

## **RESPONSE TO LEGISLATIVE ASSEMBLY QUESTION 190 – NORTHERN TERRITORY FINANCIAL BENCHMARKS**

Mr Elferink to Treasurer

The Territory Government is part of the National Agreement struck by the Ministerial Council on Federal Financial Relations. Part of that Agreement anticipates performance reporting through National Minimum Data Sets:

*As part of the arrangement the, “Ministerial Council for Federal Financial Relations will maintain a register of the national minimum data sets required to allow comparative reporting of governments’ achievement against agreed objectives and outcomes. In undertaking this task, it will consult with other Ministerial Councils and data collection agencies.” -*

1. What are the details of the agreed benchmarks relevant to the Northern Territory.
2. What are the figures outlining the Northern Territory’s performance against those benchmarks.

### **Answer**

In December 2008, the Intergovernmental Agreement (IGA) on Federal Financial Relations was signed by the Council of Australian Governments (COAG). The IGA provides a new framework for governments to implement nationally important economic and social initiatives. It reflects a greater focus on accountability through reporting of performance against agreed policy objectives and outcomes.

Under the IGA, the Ministerial Council for Federal Financial Relations is responsible for the national performance reporting framework. A key aspect of the framework is the development of national minimum data sets to provide for the reporting of performance across agreed benchmarks, for all governments, on a consistent and comparable basis.

The IGA establishes National Agreements for six key areas of government services, including health, disability, education, skills and training, housing, and Indigenous disadvantage. A total of 154 performance benchmarks have been established across each of the six National Agreements.

The COAG Reform Council (CRC) is responsible for reporting government performance under the IGA. Baseline performance reports for the National Education Agreement and National Agreement for Skills and Workforce Development were released in November 2009, and those for the National Affordable Housing Agreement, National Health Agreement, National Disability Agreement and the National Indigenous Reform Agreement were released in June 2010.

The second tranche CRC reports for Education and Skills and Workforce Development are scheduled to be released in November 2010, with the remainder released in June 2011.

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For many of the performance indicators, the Territory performed below the benchmarks. This is predominantly attributed to the very high proportion of the Territory population in the most disadvantaged socio-economic groups and the impacts of remoteness.

Furthermore, the Territory is more frequently confronted by highly volatile and unreliable data sources, especially those derived from national data sets. This is due to small sample sizes; dispersed populations; exclusion of remote areas from many ABS surveys; and the very high degree of undercounting of Indigenous people in key data collections such as the Census of Population and Housing.

It is anticipated that over time CRC reports will demonstrate improvements in the Territory's performance over time, given the level of investment in government services by both the Territory and Commonwealth Governments, since the commencement of the IGA.

The baseline performance reports for each of the National Agreements are available on the CRC website: [www.coagreformcouncil.gov.au](http://www.coagreformcouncil.gov.au)