



PARLIAMENT OF AUSTRALIA • THE SENATE

**TRISH CROSSIN**

LABOR SENATOR FOR THE NORTHERN TERRITORY

Mr P. Georgiou MP  
Chair  
Joint Standing Committee on Electoral Matters  
Department of House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Mr Georgiou,

Please find attached my submission to the Joint Standing Committee on Electoral Matters regarding the inquiry into representation of the Northern Territory in the House of Representatives.

I would like the opportunity to appear before the Committee and outline some of these arguments personally.

Yours sincerely,

Senator Trish Crossin  
21 August, 2003

Joint Standing Committee on Electoral Matters	
Submission No. ....	20
Date Received .....	22/8/03
Secretary .....	

## **SUBMISSION TO THE INQUIRY INTO REPRESENTATION OF THE NORTHERN TERRITORY IN THE HOUSE OF REPRESENTATIVES**

### **Background**

At the 2001 federal election Northern Territory voters had to elect, for the first time, two members for the House of Representatives. This extra seat was due to an increase in Territory population, which had occurred since 1997.

The Commonwealth Electoral Act 1918 guarantees that the NT shall have at least one member of the House. The number pertaining at any particular time is ascertained by use of a formula detailed in the Act.

*Details of how this is ascertained are outlined in the Research Note from the Department of the Parliamentary Library. (No. 27, 18 March, 2003)*

On 20<sup>th</sup> February 2003 the Australian Electoral Commissioner determined that due to a population decline, that extra seat would be lost. On the basis of the figures provided by the Australian Bureau of Statistics to the Australian Electoral Commission, the Northern Territory missed out on retaining its two federal members by .0022 of a quota or 291 people.

This decision has caused considerable concern and doubt, not least in the methodology and accuracy of calculating these figures.

### **ALLEGED INACCURACIES OF THE 2001 CENSUS**

Given that the NT will go back to having only one House of Representatives seat at the next election, there is a need to examine the basis on which this decision was made.

The arguments are twofold and go to the accuracy of the figures collected at the last ABS Census in 2001 and the actual figures that were provided to Australian Electoral Commission.

The Territory believes that there has been an under-enumeration of remote Indigenous population at the Census. ABS disputes this and claims that in 2001 the population was either counted somewhere or accommodated in the 7,500 adjustment for undercount. When Queensland recently mounted a persuasive case that the 2001 Census missed 4000 Indigenous people and with significant under enumeration for five communities, ABS refused to alter the State total and merely reallocated population from elsewhere in the State to fix the worst two estimates.

There has been some independent assessment of the accuracy of the Census. As the academic researcher John Taylor (ANU) notes this suggests that the manner of ABS enumeration in remote Aboriginal communities can serve to undercount the population and that the adjustment factor applied to compensate for this may be inadequate.

This view is shared by Professor Tony Barnes who stated that indirect indicators are that undercounting in remote communities may be substantial and survey methods typically miss Indigenous children and young adult males. Tony Barnes, a past Director of the ABS National Centre for Aboriginal and Torres Strait Islander Statistics oversaw the Bureau's Indigenous Enumeration Strategy for the 1996 Census.

There has been only one rigorous independent check of the Census enumeration of remote Indigenous population. This estimated a Census undercount of 17 percent in Aurukun.

We have some evidence for the Territory for 2001 that there was widespread undercount occurring. The ABS has acknowledged that in Wadeye (Port Keats) there were community problems, which severely disrupted the Census. The Census count was 1,382, which produced a resident population estimate of some 1,560. This compares to housing records at some 2,000 and NT Grants Commission estimates of 2,452. The Census appears to have missed a significant number of people in Wadeye and there was no accommodation for this in the overall adjustment for the undercounting of the Territory's population.

There are many questions about the conduct of the 2001 Census which I have asked at Estimates during June of this year such as what communities were visited when, specifically including indigenous outstations. Many of these questions remain unanswered despite repeated requests to the Ministers office for them to be released.

There is no accurate adjustment for remote Indigenous Census under/over count. Informally the ABS has accepted this and is working on something for 2006.

The ABS did conduct a post enumeration survey, which covered those who lived in non-sparsely settled areas and represented 76% of the Territory's population. It should be remembered that the post enumeration survey is not sent to indigenous communities in the Northern Territory.

From this survey the ABS estimated a 2001 Census undercount rate of 4.0% for this non-sparsely settled population. The ABS then assumed 4.0% was appropriate for the whole Territory – including the largely indigenous sparsely settled areas. It allocated the resultant 7,500 adjustment across the whole Territory using the patterns found in the post enumeration survey. This approach and the underlying assumption is manifestly inappropriate unless the under enumeration of the remote Indigenous population was 4% or less. This is highly unlikely given that the only rigorous independent check of remote Indigenous Census found a 17% undercount.

The ABS post enumeration survey indicated that the calculation for the Northern Territory had a standard of error of plus or minus 1000. If this is so then the fact that the ABS calculated that the NT population was 292 short of a second quota puts us well within that range of statistical error.

There is also considerable argument as to the actual accuracy of the ABS Census and post enumeration survey – even the Director of Demography at the ABS acknowledges that with a sample survey there will always be a sampling error.

Therefore it would be reasonable to expect and should be acknowledged that the standard error of plus or minus 1000 should have applied and perhaps should apply in all calculations for this purpose. If that had been allowed then the NT would still be eligible for a second member in the House. Moreover I argue that the nature of the population in the NT, being spread wide and thin over large and remote areas makes any accurate count even more difficult and less reliable.

### *INFORMATION SUPPLIED TO THE ELECTORAL COMMISSION*

In accordance with the Commonwealth Electoral Act, the ABS supplied the Electoral Commission with statistical data for the purposes of s46. The section states:

Where a House of Representatives has continued for a period of 12 months after the day of the first meeting of that House, the Electoral Commissioner shall, within one month after the expiration of the period of 12 months, if that House is still continuing, ascertain the numbers of the people of the Commonwealth

The release of this information coincides with a request by the Electoral Commissioner to the Commonwealth Statistician to supply the relevant population information following s47 of the Electoral Act.

*Supply of statistical information by Australian Statistician* The Australian Statistician shall, on request by the Electoral Commissioner, supply the Electoral Commissioner with all such statistical information, as he or she requires for the purposes of this Division.

In the ABS submission to this inquiry and in information that has been offered to the relevant parties regarding this calculation, there has been an understanding that the information supplied to the Electoral Commission were the estimated residential population data for September 2002 which was released on the 18 February 2003. These figures are calculated on a quarterly basis.

However the ABS have been evasive and misleading in explaining exactly which figures were supplied and the reasons as to why these were chosen.

During Senate Estimates on 5 June, 2003 (pg E 660) I asked representatives from the ABS what type of statistical data was asked for from the Australian Electoral Commission and what was given.

Mr Trewin replied: "He (being the AEC Commissioner) asked for the estimates resident population. I presume it was as at the end of the September quarter 2002...and on the 18 February they were the latest available statistics.'

However in answer to a question arising from estimates the letter from the Electoral Commission was provided. This states that the ABS may prepare a special version of the

September Quarter ERP figures in a separate publication, which could be made available to the AEC in advance of the programmed release of the September Quarter figures.

This letter is dated 22 October, 2003. At that time the latest available figures were the June quarter figures. Why were these not provided? Given that the ABS had advised that the Australian Demographic Statistics would not be available until late March 2003, exactly what version of the figures were provided on 18 February.

The estimated resident population in the NT fell just 292 people short of the 1.5 quotas that would be required for the allocations of two seats in the NT. The Estimated Residential Population (ERP) for the NT at June 2002 was 202 154 (2354 above or 1.5 quotas)

In view of the problems of accurate census and post enumeration surveys in the Northern Territory, and the effects that this may have both on NT financing and representation I welcome this enquiry is being undertaken. I believe some allowance or change is necessary – whether to the inflexibility of the timing for the post enumeration estimate of the NT population, to the Commonwealth Electoral Act or to the sources and/or methodology of census data collection.

*Recommendation for the consideration of the Committee:*

- That the Private Member's Bill introduced by Mr David Tollner be supported.
- That the Electoral Act be amended to specify exactly what is meant by the latest available statistics.
- That the ABS be requested to re-evaluate the method used for collection of statistics in indigenous communities during the census collection.

Senator Trish Crossin

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates, 3-6 June 2003

**Question: Bud 68**

**Topic: ABS - Copy of Electoral Commission's request for population estimates**

**Hansard Page: E467**

Senator Crossin asked:

And I am asking you who made a decision to use the September 2002 quarterly figures rather than a rolling average?

**Mr Trewin**—From memory, I think the request we received from the Electoral Commission was for population estimates at a particular time period.

**Senator CROSSIN**—Can you provide this committee with a copy of that request for information?

Answer:

Yes, see attached.

ms/407

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R/S 8/11

Electoral Commissioner

Mr Dennis Trewin  
Australian Statistician  
Australian Bureau of Statistics  
PO Box 10  
BELCONNEN ACT 2604

*Dennis*

Dear Mr Trewin

As you will be aware, under the provisions of the *Commonwealth Electoral Act 1918*, the Australian Electoral Commission (AEC) is required to ascertain the numbers of the people of the Commonwealth and of the several States and Territories in the 13<sup>th</sup> month following the first sitting of the House of Representatives. These population figures are required so that I may make a determination of the entitlement of each State and Territory to representation in the House of Representatives.

As the current House of Representatives first met on 12 February 2002, I am required to ascertain the population of each State and Territory between 13 February and 12 March 2003.

The AEC normally uses the latest available Estimated Resident Population (ERP) figures (PERSONS table) published in the Australian Demographic Statistics provided by the Australian Bureau of Statistics (ABS) for the purpose of making this ascertainment. The ERP figures for Jervis Bay, Cocos (Keeling) Island and Christmas Island are also used.

Mr Terry Rushton from the AEC recently contacted Mr Matthew Berger from ABS regarding the likely availability of the September Quarter 2002 ERP. Mr Berger has advised that the Australian Demographic Statistics would not be available until late March 2003.

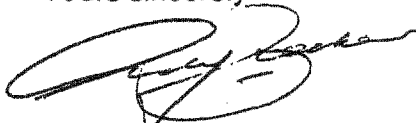
Mr Berger has indicated, however, that the ABS may prepare a special version of the September Quarter ERP figures in a separate publication, which could be made available to the AEC in advance of the programmed release of the September Quarter 2002 Australian Demographic Statistics.

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I would appreciate it if you could confirm that a separate publication containing the September Quarter 2002 ERP statistics may be produced and made available to the AEC for the purposes outlined above, and that the publication will be available in time for the necessary actions to be taken by 12 March 2003.

Please feel free to contact Mr Rushton by telephone on 62714468 to discuss this matter should you require any further clarification.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andy Becker', written over a faint, illegible stamp or watermark.

Andy Becker

22 October 2002



not claim to be tax experts, and we think that that is a job for the tax office. We are quite happy to assist them in any way possible by identifying the areas where there will be a change to general purpose financial reporting.

**ACTING CHAIR**—Fair enough.

**Senator CONROY**—Thank you for that, Mr Thomson. I come back to Peter Costello on the *7.30 Report*, Senator Campbell. He said, 'Every finding of the royal commission has been accepted and will be implemented.' Do you support that?

**Senator Ian Campbell**—Yes.

**Senator CONROY**—Great.

**Senator Ian Campbell**—We are very close on these things.

**ACTING CHAIR**—Thank you, Mr Thomson.

[6.11 p.m.]

#### Australian Bureau of Statistics

**Senator CROSSIN**—Who can answer questions on Northern Territory population census statistics?

**Mr Trewin**—I will start. I have some people here who can help me if we get into detail.

**Senator CROSSIN**—Could you describe the main features of the Northern Territory population. What is your understanding of them?

**Mr Trewin**—Its unusual features are the relatively high Indigenous population and the fact that it has got a fairly high mobile population. In relative terms, the level of internal migration is higher than it is for other states and territories. It also tends to have a younger profile than other states and territories.

**Senator CROSSIN**—Are they the particular features you would see that would define the Northern Territory population as different from other states and territories?

**Mr Trewin**—Yes.

**Senator Ian Campbell**—Do we have a social atlas for Darwin?

**Mr Trewin**—Yes, we do.

**Senator Ian Campbell**—Have you been given a copy of the social atlas, Senator Crossin? It is a document which I think is tremendous for—

**Senator CROSSIN**—I have about two dozen publications from the ABS in my office. One of them may be the social atlas; I am not sure.

**Senator Ian Campbell**—One of them could be. It demystifies things. It pulls together all of the census data and communicates it in a way that really is a lot more readable for the community generally. I commend it to you.

**Senator CROSSIN**—All right. My line of questioning is not about that. I am sure that the people before us from ABS know exactly where I am coming from tonight. A couple of weeks ago, in the National Capital and External Territories Committee, I asked representatives from the ABS to provide me that committee with information about dates and times that census

forms were given out around certain areas of the Territory. I do not remember exactly where I mentioned. Homeland centres around Elcho Island was one place. I do not suppose you have got the answers to those questions?

**Mr Williams**—That document is in preparation. It should be with the committee in the next day or so.

**Senator CROSSIN**—Thank you. What are the factors that decrease the reliability of the estimated residents population and the census data?

**Mr Trewin**—The census data or population estimates?

**Senator CROSSIN**—Both.

**Mr Trewin**—The census itself is going through a process of continuous improvement, and we believe the 2001 census was better than previous censuses. I know the Indigenous population is of particular concern in the Northern Territory, and we put significantly more effort into enumerating the Indigenous population than we have in previous censuses. In fact, if you look at expenditure on a per capita basis, it was 10 times as much per capita for the Indigenous population as it was for the rest. That is not saying that it is perfect; it is not. None of our measurements are perfect; they are all subject to some error, but we are confident that our Indigenous enumeration was certainly better than it was in previous censuses in the Northern Territory.

**Senator CROSSIN**—What are some of the factors that you think decrease the reliability of the ERP and the census data?

**Mr Trewin**—The ERP is rebased every five years based on the census, so the census itself is the base. For the periods between the censuses, we use births and deaths to update the ERP, and those things are generally pretty reliable.

**Senator CROSSIN**—I will go to some of that methodology in a moment, but can you succinctly indicate to me what you think are the factors that impinge, decrease, undermine or question the reliability of the resident population data.

**Mr Trewin**—I was trying to get to that. Births and deaths data is generally pretty good. International migration data is generally pretty sound, although where people say they are going is not always 100 per cent accurate, so there is a bit of adjustment that you have to do there. The area where there is most concern is internal migration, and that is where we have to use indicative data like registration for Medicare.

**Senator CROSSIN**—Can I just ask you about that. How many Indigenous people does ABS collect statistics on that do not have a Medicare card or Medicare number?

**Mr Trewin**—I will get Paul Williams to answer that, but we do not rely entirely on that data; it is one of the indicators that we use to update our population estimates.

**Senator CROSSIN**—But it is an indicator you use, so can you tell me if you have a handle on how many Indigenous people do not have a Medicare card or number?

**Mr Williams**—There are a couple of issues there. The first is the census counts and the estimated resident population. Every five years, we rebase the estimated resident population based on census counts, and we do not need to use Medicare data to do that. I believe that our

process to get to the estimated resident population every five years based on the census is a highly reliable one. What Dennis was talking about there is how we come up with the population base after the census, and that is where we have to use Medicare data. But we do not use Medicare data to establish the total number of people; we actually use Medicare data to try to pick up those people who have actually moved either into or out of the Northern Territory. We realise that the Medicare data is deficient and we make adjustments—in particular, for young people, who we know do not change their address when they move either into or out of the Northern Territory. In addition, Defence Force personnel quite often are not registered for Medicare. So we do make adjustments to the Medicare data to come up with our intercensal population estimates after the census.

**Senator CROSSIN**—My question, though, was: does the ABS have an indication of how many Indigenous people in the Northern Territory do not have a Medicare card or number?

**Mr Williams**—No, we do not. We do not use Medicare data to arrive at our population estimates and our population counts.

**Senator CROSSIN**—What about those Indigenous people who might live at Kintore or Docker River who move across the border to Western Australia?

**Mr Williams**—We may not be picking up small numbers of Indigenous people who do move, but every five years we conduct a census which allows us to recalibrate the Medicare data so we can make adjustments to the Medicare data to take into account the people that we do know Medicare data does miss because of movement.

**Senator CROSSIN**—What margin of error would you put on that?

**Mr Williams**—The Medicare data is the most reliable data source we have. For the intercensal period to 2001, the Medicare data probably understated moves out of the Northern Territory. Twice as many people in the census data were recorded as moving in the five-year period as were recorded in the Medicare data. If anything, Medicare understates the number of people leaving the Northern Territory, so there are still problems with the Medicare data.

**Senator CROSSIN**—Is it correct that the ABS does not have a number or a percentage of Indigenous Territorians without a Medicare card or number?

**Mr Williams**—No, we do not; but that is not relevant to the way we are using the Medicare data.

**Senator CROSSIN**—You told me you used Medicare data as one source of the numbers of people who move in and out of the Northern Territory.

**Mr Williams**—For our intercensal population estimates. That is exactly right.

**Senator CROSSIN**—How accurate can your assessment be if you do not know how many Indigenous people living on the borders in the north-west of the Northern Territory going into Western Australia—in that Warburton-Kintore area—do not have a Medicare card and it is one of the measures that you do need?

**Mr Trewin**—Between each census, we compare population estimates we projected forward from the previous census to what we get with the most recent census. The difference between those two numbers is known as the intercensal discrepancy. For Australia it is very

small, so it gives us great confidence in the reliability of those models. For the Northern Territory, the intercensal discrepancy was only about 200 people.

**Senator CROSSIN**—What is ‘very small’? The issue we are talking about here is the difference between one or two federal seats in the Northern Territory. You would be well aware of the controversy around this—it means that, at the end of the day, the Northern Territory loses a federal seat on the basis of a discrepancy of only 291 people. You might say it is very small but, with respect to Northern Territory representation, it is a huge discrepancy. We do not consider 200 to be very small at all.

**Mr Trewin**—My job is to put out the best estimate possible. If the measurement error around those figures is greater than 200 people, I have been quite open about that. We do the best job we possibly can, but we cannot give a precise estimate.

**Senator CROSSIN**—Do any of these factors affect the reliability and validity of the ERP? Would remoteness affect it?

**Mr Trewin**—The biggest factor that affects it in the Northern Territory is the mobility of the population. In relative terms they have a much higher population moving in and out of the Northern Territory than do other jurisdictions.

**Senator CROSSIN**—Are the ERPs in the Northern Territory less reliable than in other states because of that?

**Mr Trewin**—In relative terms they are. Northern Territory is a smaller jurisdiction, and it has a more mobile population.

**Senator CROSSIN**—So it would be more volatile than other states in absolute or relative terms?

**Mr Trewin**—Yes; not in absolute terms but in relative terms.

**ACTING CHAIR (Senator Watson)**—Given the consequences of your decision in terms of the electoral outcome of losing a seat, what sort of extra integrity measures did you apply to address the issues that Senator Crossin is now raising?

**Mr Trewin**—We checked and rechecked all the figures. We had an external review of all our figures, not just those for the Northern Territory. We were very aware of the sensitivity, but my job is to put out the best estimate based on the numbers available.

**Senator CROSSIN**—I have a whole lot of questions that will probably take us beyond 6.30 p.m. Was there any error associated with the ERPs in respect of the Northern Territory?

**Mr Trewin**—We are confident of the quality of those estimates. We think they are the best estimates possible, but I cannot guarantee you that they are precise. There are lots of statistics that are based on sample surveys and other things, and there are measurement errors associated with them. So there is a margin of error around that number, but it was the best number we could compile, based on the information available.

**Senator CROSSIN**—Isn't it the case, though, that at the last census, in 2001, this error, combined with the undercount in the Territory, was determined to be plus or minus 1,000 persons?

**Mr Trewin**—Yes. That was a sampling error.

**Senator CROSSIN**—In statistics, the conventional level of certainty is determined to be about 95 per cent confidence. Is that correct?

**Mr Trewin**—That is the general convention that is used.

**Senator CROSSIN**—That is approximately one or two standard errors. In this case, that is 2,000 people. Is that right?

**Mr Trewin**—Yes.

**Senator CROSSIN**—Therefore, how can you be certain that your estimate of the Northern Territory population at June 2002, some six months or so after the census, includes a level that would be required for both one and two federal seats?

**Mr Trewin**—We have been quite open about this. There is a confidence level around those figures, and that confidence level did cross over the difference between the Northern Territory having two seats or one seat. But in my job I cannot artificially add a number; I have to put out the best possible estimate and try to describe the quality of that estimate in the best terms I can.

**Senator CROSSIN**—Did you use plus or minus 1,000 or plus or minus 2,000 in your estimates?

**Mr Trewin**—No; but we were open about the quality of those estimates and the error range that might be possible.

**Senator CROSSIN**—Do you think there was an error associated with the undercount?

**Mr Trewin**—It is based on a sample, and there is sampling error associated with that undercount. It is the same as when we put out retail sales. We put out a figure and that is our best estimate, but there is a sampling error associated with that figure. It is a similar sort of situation here.

**Senator CROSSIN**—Was there an error associated with the census undercount in the Northern Territory?

**Mr Trewin**—There was a sampling error associated with the undercount.

**Senator CROSSIN**—Which was what? The plus or minus 1,000?

**Mr Trewin**—I have not got the figures off the top of my head, but the figures you have quoted sound reasonable.

**Senator CROSSIN**—Was it 1,000 or 2,000? Do you remember?

**Mr Williams**—I am not certain. We could look it up for you.

**Senator CROSSIN**—What I want to know is: if it was 1,000, should it have been 2,000?

**Mr Trewin**—The 95 confidence interval would be about 4,600, with a range of 2,600.

**Senator CROSSIN**—What did you use in adjusting the undercount in the census? Did you use 1,000 or 2,600?

**Mr Trewin**—I think we are talking at cross-purposes here. To estimate the undercount in the census, we run what we call a post-enumeration survey—

**Senator CROSSIN**—We will get to that in a minute. I am just wondering what figure you used to make the adjustment.

**Mr Trewin**—It was 7,800 people.

**Senator CROSSIN**—What implications did that have for the ERP in September 2002?

**Mr Trewin**—That adjustment was included in that ERP figure.

**Senator CROSSIN**—Is there any way in which the undercount in the Northern Territory may have been greater than has been estimated?

**Mr Trewin**—Yes, it could have been less. It was subject to a sample survey, which has a confidence range around it. It could have been more or it could have been less. Our best estimate is what we have produced.

**Senator CROSSIN**—Did you take into account the difference between the remote Indigenous communities and the rest of the Northern Territory in determining the undercount in 2001?

**Mr Trewin**—We actually did not. It is very difficult to run a traditional post-enumeration survey in traditional Indigenous communities.

**Senator CROSSIN**—The fact is that in your post-enumeration surveys none of those forms actually go to remote Indigenous communities, do they?

**Mr Trewin**—No, they do not, but we estimate it for other—

**Senator CROSSIN**—They only go to the major centres in the Northern Territory, or to smaller places than that, to Darwin and Alice Springs.

**Mr Williams**—No, urban places such as Tennant Creek are included in the post-enumeration survey.

**Senator CROSSIN**—But they do not go to any of the 220 communities or 200 or so out-stations.

**Mr Williams**—That is correct.

**Mr Trewin**—But we still make an estimate of the undercount in those communities. It is not as if we are assuming that those counts are perfect.

**Senator CROSSIN**—When you determine the undercount post census, you do not take into account remote Indigenous communities, do you?

**Mr Trewin**—We do.

**Senator CROSSIN**—But not through the post-enumeration process.

**Mr Trewin**—Not through that process; we use other methods.

**Senator CROSSIN**—What methods?

**Mr Williams**—For the Northern Territory, you are quite correct in that we use the results that are derived from the post-enumeration survey in the urban areas to correct for the assumed underenumeration in the Indigenous communities. In the studies we have undertaken independently of the Indigenous communities—and the last study we did on that was in 1996 but we were undertaking similar studies for 2001—we used a technique which ages the

population, uses age-sex cohort analysis, and looks at births and deaths and migration assumptions, which allows us to come up with an estimate for underenumeration for the population not covered by the PES. Certainly for 1996 the underenumeration was in fact less than the adjustment we made for the overall population. So we believe that the four per cent we adjusted the overall Northern Territory population by probably takes into account the underenumeration—

**Senator CROSSIN**—Probably, or does?

**Mr Williams**—Does, I would say. We have other research—for instance, observational studies undertaken by the Centre for Aboriginal Economic Policy Research—which again points to the fact that the methodology we use for counting in remote Indigenous communities has a tendency to lead to, if anything, overenumeration rather than underenumeration. So a combination of factors lead to the conclusion that we might be overadjusting for remote Indigenous populations.

**Senator CROSSIN**—At this point in time, as we go around the Northern Territory and speak to people on the ground the ABS are the only people who seem to have that view, particularly about the 2001 census data. Based on our belief that there is still a marginal error, what impact does that error have when you are determining the 2002 ERP and a number 300 greater than this is significantly different?

**Mr Williams**—The subsequent ERPs are updated from the census based estimated resident population. Whatever estimated resident population we come up with at the time of the census is the base from which we later update the quarterly estimated resident population. For that purpose we use information such as births and deaths from the registrar of the Northern Territory, overseas migration figures from processing passenger cards and, as has been mentioned before, we have come up with an estimate of interstate migration, using adjusted Medicare data. That is the method used.

**Senator CROSSIN**—I assume that the ABS takes into account the uses for its data release of information.

**Mr Williams**—Indeed it does. We use statistical methods et cetera to arrive at the figure but we certainly understand the importance of the estimated resident population for both electoral and funding purposes. That is very well understood.

**Senator CROSSIN**—What was the purpose of releasing the September 2002 quarterly estimates in February this year?

**Mr Trewin**—What was the purpose of it?

**Senator CROSSIN**—Yes.

**Mr Trewin**—I am required by law to produce population estimates for each state and territory at the end of each quarter. That is why we produce them every quarter.

**Senator CROSSIN**—Is it a fact that your September quarter figures are released in February of every year?

**Mr Corr**—They are ready and available and are being prepared for publication in February and normally they are released in March.

**Mr Trewin**—There was a special release in February this year because they were required for electoral purposes. That is something that we have done in the past when there has been a similar sort of requirement.

**Senator CROSSIN**—So the Australian Electoral Commissioner actually requested the population statistics for use in February; is that correct? Do you get an official request from the Australian Electoral Commission?

**Mr Trewin**—Yes, we do.

**Senator CROSSIN**—What type of statistical information did he ask for?

**Mr Trewin**—He asked for the estimated resident population. I presume it was as at the end of the September quarter 2002. What is the reference period?

**Mr Corr**—The requirement in the legislation is for the latest available statistics available within a month period and that month period started at a date in February and ended at a date in March. It is for the total population of each state and territory plus Cocos and Keeling Islands, Christmas Island and Jervis Bay territory.

**Senator CROSSIN**—Who makes the decision to provide the September 2002 figures rather than the census figures or the post enumerated figures?

**Mr Corr**—It is set down in the legislation that it is the latest available statistics available to the statistician at the time, and on 18 February they were the latest available statistics.

**Senator CROSSIN**—The September 2002 statistics?

**Mr Corr**—Yes.

**Senator CROSSIN**—Are there any other statistics that would have been more fit for the purpose, other than those?

**Mr Trewin**—They are the statistics that are prescribed by law.

**Senator CROSSIN**—Are you saying they are the only latest and current statistics you had at the time? There was nothing else available?

**Mr Trewin**—They were our best estimates at the time of the population at the relevant period.

**Senator CROSSIN**—You do not have a rolling average of the population base?

**Mr Trewin**—We could compile that but the law is quite specific about what the requirement is.

**Senator CROSSIN**—Why don't you provide a rolling average rather than the September 2002 quarterly figures?

**Mr Trewin**—Because the electoral law requires the—

**Senator CROSSIN**—The electoral law, as I understand it and as this gentleman said, is just to provide the latest available figures that you have. Who makes a decision about what latest available figures you have that you will provide?

**Mr Corr**—The legislation just says the latest available statistics to the statistician on the day that he makes the determination.



**Senator CROSSIN**—And I am asking you who made a decision to use the September 2002 quarterly figures rather than a rolling average?

**Mr Trewin**—From memory, I think the request we received from the Electoral Commission was for population estimates at a particular time period.

**Senator CROSSIN**—Can you provide this committee with a copy of that request for information?

**Mr Trewin**—Yes.

**Senator CROSSIN**—Thank you. Do you think a rolling average would have been a better use of statistics, bearing in mind you said to me earlier that you are mindful of your data releases and that you take into account what they are used for? Would a rolling figure have been better?

**Mr Trewin**—I can see some advantages in that, particularly in a relatively small jurisdiction like the Northern Territory where there are seasonal population flows. I can see the advantages of that for some purposes.

**Senator CROSSIN**—You do realise that the figures provided by you, even though you might say it is a small number, has actually resulted in the loss of \$25 million to the Northern Territory from the Commonwealth Grants Commission? I am wondering why at the time, if you are mindful of the use for which your figures are used, when you were asked for these figures someone did not actually ask, 'September 2002 or rolling figures? Which is the best information to provide that would benefit the Northern Territory?' Does someone not make that assessment?

**Mr Trewin**—It is the people who use these numbers for their purposes who make the judgment on the best statistics to use. I think in many cases it is defined by law.

**Senator CROSSIN**—If you had used a rolling average, what would have been the figures you would have provided in a rolling average calculation?

**Mr Trewin**—It depends on what period you are averaging over.

**Senator CROSSIN**—One would assume you would take it from the last census data. That is your baseline, isn't it? Can you do a calculation of those and provide them to this committee?

**Mr Trewin**—We could, but I am not sure it would make a lot of sense, because as we go forward in time the census is going to be further away.

**Senator CROSSIN**—We are actually talking about a period between the 2001 census and when you were asked for this information, which I assume would have been around what time—early this year?

**Mr Trewin**—Yes.

**Senator CROSSIN**—I am asking you to do a calculation for me based on the rolling average.

**Mr Trewin**—We can do that.

**Senator CROSSIN**—Again, who makes a decision about whether you take a set point in time—September 2002 quarterly figures—or a rolling average? Who is responsible for choosing one or the other?

**Mr Trewin**—I think you will have to ask the Electoral Commission that, because I am not familiar with the ins and outs of their legislation. I am not sure whether precisely what figure they should use is prescribed or whether there is a judgment involved.

**Senator CROSSIN**—Don't they simply ask you for the latest figures that you have at hand?

**Mr Trewin**—Yes.

**Senator CROSSIN**—So who makes a decision about which latest figures you will give them?

**Mr Trewin**—I answer requests I get from the Electoral Commissioner.

**Senator CROSSIN**—But if that is to just provide them with the latest population statistics you have, what makes you decide to give them the rolling average figures or a September 2002 quarterly figure?

**Mr Corr**—I have looked into this. For every electoral determination that I have looked at, the determination is based on the latest available population for the latest available date. If you do a rolling average of, say, three quarters, four quarters or five quarters, that is not the latest available, because you are impacting on the latest quarter's data by the last three, four or five quarters.

**ACTING CHAIR**—I think the point she is making is that it should overcome seasonal movements, because there is a big seasonal movement in terms of population in the Northern Territory.

**Senator CROSSIN**—My understanding is that the Electoral Act and the Constitution simply state the latest statistics of the Commonwealth. That is all it says.

**Mr Corr**—Yes, and the latest available in February were September 2002 estimates.

**Senator CROSSIN**—Or they were the rolling average from the census figure in 2001.

**Mr Corr**—Well, that has not been specified in the act.

**Senator CROSSIN**—But the latest quarterly figures are not specified in the act either.

**Mr Williams**—If the Electoral Commissioner chooses to make that decision, I presume he could choose to use a rolling average. Historically—

**Senator CROSSIN**—He did not say the latest quarterly figures either, did he?

**Mr Williams**—No. Historically it has been the latest available, which is the latest point in time available. That has been the tradition now over many, many years—certainly as far back as we have been able to research it.

**Senator CROSSIN**—Is there any way in which that decision can be reviewed?

**Senator Ian Campbell**—Mr Acting Chair, it is actually a matter for the Electoral Commissioner. I do not think Senator Crossin is trying to do this, but I think it is a bit tough to

blame the ABS, who are responding to a request—as they do from a number of other agencies of government—to provide a figure. I think the parliament would be disturbed if the Australian Bureau of Statistics decided to use a range of different measures and pick the result that suited them. If it is the latest available statistic and that is what it has been traditionally, then that is what it should be.

As a government and as a parliament, if you use a rolling average for the Northern Territory, you would then have to go back and use a rolling average, no doubt, for all of the other states. That may change the distribution of seats across the whole nation. I know, for example, in Western Australia, we just snuck in under the requirements of the Electoral Act to make sure we retained our number of seats. I think, again, there were only a few hundred people in it. It may well be that WA's position was unchanged with a rolling average. But it is ultimately up to the Electoral Commissioner. If that person thinks that, under his or her act, they can ask the statistics bureau for a statistic and they determine that it is within their act to ask for a rolling average, then the ABS are not going to be concerned. They will provide it to them. Make a rolling average back for the last 10 years and see what that does.

**Senator CROSSIN**—With all due respect, Minister, the Electoral Commission do not ask for that. They simply ask for, in accordance with the wording of the Electoral Act, the latest statistics of the Commonwealth. It is actually the ABS who determine which latest statistics they will provide to the Australian Electoral Commission. What I am trying to determine is this: there were, I am assuming, two statistics available. Why did the ABS choose one and not the other?

**Mr Trewin**—I am going by memory here but I am pretty sure I was not just asked for the latest population estimates; I was asked for population estimates for a particular period.

**Senator CROSSIN**—If you could provide us with the letter that you received from the Electoral Commission, I would appreciate it.

**Mr Trewin**—We will do that.

**Senator Ian Campbell**—I have to say, though, I have a lot of sympathy with Senator Crossin's arguments. It is the Electoral Act we need to look at. The Bureau of Statistics said they are happy to provide whatever statistic the Electoral Commission wants. The same thing nearly happened in WA. We just got the seat of Hasluck in the last redistribution. It would be a very perverse outcome and an undesirable outcome to be given a new federal seat, as the Northern Territory was, and then have it taken away because the population fell by a couple of hundred.

**ACTING CHAIR**—Because of seasonal conditions?

**Senator Ian Campbell**—Particularly with the Northern Territory it is seasonal. I do not think Western Australia would be affected by that much. We have a much larger population and obviously any seasonality—

**ACTING CHAIR**—The Northern Territory has big seasonal movements.

**Senator Ian Campbell**—It does but if you have to write that into the Electoral Act it is a different thing. Seasonally, a lot of people move from Victoria up to Queensland and back again. What has happened means we should have a bit of a look at the Electoral Act. It is not

desirable to redraw a whole set of boundaries in a state like Western Australia to fit a new seat in and then literally a couple of years later have to take it back out again. It is not good for the representation of the people. It is an issue that needs to be addressed by the Special Minister of State, not by the Parliamentary Secretary to the Treasurer.

**Senator CROSSIN**—I have about eight pages to go so we will keep going with the questioning because I do not think the ABS are coming back. With all due respect, Minister, while what you say is right and the Electoral Act may well have to be changed, the issue is that there are very serious concerns about the accuracy of the figures collected in the Northern Territory by the ABS. That in turn has had implications in terms of the loss of one of the two Northern Territory federal seats and \$25 million going to the Northern Territory. When you are talking about Indigenous people and their needs, this is a substantial unfortunate circumstance for the Northern Territory. I wonder if Mr Trewin can explain it to me. I understand the method used to collect the census data in the remote Indigenous communities in the Northern Territory is totally separate from the general method. That is correct, isn't it?

**Mr Trewin**—Yes, it is.

**Senator CROSSIN**—I understand that process was intended to take a month but this ballooned out to three months. Is that correct?

**Mr Williams**—There were a couple of cases where we did take longer than the one month. There were a couple of communities where we did have some cultural and other issues that we had to address. Part of the reason that we undertake this special enumeration strategy is in fact to fit around the way Indigenous people live.

**Senator CROSSIN**—Can you provide me with a list of those communities where it took longer than a month, please?

**Mr Williams**—Yes, we can. We are happy to do that.

**Senator CROSSIN**—You would be aware that in 2001 the ABS was forced to increase the undercount in the community of Arakun in Queensland to 17 per cent when your own figures showed the undercount used in that state was eight per cent. Is that correct?

**Mr Williams**—Could you rephrase the question? Sorry.

**Senator CROSSIN**—The undercount in the community of Arakun in Queensland in 2001 was readjusted to 17 per cent when the total Indigenous undercount used in that state was eight per cent. Is that correct?

**Mr Williams**—The issue with Indigenous enumeration is, as Mr Trewin mentioned, that we know we have problems every census and we are prepared to adjust population when we have empirical evidence that these problems exist. Indeed, for 1996 there were 18 communities in Australia where we identified problems with the count. Some of them were in the Northern Territory. For the 2001 census our evaluations so far have indicated problems with three communities: two in Queensland and one in New South Wales. At this stage we have not found any in the Northern Territory which we believe we under-enumerated severely. We do make adjustments if we find that we have problems.

**Senator CROSSIN**—I do not have time to go into this with respect to Katherine West. I do, though, want to use a much smaller example: the audited records of Elko Island. That

island has a database of clients of 2,500. During my recent visit to Elko Island and four of its 20 out-stations I found that people on those out-stations do not remember seeing anyone at all connected to the census. Your census count showed a total of only 1,728. We know that your census also appears to have missed many visitors in the town camps of Alice Springs. Weren't these problems that were brought to your attention at the time?

**Mr Williams**—Firstly, I will address the comparison of administrative lists with population counts. Typically we find that in any community in Australia a list of people who are using a service does not necessarily represent the number of people who are usually resident in that community or indeed are in that community at census time. That phenomenon occurs in both Indigenous and non-Indigenous communities. Regarding the way we enumerate out-stations, we do attempt to visit out-stations but we do not get to them all. Where we know there is a small out-station we will enumerate that from information provided from the main community, but we do get to the larger out-stations. If there is a family or whatever out there, we will use the telephone or information provided by the community. One of the great features of our Indigenous enumeration strategy is the use of local people. I have been out there during enumeration and seen the sorts of checks we make, and the local people know who is there. The local people provide us with information about who is in the community and not in the community, and that provides a good check on our methods.

**Senator CROSSIN**—Do you acknowledge that the enumeration problems in the Alice Springs town camps reflected a lack of resources allocated to this task?

**Mr Williams**—The ABS undertook an evaluation of the enumeration there—it was in fact the ABS that set up the studies that led to that observation. The problem was not so much a lack of resources as the highly mobile nature of the population. The methodology we tried to use there was the methodology for a more settled community. We tried to use this methodology in a very highly volatile situation, and the report we received from the Centre for Aboriginal Economic Policy Research certainly indicated that there were problems there. One of the things the CAEPR study acknowledged was how quickly we adapted our methods as soon as we recognised that there were problems and we needed to adapt to the fairly difficult situations we experienced there. The CAEPR reports on the other two communities where we had observers both commented that the methodologies we used were sound and were the best possible methodologies they could think of for coming up with a count of the population. Part of the difficulty is generalising from a very difficult, unique situation to what was happening throughout the Northern Territory. Certainly we document those sorts of issues, and a publication will come out later this year which will do that fully.

**Senator CROSSIN**—Are there plans to include Indigenous people in remote communities in your post enumeration survey in the future?

**Mr Williams**—For 2006, we are looking at methods of trying to directly measure the quality of the count in Indigenous communities. There are reasons why we do not believe that a traditional post enumeration survey would work in remote Indigenous communities, but it does not mean that we are not looking at other methods. The problem is actually trying to achieve independence of the post enumeration survey from the census processes. Experience in countries where this independence has not been achieved—that is, you end up using the same collector for the census as you do for the post enumeration survey, which would be the

case in some of these communities—is that you end up with a very low measured under-enumeration rate. We do have some international experience that tells us that, if you are going to have a proper post enumeration survey, you would need to establish independence. We are looking at other methods of directly measuring. I doubt very much whether it will be a traditional post enumeration survey.

**Senator CROSSIN**—I might need to put quite a lot of questions on notice because we are running out of time. I do want to ask you: on what basis did you derive the size of the non-contact households in the Territory?

**Mr Williams**—The non-contact household only applies in urban situations; it does not apply—I want to emphasise this—in remote Indigenous communities. In remote Indigenous communities, where, for whatever reason, we do not get a census form back from a household, we will use local knowledge. Again, I want to emphasise that, in our remote Indigenous communities, we have got one collector for every 10 households, so it is very intensive. We will use the knowledge from the group of collectors that we have got in order to come up with an estimate of the population—

**Senator CROSSIN**—What you mean by a household in a remote community? Do you mean a house or a household?

**Mr Williams**—No, it is not necessarily a household. It is a group of people who are living together. That can be in a conventional house, in traditional dwellings or even camping out.

**Senator CROSSIN**—So, Mr Williams, you have got one for every 10. Is that what you said?

**Mr Williams**—One for every 10, yes.

**Senator CROSSIN**—So, in a place like Wadeye-Port Keats, where there are 2,500 Indigenous people, how many counters would you have had?

**Mr Williams**—We would have had something like 13 or 14 enumerators. Wadeye was one of those communities that you asked us earlier about that we did have problems with, but those would have been the numbers of local people we would have employed in a place like Wadeye. It would have been 14 or 15 people. We would probably have employed about two or three collectors to enumerate the same number if that had been an urban community.

**Senator CROSSIN**—When these people say, ‘Ten people might live in that house, but we think 22 live in that house,’ how accurate is that assumption?

**Mr Williams**—We need to separate what you call non-contact houses from the houses in which most people participate in the census. The collector does visit every household and tries to assert how many people are there. The census is collected by people visiting the households. It is not collected by people sitting around and making the data up.

**Senator CROSSIN**—But individual Indigenous people in a remote community do not fill out a form, do they?

**Mr Williams**—No, the—

**Senator CROSSIN**—It is collective data, isn't it?

**Mr Williams**—Individual people in mainstream Australia do not fill out a form. A form in mainstream Australia is delivered to the householder, who then completes it on behalf of all people in the household. The same method is used in Indigenous communities. The collector visits the household and questions the people who are present when the collector is visiting as to who lives in the household and the nature of that household.

**ACTING CHAIR**—The time being 7 o'clock, do you wish the witnesses to come back at 7.30 or do you want to put your questions on notice?

**Senator CROSSIN**—In order for you to get through your program, I think I will need to put the rest of my questions on notice.

**ACTING CHAIR**—The officers from the Bureau of Statistics are discharged. Thank you very much.

**Proceedings suspended from 7.00 p.m. to 7.35 p.m.**

**Australian Office of Financial Management**

**CHAIR**—I call to order this resumed hearing of the Senate Economics Legislation Committee considering the Treasury estimates. I welcome to the table Dr Henry, the Secretary to the Treasury, and officers from the Australian Office of Financial Management. My understanding of the program is that we will proceed this evening with the Australian Office of Financial Management and, when they are exhausted, go to Treasury outcome 1, but we may interpolate the Takeovers Panel, depending on—

**Senator CONROY**—I suspect we will have enough to go through to the end of the evening.

**CHAIR**—All right. Can we ask the secretary to excuse the Takeovers Panel and ask them to be here in the morning?

**Senator Ian Campbell**—I thought the Takeovers Panel was based in Melbourne.

**CHAIR**—They are, but they are stuck here anyway. Other than the Office of Financial Management, Senator Conroy, will you want the Treasury officers concerned in outcome 1 as well this evening?

**Senator CONROY**—Yes. I think we will get through AOFM and then we will move on to the Treasury.

**CHAIR**—All right. Anybody who is not in one of those categories can come back tomorrow morning at 9.00. Does anyone want to make an opening statement?

**Dr Henry**—No, thank you, Mr Chairman.

**Senator CONROY**—I wrote to you, Mr Comley, asking you to bring with you some specific details. Have you been able to compile them?

**Mr Comley**—I received a letter from you on 2 June—that is, earlier this week. Given the nature of the information, I sought to consult with the minister regarding the release of that information on the basis that we do not normally publish that information. I have yet to receive a response from the minister and therefore I am assuming that I will take the request for information on notice.