 2008-09 to continue to deliver Centrelink services in remote regions of the NT through the enhancement of Centrelink Agent Services, infrastructure and support.
Government Business Managers	\$30.8 million in 2008-09 for the continued provision of Government Business Managers in NTER communities.

Closing the Gap between Indigenous and non-Indigenous Australians

2008-09 Budget Measure	Description
Leadership and Coordination Activities	\$32.4 million in 2008-09 to provide critical enabling support and infrastructure for the continuation of the NTER.
Community Engagement	\$3.8 million in 2008-09 to facilitate and improve community engagement in NTER communities.
Continuation of Early Childhood Programs	\$0.4 million in 2008-09 to enable access to culturally appropriate early childhood programs by families in crisis and support the development of pathways for young children.
Family Support Package	\$9.8 million in 2008-09 to provide families and children in 22 remote communities with support and assistance from a local Aboriginal family and community worker and/or a safe house.
Provision of Ongoing Accommodation for Government personnel in remote communities	\$7.0 million in 2008-09 to provide upgraded accommodation for Government Business Managers.
Income Management	\$69.2 million in 2008-09 for the continued delivery of income management in NTER communities.
Playgroups	\$0.7 million in 2008-09 to provide ongoing funding for five facilitated playgroups for Indigenous families and children.
Youth Alcohol Diversion	\$9.5 million in 2008-09 to provide ongoing funding for alcohol diversionary measures in the NT.
Promoting Law and Order	\$11.6 million in 2008-09 to provide ongoing support for activities linked with changes to the alcohol and pornography laws in the NT, as well as support for the deployment of 66 Australian Federal Police to the NT.
Follow Up Health Care	\$13.6 million in 2008-09 to provide follow-up health care resulting from child health checks in NTER communities.
Commonwealth Ombudsman Support	\$0.2 million in 2008-09 to ensure Indigenous people have access to culturally appropriate complaint handling mechanisms.
Closing the Gap for Indigenous Australians — Other Measures	
Continuation of the Australian Public Service Indigenous Employment Strategy	\$2.6 million in 2008-09 to increase employment and retention of Indigenous employees across the Australian Public Service (APS) and help build the skills and capabilities of APS Indigenous employees.
Indigenous policy — building an evidence base	\$1.7 million over four years to 2011-12 for the Commonwealth contribution to extend the 2008 National Aboriginal and Torres Strait Islander Social Survey and establish a national clearing house on best practice in addressing Indigenous disadvantage.
Extension of Business Ready Programme for Indigenous Tourism	\$1.8 million in 2008-09 to extend the Business Ready Program for Indigenous Tourism and funding for promotion of Indigenous tourism to the international market.



BUDGET

CLOSING THE GAP BETWEEN INDIGENOUS AND
NON-INDIGENOUS AUSTRALIANS