



Australian Government

**Department of Families, Housing,
Community Services and Indigenous Affairs**

Response to Question on Notice

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

Review of Auditor-General's Reports Nos. 2 to 10 (2012-13) and related reports

GENERAL COMMENTS

Nil response

SPECIFIC QUESTIONS ON NOTICE

Question #1

Following up on the problems that had been earlier identified with ECFIA, see for example paragraphs 2.16 and 2.17 of Report No. 8, and the streamlining described in paragraph 2.18, please provide concrete examples of critical issues that have been considered in this new streamlined process, what action items arose as a result of this consideration, and what outcomes achieved.

- Additionally, has any concrete progress been made on the issue singled out in paragraph 2.16 of the difficulty of securing staff housing in remote areas?*
- What has been the effect of this difficulty on the outcomes achieved?*

Response

ECFIA has met three times since the new streamlined arrangements were introduced in 2012. A range of critical issues have been considered by ECFIA under the new arrangements with a range of outcomes achieved including:

- Enhanced reporting on Indigenous expenditure with ECFIA agreeing to strengthen the links between investment and outcomes and Treasury working with the Productivity Commission to take this work forward.
- Priorities and parameters agreed for the 2013-14 Indigenous Budget and the Prime Minister's 2013 Closing the Gap Report, including an increased focus on the importance of mainstream programs and services in Closing the Gap on Indigenous disadvantage.
- Strengthening the governance and coordination of Australian Government activities under Stronger Futures in the Northern Territory with agreement to establish the Stronger Futures Project Board as a subcommittee of ECFIA.
- Driving the implementation of the Closing the Gap priorities and progress towards the Closing the Gap targets
- Driving collaboration between State and Territory governments on Closing the Gap objectives and deliverables under National Partnership Agreements.

- Agreement to strengthen FaHCSIA's lead agency role and support better integration in the delivery of programs and services in remote and very remote areas, in response to the ANAO audit of Australian Government Coordination Arrangements in Indigenous Affairs.

In relation to the provision of adequate staff housing in remote locations, the Stronger Futures in the Northern Territory (SFNT) package includes a significant boost to remote staff housing, with up to 125 teacher houses identified and 15 houses for staff supporting the Child, Youth, Family and Community Wellbeing Package under the Stronger Communities for Children Program. Staff housing is a priority in the ongoing work to finalise Implementation Plans (IP) and is a key consideration as new policy work is undertaken.

Under the Health IP of the Stronger Futures in the Northern Territory package, the Department of Health and Ageing will also allocate capital works funding for staff housing.

Further, Indigenous land tenure reforms are progressively being implemented across the States and Territories to enable economic development and the negotiation of voluntary long-term leases over public housing and government assets. These reforms facilitate private and government investment in remote Indigenous communities while preserving underlying communal title. These reforms over the long term will ultimately reduce the burden on the social housing stock and assist in the provision of staff housing.

FaHCSIA continues to work with other government entities and departments in addressing the provision of staff housing, including the consideration of sourcing housing from non-government and private providers.

Question #2

Could FaHCSIA advise whether it anticipates any impediments to its service delivery and Indigenous program implementation in relevant jurisdictions in light of changes made recently to alcohol regulation at a state and territory level?

Response

Last year, the Australian Parliament passed legislation to enable the delivery of the Stronger Futures in the Northern Territory package, a commitment to work with Aboriginal people in the Northern Territory to build strong, independent lives, where communities, families and children are safe and healthy, supported by \$3.4 billion over 10 years. A key part of this package is a number of measures designed to address alcohol abuse and reduce alcohol related harm in the Northern Territory. These initiatives, known as the Tackling Alcohol Abuse measure, are supported by a commitment of \$76 million over the ten years.

The Australian Government's legislation was designed to complement the Northern Territory Government's *Enough is Enough* reforms which targeted problem drinking, supported by increased treatment and rehabilitation options. Two central elements of the *Enough is Enough* package were the establishment of the Banned Drinkers

Register (BDR) and the Substance Misuse Assessment and Referral for Treatment Court (SMART) and Alcohol and Other Drugs (AOD) Tribunal.

The abolition of the BDR and the imminent cessation of the SMART court and AOD Tribunal will therefore have an impact on the Department's ability to deliver and effectively evaluate the alcohol measures under Stronger Futures.

The decision to dismantle the AOD Tribunal will have a direct impact on the implementation of the Australian Government's income management policy in that it had been expected to play an important role in the referral of people with serious drinking problems for income management. As a consequence of the abolition of the Alcohol and Other Drugs Tribunal, the income management referral option will not be able to operate as planned, thereby removing an option to tackle the serious problems associated with alcohol abuse.

Although the Department is concerned about the loss of these tools to combat alcohol abuse, officials from the Australian and Northern Territory governments are continuing to work together to negotiate an Implementation Plan for the Tackling Alcohol Abuse measure. This will explain each government's role and how this funding will support the changes brought about by the Stronger Futures in the Northern Territory legislation. All efforts are being made to ensure optimal delivery of the Australian Government's programs through these negotiations.

The Department is also closely monitoring the Queensland Government's review of Alcohol Management Plans in place in 19 discrete Indigenous communities. If the Queensland Government were to relax or otherwise revise the arrangements in place, the Department's ability to deliver the Breaking the Cycle of Alcohol and Drug Abuse in Indigenous Communities initiative would be affected in that State.

The \$20 million Breaking the Cycle program aims to assist Indigenous communities to work with government and non-government organisations to develop and implement Community Alcohol and Substance Abuse Management Plans (CASPs), support the work of community groups and not-for-profit organisations at a local level in order to drive the CASP and support the community and provide prevention programs to tackle youth substance abuse. The Breaking the Cycle of program is being run in South Australia (Ceduna and surrounds), Western Australia (Ngaanyatjarra, East Pilbara, and Goldfields), Queensland (Morningson and Doomadgee) and New South Wales (Bourke, Brewarrina, and Condobolin).

The development of CASPs in Ceduna and surrounds (SA), Bourke and Brewarrina (NSW), and the Goldfields (WA) is supported by strong community engagement and ownership with funded projects being implemented. In SA, the Breaking the Cycle program is overseen by the Breaking the Cycle Task Force, acting on behalf of Australian and South Australian Governments to develop effective partnerships to managing alcohol and substance abuse in Ceduna and surrounding regions. In WA, the Department is working closely with the WA Drug and Alcohol Office to implement the program. In NSW, the Bourke and Brewarrina Community Steering Committee membership includes representatives from various NSW State Government departments.

Any change to alcohol regulation arrangements in Breaking the Cycle sites has the potential to set back CASP development and implementation.

Question #3 from Hansard page 8

If we really are serious about closing the gap and taking it to the next step, where is that program delivery for the majority of the population on the coast, between Sydney and Rockhampton? That is why I am looking for that spatial mapping story—to really try to get a handle on what we are doing in that next chapter, which hopefully is going to come sometime soon.

Response

Data on total Government spending in Australia is generally provided at a national and State and Territory level. Data derived by the Commonwealth Grants Commission also provides estimates of Government spending on Indigenous Australians by remoteness area.

The vast bulk of government spending on Indigenous Australians (78 per cent) is provided through mainstream services and programs, not Indigenous-specific programs. In most instances Indigenous Australians rely on the same government services and programs as other Australians.

The estimates from the Commonwealth Grants Commission are for services and programs provided by State and Territory Governments. However, a high proportion of Commonwealth expenditure including Centrelink payments is based on clear eligibility rules which mean that people are entitled to payments wherever they live. If we exclude Centrelink payments and payments for defence and Commonwealth public administration, then the Indigenous Expenditure Report suggests that around 70 per cent of all services and programs provided to Indigenous Australians are provided by State and Territory Governments. This means that the Grants Commission estimates provide a good overall indication. Importantly, the Grants Commission estimates reflect monies provided to the States and Territories by the Commonwealth through national partnership agreements.

The Grants Commission data suggests that in 2010-11, 38 per cent of all State and Territory Government spending on Indigenous Australians went to Indigenous people in remote and very remote areas (around 25 per cent of all Indigenous Australians live in remote and very remote areas). In other words most spending (62 per cent) goes to Indigenous Australians who live in regional areas and the major cities not Indigenous Australians in remote areas.

It is true that Indigenous Australians in remote areas receive more government funding per capita than other Indigenous Australians. However, this reflects the higher cost of providing services to people in remote areas and evidence of significant and greater need.