

Additional comments on NT Expenditure by the Australian Greens

The Australian Greens support the comments and recommendations of the Dissenting report from Coalition Senators

In addition, the Australian Greens believe that – given the dire state of expenditure on services and support for Indigenous communities in the Northern Territory, the very poor state of basic infrastructure they experience, and continuing significantly sub-standard outcomes on health, education and social services – more needs to be done to ensure that public monies distributed to the Northern Territory from GST revenue are spent more appropriately to achieve a basic standard of living for its citizens.

We appreciate the caution exhibited in the evidence presented to the inquiry by the Commonwealth Grants Commission in indicating that it adheres strictly to its terms of reference, provides a quantum of funding based on a formula that makes allowance for the extra cost of services to remote and Indigenous communities but delivers these monies as untied funding to the Territory. Nevertheless the Senate does not need to exercise the same constraint as the CGC in analysing and comparing its allocation and assessed expenditure figures to on-the-ground outcomes, and to commenting on Territory policy – to the contrary we believe it has an obligation to do so.

To this end we are disappointed with the approach taken in the majority report, particularly in the manner in which it relies on a level of uncertainty inherent in the assessed expenditure figures to discount a consistent and very significant ongoing gap in expenditure on Indigenous communities. Ultimately the assessed expenditure figures are reliant on data provided by the Territory against standardised ABS classifications. It is incredulous under these circumstances for the Territory to be arguing that its assessed expenditure under these classifications does not reflect its actual expenditure on its Indigenous people when it is unable to provide any additional data or analysis to show how the categories or assessment systematically distort the CGC figures.

Ultimately, whether or not the assessed expenditure figures match the Territory's actual or claimed expenditure on delivering services to its Indigenous citizens, we are still left with a clear situation in which there is a significant gap in outcomes for Indigenous communities and a significant gap in the level of government services they are provided with. The Commonwealth is distributing additional funds to them based on a formula to reflect as best as it can the actual costs of delivering these services which are not being reflected in improved outcomes. Under these circumstances, if the Territory wishes to claim it is in fact spending as much or more as is indicated in its GST allocation on delivering these services and yet is failing to achieve comparable levels of service delivery then it leaves itself open to the criticism that it is spending this money inefficiently and its policies are poorly directed.

The Commonwealth Treasurer sets the terms of reference under which the CGC allocates GST revenues to Territories and States and ultimately has the power to vary these terms of reference if for one reason or another they are failing to achieve an acceptable level of government service delivery for some of its citizens. While it is desirable for the Commonwealth to seek to give States and Territories as great a degree of autonomy as possible in how they spend untied GST funding, ultimately its responsibility for the welfare and human rights of its citizens is paramount.

If the Government believes that the funding formula currently used by the CGC does not accurately reflect the cost of delivering services to Indigenous communities, then it has a duty to definitively determine the level of funding required. If the Government believes that the manner in which it assesses expenditure to deliver these services does not reflect actual expenditure then it needs to fix its assessment process.

If ultimately it is convinced that the Territory Government does not have the capacity or the will to spend those monies nominally allocated to ensure the delivery of service to Indigenous communities, then perhaps it should look to an alternative means of delivering these services that allows it to specify real deliverables and measurable outcomes.



Senator Rachel Siewert