

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Closing the Gap targets

Senator: Senator Cory Bernardi

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Question:

1. The recent COAG Reform Council Report showed that only 3 of the 6 COAG indicators had shown any improvement? Which are they?
2. Child Mortality is trending well but was that trend already established before the target was introduced?
3. What is the situation for the life expectancy target?
4. Is the employment target likely to be met?
5. What is the situation in remote areas?
6. Is the Indigenous employment rate going backward?
7. Can you provide any indication of results against the literacy and numeracy targets, including for remote areas?

Answer:

1. The COAG Reform Council Report found that there was progress on the targets to:
 - halve the gap in mortality rates for Indigenous children under five by 2018;
 - halve the gap for Indigenous students in reading, writing and numeracy by 2018; and
 - halve the gap for Indigenous people aged 20-24 in Year 12 attainment or equivalent attainment rates by 2020.
2. Yes a general downward trend was evident in Indigenous child mortality prior to the target being agreed. Between 1998 and 2008 (baseline) the Indigenous child mortality rate fell at an average rate of 4.9 per cent per year and this fall was statistically significant. From 2008 to 2012 there was a statistically significant decline of 11.4 per cent per year.
3. Indigenous life expectancy has slightly increased, however the target will not be met unless the rate of improvement accelerates considerably from now on.

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4. No progress has been made against the target to halve the employment gap since the 2008 baseline. Indigenous employment will have to grow considerably from now on if the target is to be met by 2018.
5. The Australian Bureau of Statistics counts Community Development Employment Project (CDEP) participants as being employed. Mainstream (non-CDEP) Indigenous employment rates vary sharply by remoteness area. Only 30.2 per cent of Indigenous adults aged 15-64 years in very remote areas were employed in a mainstream job in 2012-13 compared to 51.4 per cent of Indigenous people in inner regional areas.
6. From 2008 to 2012-13 the mainstream (non-CDEP) Indigenous employment rate in very remote areas grew slightly from 29.2 per cent to 30.2 per cent.
7. If CDEP is counted as employment then the Indigenous employment rate fell by 6 percentage points from 2008 to 2012-13 and this fall was statistically significant. The mainstream (non-CDEP) employment rate dropped by 2.3 percentage points over the same period but this fall was not statistically significant.

One way to assess progress against this target is to determine whether changes since the 2008 baseline for this target have been statistically significant. Between 2008 and 2013, the proportion of Indigenous students at or above the national minimum standards in reading and numeracy has shown a statistically significant improvement in only two out of eight instances – Years 3 and 5 Reading.

In remote and very remote areas the proportion of Indigenous students meeting national minimum standards in reading and numeracy is considerably lower than in metropolitan and regional areas. For example, in Year 9 reading, 81 per cent of Indigenous students in metropolitan areas met the minimum standards in 2013 compared with only 31 per cent of Indigenous students in very remote areas.

Consistent with national data, Indigenous students in very remote areas showed a statistically significant improvement in two out of eight areas – year 3 and year 5 reading from 2008 to 2013. On the other hand the percentage of Indigenous students meeting national minimum standards in year 9 numeracy showed a small statistically significant decline over this period.