

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS  
ATTORNEY-GENERAL'S DEPARTMENT

**Program 1.3**

**Question No. 64**

**Senator Wright asked the following question at the hearing on 18 October 2011:**

**Senator WRIGHT:** In relation to community legal centres and services, officers from the Attorney-General's Department have commented to some Aboriginal and Torres Strait Islander legal services that a different funding formula is used in determining funding to these bodies when compared to other community legal services. Is that so?

**Ms Chidgey:** We do use a particular funding allocation model for funding Aboriginal and Torres Strait Islander legal services. The model is based on a range of factors, including the distribution of Indigenous populations and other demographic data. It includes estimates for demand and also weighted factors for cost-of-service delivery. The model is designed to ensure that funding is allocated to areas where demand for services is likely to be higher including, for example, due to education and employment levels and where also the cost of delivering services is higher, such as remoteness and non-English speakers.

**Senator WRIGHT:** How does that compare with the formula applied to non-Aboriginal community legal centres?

**Mr Arnaudo:** In relation to community legal centres there is no one model because there is quite a lot of diversity in the sector. Also, state and territory governments provide funding to those services. In Indigenous legal aid the Commonwealth is largely the exclusive funder of Aboriginal and Torres Strait Islander legal services. The states make some contributions in some places. There are different types of services being provided in that context which are not directly comparable. Perhaps the closest comparison would be for mainstream legal aid commissions for the funding that the Commonwealth provides to the states and territories and they use the model with different factors, because there are different client groups and different types of matters, which is very similar to the model we use in Indigenous legal aid. So there is a similarity there but in terms of community legal centres there are differences with the community legal centre model. Because of the diversity in that sector, it is quite different from the model we use for Indigenous legal aid.

As Ms Chidgey explained, with Indigenous legal aid we use very much population projections and other demand and cost factors to make adjustments to ensure we target the funding to the areas where it is most needed but also to reflect the cost of the delivering services because of remoteness and other factors as well.

**Senator WRIGHT:** Is the formula that is then applied across Aboriginal legal services a uniform formula which will then have differentials according to those factors or is it a variable formula from service to service?

**Mr Arnaudo:** It varies from service to service because the services have different jurisdictions and regions to which they have to provide. For example, New South Wales as one of the largest Aboriginal populations in the country compared to the population in Tasmania. So Tasmania will be getting less funding because the population there is smaller than in New South Wales. Also, the other factors such as remoteness and cost of delivering those services with the other factors need to be taken into account. There is no one uniform policy.

**Ms Chidgey:** It is certainly the case that the same set of factors is used to apply that funding allocation model, even though those factors are more significant in some jurisdictions than in others.

**Senator WRIGHT:** Is it possible to obtain details of the formula which has been applied and the funding which has been—

**Mr Arnaudo:** Sure, we can take that on notice and provide more detail.

**Senator WRIGHT:** I would appreciate that, across the various Aboriginal services.

**Mr Arnaudo:** Across the various jurisdictions in Australia, yes we can do that.

**Senator WRIGHT:** Thank you very much.

**The answer to the honourable senator's question is as follows:**

Australian Government funding for Aboriginal and Torres Strait Islander legal (ATSIL) services is allocated by using a funding allocation model.

The model is based on the distribution of the Indigenous population across Australia (using the 2006 ABS Census data). Adjustments are then made to take account of factors that can affect the level of demand for legal services and the cost of delivering those services. For example, areas where there are higher numbers of unemployed people or that have lower incomes are more likely to have a higher demand for legal services. It is also likely to cost more to deliver services to areas with remote offices, court circuits or a higher number of speakers of Indigenous-language only.

The following table sets out, at State/Territory level, the funding allocations for 2011-12. The funding allocation is close to, but does not match, the percentage of Indigenous population in each of the States. These variances are due to the adjustments made by applying demand and cost factors.

| <b>JURISDICTION</b>                 | <b>2011-12 FUNDING AMOUNT</b> | <b>% of TOTAL FUNDING AMOUNT</b> | <b>2006 INDIGENOUS POPULATION</b> | <b>% of TOTAL AUSTRALIAN INDIGENOUS POPULATION</b> |
|-------------------------------------|-------------------------------|----------------------------------|-----------------------------------|--|
| New South Wales (includes ACT)      | \$16,081,959                  | 25.3                             | 156,967                           | 30.4   |
| Victoria                            | \$3,659,152                   | 5.8                              | 33,517                            | 6.5  |
| Queensland (excludes Torres Strait) | \$15,173,114                  | 23.8                             | 144,885                           | 28.0   |
| Western Australia                   | \$11,620,133                  | 18.3                             | 70,966                            | 13.7   |
| South Australia                     | \$4,200,653                   | 6.6                              | 28,055                            | 5.4  |
| Tasmania                            | \$1,908,380                   | 3.0                              | 18,415                            | 3.6  |
| Northern Territory                  | \$10,991,609                  | 17.3                             | 64,005                            | 12.4   |
|                                     | \$63,635,000                  | 100.0                            | 516,810                           | 100.0  |