

CLOSE THE GAP

Position paper on the Federal Budget 2016

Context

Closing the gap in health equality between Aboriginal and Torres Strait Islander people and other Australians is an agreed national priority. The Campaign continues to grow each year with 220,000 pledges having been made from across the Australian community, committing to seeing the health outcomes gap close in this generation – by 2030.

The Close the Gap Campaign's 2016 *Progress and priorities report*¹ (the Executive Summary is contained in Appendix 1) outlines a number of recommendations for consideration by the Turnbull Government in its budgeting deliberations for 2016 and beyond.

Fundamentally, the budget should support Aboriginal Community Controlled Health Organisations to do more of what they do better than mainstream services – provide quality and culturally safe health services that effectively address the health needs of their communities. The Close the Gap Campaign welcomes the Prime Minister's words at the Closing the Gap report to Parliament in February this year where he said '***we have to stay the course on key policy priorities***² and that it is time for Governments to '***do things with Aboriginal people, not do things to***' Aboriginal people.

The Close the Gap Campaign, in this election year, also calls on all parties to commit to ensuring long-term, sustainable funding that allows for appropriate planning, implementation, monitoring and evaluation. The Campaign strongly endorses the Opposition Leader, the Hon Bill Shorten's view that '***You cannot cut your way to closing the gap.***³

The Government, with bipartisan support across Parliament, should prove its ongoing obligation to closing the gap by 2030 with a well-considered and appropriate budget commitment for the following priorities for Aboriginal and Torres Strait Islander Health.

Budget priorities

The Close the Gap Campaign believes that the Federal Budget 2016-17 should address the following:

1) Fund the Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan 2013-2023

The Government's *Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan 2013-2023* (the Implementation Plan) is capable of driving progress towards the provision of the best possible outcomes from investment in health and related services. The Close the Gap Campaign commends the partnership that Government made with Aboriginal and Torres Strait Islander health leaders, through the National Health Leadership Forum, in developing the Implementation Plan. The Implementation Plan is a major commitment by Government and the 2016 Budget must adequately resource its application and operation.

¹ Close the Gap Campaign 2016 Report - www.humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/publications/close-gap-progress

² Prime Minister Turnbull's Closing the Gap Parliamentary address - www.malcolmturnbull.com.au/media/speech-to-parliament-on-the-2016-closing-the-gap-report

³ Hon Bill Shorten's Closing the Gap Parliamentary reply speech - www.billshorten.com.au/close-the-gap-house-of-representatives

As such, the 2016 Federal Budget should:

- Ensure ongoing funding for an oversight committee whose function is to monitor results in order to continuously improve the quality, effectiveness and efficiency of the health services in the plan and accountable to both COAG and the National Health Leadership Forum;
- Fund the process required to develop the core services model and the associated workforce, infrastructure, information management and funding strategies based on the core services model; and
- Ensure Aboriginal and Torres Strait Islander health funding is maintained at least at current levels until the core services, workforce and funding work is finalised, with provision of a more considered view of funding requirements and issues.

2) Better support for Aboriginal Community Controlled Health Services (ACCHS)

The ACCHS sector provides inherent advantages for closing the gap. Firstly, its service model is the provision of comprehensive primary health care. This model of care is needed because of the higher levels and earlier age onset of illness, the much greater levels of comorbidity in Aboriginal and Torres Strait Islander people - and the need to address the fundamental determinants of health if the gap is to be closed. ACCHS were established because of the inability of mainstream services to deliver for Aboriginal and Torres Strait Islander people and have a critical role to play in closing the Gap.

Importantly, the available evidence clearly indicates that ACCHS compare favourably with mainstream services in terms of identifying risk and managing chronic disease, and therefore represent a better return on investment for the limited funds available.⁴

The ACCHS sector is a major employer of Aboriginal and Torres Strait Islander people at all levels. In many Aboriginal and Torres Strait Islander communities the ACCHS operates as the primary employer. A long term plan for building the capabilities of ACCHS is overdue.

Such a plan should target areas with relatively poor health outcomes and insufficient or inadequate services and take into account capital costs for infrastructure and workforce development needs. Much of this work will complement and feed into the operationalisation of the Government's Implementation Plan.

The Campaign calls on Government to provide greater surety of funding to enable ACCHS to enhance their capacity to undertake long term service and workforce planning. We know that sustainable, long-term services deliver the best health outcomes.

We further propose that ACCHS be treated as preferred providers for health services for Aboriginal and Torres Strait Islander people unless it can be shown that alternative arrangements can produce better outcomes in terms of quality of care and access to services.

We support the Prime Minister's call for partnership between government and Aboriginal and Torres Strait Islander people but for this to become a reality an under resourced NACCHO needs to have adequate resources for policy formulation, identifying service gaps and developing workforce and funding strategies – in partnership with the Department of Health.

⁴ MJA 200 (11) 16 June 2014 – Pgs: 649-652

3) Senate Inquiry into institutional racism in the health system (particularly in hospitals)

The Close the Gap Campaign calls on the Government *to instigate a 'national inquiry into racism and institutional racism in health care settings, and hospitals in particular, and its contribution to Aboriginal and Torres Strait Islander health inequality...'*⁵

The recent high-profile case of alleged institutional racism occurring in the Northern Territory once again highlights the need for the Government to actively determine the prevalence and impact of institutional racism within the health system.

The Government's Implementation Plan of the National Aboriginal and Torres Strait Islander Health Plan 2013-2023 has as its vision that:

'The Australian health system is free of racism and inequality and all Aboriginal and Torres Strait Islander people have access to health services that are effective, high quality, appropriate and affordable. Together with strategies to address social inequalities and determinants of health, this provides the necessary platform to realise health equality by 2031.'⁶

Identifying and addressing institutional racism in Australia's health system is critical to achieving health equality by 2030 and the Government needs to undertake an inquiry as a matter of urgency to fully understand the size of this issue and its implications for Aboriginal and Torres Strait Islander health.

The Close the Gap Campaign proposes that the Senate Select Committee on Health be tasked with undertaking this inquiry as a matter of priority in the second half of 2016.

4) Primary Health Networks (PHNs)

The Close the Gap Campaign notes that Aboriginal and Torres Strait Islander health is one of the six (6) key priorities for targeted work by the PHNs.

Although the PHNs are already operating, there is still very little information available as to how they are going to address the key priority of Aboriginal and Torres Strait Islander health. The 'Primary Health Networks: Grant Programme Guidelines'⁷ do not currently provide any detail on how they will work with existing Aboriginal Medical Services and how they will engage Aboriginal and Torres Strait Islander communities to identify and address health service gaps.

The Campaign is also concerned with the implications for funding and support for existing Aboriginal Medical Services with the PHNs being designated with funding to address mental health and other priority health services.

The Close the Gap Campaign calls on Government to introduce ***guidelines requiring formal agreements between the PHNs and Aboriginal Community Controlled Health Services on the delivery of primary health care to Aboriginal and Torres Strait Islander people to meet the aims of the National Aboriginal and Torres Strait Islander Health Plan (NATSIHIP).***

⁵ Close the Gap Campaign 2016 Report - www.humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/publications/close-gap-progress

⁶ Implementation Plan of NATSIHP - www.health.gov.au/natsihp

⁷ PHN Grant Programme Guidelines - http://www.health.gov.au/internet/main/publishing.nsf/Content/PHN-Program_Guidelines

5) Disability Targets and service support alongside the NDIS

In our 2016 Progress and Priorities Report, the Close the Gap Campaign called on COAG to introduce a target of Aboriginal and Torres Strait Islander people with disability as part of the Closing the Gap framework.⁸

Aboriginal and Torres Strait Islander Social Justice Commissioner, Mick Gooda, in his 2015 Social Justice Report noted the Productivity Commission's suggestion that 'data largely understates the extent of disability prevalence in Aboriginal and Torres Strait Islander communities.'⁹

There are issues around the high-levels of disadvantage, the remoteness and lack of services for many Aboriginal and Torres Strait Islander people, and the lack of cultural competence in the services that are delivered.

We expect that the National Disability Insurance Scheme (NDIS) will make a significant contribution to addressing many of the issues facing Aboriginal and Torres Strait Islander people with disability and the Close the Gap Campaign commends the ongoing support for the NDIS across Parliament.

The Close the Gap Campaign calls on Government to address the recommendations of the 2015 Social Justice Report (Recs 11, 12, 14, 15 and 16) and in particular that the Government ensures it understands the full extent of disability within the Aboriginal and Torres Strait Islander community and that it ensures the NDIS is accessible for Aboriginal and Torres Strait Islander people, regardless of their location. While Aboriginal and Torres Strait Islander people are only 3% of the population, they experience a disproportionate level of disability¹⁰ so funding for Aboriginal and Torres Strait Islander people within the NDIS must be directly proportionate to the population and the level of need.

6) Indigenous Advancement Strategy (IAS)

The recent Senate Finance and Public Administration Committee Report¹¹ into the Indigenous Advancement Strategy tendering processes highlighted significant problems with the IAS programme from application and tendering to grant selection and rollout.

The Close the Gap Campaign calls on Government to reinstate the \$534.4million over five years cut from the Indigenous Affairs budget through programme rationalisation. As noted in the Close the Gap Campaign's submission to the Senate Committee inquiry, we support the reduction of red tape and duplication. However, the lack of detail how these cuts will apply and their impact on services and health outcomes is an ongoing concern.

The Campaign notes that the first round of IAS funding has resulted in widespread distress in Aboriginal and Torres Strait Islander-controlled organisations for a variety of reasons:

- The IAS process marked a shift to a competitive tender process. Many organisations did not anticipate this and were not prepared for this change of direction. Many organisations did not have the capacity or the resources to put together the kind of application required by the tender process and felt that they lacked support during the process. In some cases at least,

⁸ Close the Gap Campaign 2016 Report - www.humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/publications/close-gap-progress

⁹ Social Justice and Native Title Report 2015 - www.humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/publications/social-justice-and-nati-1

¹⁰ AIHW Aboriginal and Torres Strait Islander Health Performance Framework Report 2014 - www.aihw.gov.au/

¹¹ Senate Report (March 2016) into IAS processes - www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/Commonwealth_Indigenous/Report

the organisations serving the greatest need, may be in a relatively weak position in a competitive tendering process.

- The impact of the competitive process is also uncertain, in particular, whether this process had a disproportionate negative impact on Aboriginal and Torres Strait Islander-controlled organisations. The publicly available list of organisations recommended for funding indicates that a large number of non-Indigenous organisations were successful.
- Questions remain whether the competitive process adequately considered a detailed understanding of community need as a critical criteria including: prioritisation of Aboriginal and Torres Strait Islander-controlled organisations and cultural competence as part of the selection criteria.
- Short term funding and ongoing uncertainty has negatively affecting recruitment and strategic planning.
- That the funding round will potentially result in services gaps.

The Campaign calls on the Government to work with Aboriginal and Torres Strait Islander peoples and their representative organisations to address the concerns detailed above and to properly engage in good faith.

7) Reverse Advocacy Funding Cuts

It has been reported¹² that the Government is systematically targeting community advocacy groups for funding cuts with up to \$1.5 billion having been cut over the last two budgets (\$500 million from Aboriginal and Torres Strait Islander programs alone).

For example, the National Congress of Australia's First Peoples (Congress) represents individual members and Aboriginal and Torres Strait Islander Community Controlled organisations and is therefore in a unique position to provide expertise and a representative voice to government. We believe their funding should be restored.

As has been noted by Congress, government funding of community advocacy and representative groups like Congress is essential if you want to have meaningful engagement with Aboriginal and Torres Strait Islander people in good faith.

The advocacy of Aboriginal and Torres Strait Islander health issues is a critical element for engagement with Government and needs to be addressed to ensure the ongoing sustainability of representative organisations such as Congress

¹² Sydney Morning Herald - www.smh.com.au/federal-politics/political-news/coalition-cuts-15bn-in-ngo-advocacy-funding-over-two-years-20160222-gn0blv.html

Appendix 1: Executive Summary of the Close the Gap Campaign's Progress and priorities report 2016

In his 2005 *Social Justice Report*, then Aboriginal and Torres Strait Islander Social Justice Commissioner Professor Tom Calma AO described the unacceptably wide health and life expectancy gap between Aboriginal and Torres Strait Islander peoples and non-Indigenous people in Australia and observed: 'It is not credible to suggest that one of the wealthiest nations in the world cannot solve a health crisis affecting less than 3 % of its citizens.'

The Commissioner then proposed a human rights-based approach to achieving Aboriginal and Torres Strait Islander health equality featuring equality-based planning and targets developed in partnerships between Aboriginal and Torres Strait Islander peoples and Australian governments.

The Commissioner's rallying cry led to the 2006 establishment of the Close the Gap Campaign under Aboriginal and Torres Strait Islander leadership. The aim of the Campaign is to achieve Aboriginal and Torres Strait Islander health equality (as measured by life expectancy equality) by 2030. For the past decade, almost every national Aboriginal and Torres Strait Islander health and health professional peak body, and general population health and health professional peak body has participated as members of Campaign Steering Committee (see page 42).

Further, the Close the Gap Campaign has enjoyed bipartisan government support at Commonwealth, state and territory levels. First by the 2008 commitment by a majority of jurisdictions of the *Close the Gap Statement of Intent*; and second by the ensuing national commitment by all Australian Governments through COAG to achieving Aboriginal and Torres Strait Islander life expectancy equality by 2030 in the COAG *Closing the Gap Strategy* that became operational in July 2009.

As reported in the 2015 *Progress and Priorities Report*, there is still tremendous effort and resources needed if Aboriginal and Torres Strait Islander life expectancy equality is to be achieved by 2030. As this and previous reports detail, progress against this headline indicator of population health has been difficult to measure but appears to have been minimal. While there is some good news to report, improvements are yet to be reported at this high level. Both absolute and relative gains are needed in future years.

For those who are troubled by the slow pace of change, the Close the Gap Campaign counsels against the perception that the *Closing the Gap Strategy* is ineffective. In fact, the 2010–2012 life expectancy estimate should be considered as the July 2009 Aboriginal and Torres Strait Islander life expectancy baseline—the situation *before* the July 2009 commencement of the *Closing the Gap Strategy*—against which future progress can be measured.

Because of the lead times between the design and roll out of programs, and for improvements to be measured, analysed and reported, the Campaign Steering Committee counsels that improvements to Aboriginal and Torres Strait Islander life expectancy should not be expected to be measurable until at least 2018.

Nonetheless, there are reasons for optimism, particularly in terms of health inputs including the significant increases to the number of health checks being reported, and the increased access to medicines. And there are improvements in infant and child health outcomes that bode well for the health of the future adult population.

But whatever cautious optimism the Campaign Steering Committee might have, the ten-year anniversary of the Close the Gap Campaign in 2016 is not a time to rest. In particular, the 2015 launch of the *Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan (2013–2023)* (Implementation Plan) should reinvigorate and refocus efforts to close the health gap,

through the Implementation Plan's attention on identifying core service models and service gaps, workforce requirements and funding mechanisms, reducing racism and on the importance of culture to improved health outcomes.

This year, the Australian Government must provide appropriate funding for the Implementation Plan in the 2016 Federal Budget. Specifically, there needs to be an overall increase in resources directed towards Aboriginal and Torres Strait Islander health—in proportion to population size, service need and demand. This is critical given the *National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes* expired in 2014 and funding under that agreement discontinued.

The Campaign Steering Committee also believes it is critical that there is clear nationally coordinated action that is agreed to by all levels of government to drive efforts that closes the health gap. This should include actions taken under the Implementation Plan and the planning efforts of the Primary Health Networks (PHNs) that began operation in July 2015. Both the PHNs and the Implementation Plan should support the Campaign's preferred model for health services—Aboriginal Community Controlled Health Organisations. The Campaign Steering Committee will monitor the effectiveness of PHNs, and the progress of work under the Implementation Plan in these areas in 2016.

Another area of concern for the Campaign Steering Committee is the impact of the *Indigenous Advancement Strategy* (IAS) on the social determinants of health. The Campaign Steering Committee believes that the IAS should be nationally coordinated along with state and territory governments, and demonstrate how it will contribute to achieving the close the gap targets.

As the Campaign readies to mark its tenth anniversary in 2016, Australians are, in ever increasing numbers, demanding decisive action to support achieving Aboriginal and Torres Strait Islander health equality by 2030. In 2015, the 200,000th Australian signed the 'Close the Gap' pledge. In 2015, nearly 1,600 community events across the country involving over 150,000 Australians marked the National Close the Gap Day. It's clear that this generation of Australians want to see their governments make good on the commitments made in 2008.

The message from the Close the Gap Campaign is clear. Aboriginal and Torres Strait Islander health inequality is an issue of growing national concern. We can and want to be the generation that closes the gap but we must stay the course and keep our attention and resources focused on this goal. The health gap has rightfully been described as a stain on our nation, and this generation has the opportunity and responsibility to remove it.

Recommendations

2016 Federal Election

That each political party prior to the 2016 Federal Election, commit to:

- Make Aboriginal and Torres Strait Islander health and wellbeing a major priority for their election policy platforms, and fund the *Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan (2013–2023)* until it expires in 2023.
- An additional COAG Closing the Gap Target to reduce imprisonment rates and increase community safety.
- Working with COAG to introduce a target for Aboriginal and Torres Strait Islander people with disability as part of the Closing the Gap framework. The Australian Government should introduce this target in conjunction with the Disability Recommendations 11, 12, 14, 15 and 16 of the Aboriginal and Torres Strait Islander Social Justice Commissioner's *Social Justice and Native Title Report 2015*.

Implementation Plan for the National Aboriginal and Torres Health Plan

That through the *Implementation Plan for the National Aboriginal and Torres Health Plan*, appropriate core health service models and associated workforce and funding arrangements are urgently developed to meet Aboriginal and Torres Strait Islander health needs on a national, regional and community level, and immediate priority be directed towards regions with relatively poor health and inadequate levels of service.

That Aboriginal Community Controlled Health Services (ACCHOs) should be the preferred model for investment in primary health care services for Aboriginal and Torres Strait Islander communities and that the planning activities of the Primary Health Networks include partnership and service delivery arrangements through and by the ACCHOs.

Previous Report

That the Australian Government address the Campaign's 2015 *Progress and Priorities Report* Recommendations (see Appendix 1).

Institutional racism in the health system

That a national inquiry into racism and institutional racism in health care settings, and hospitals in particular, and its contribution to Aboriginal and Torres Strait Islander health inequality, is undertaken by the Senate Select Committee on Health.

Indigenous Advancement Strategy

That the Recommendations of the Close the Gap Campaign Steering Committee to the 2015 Senate Finance and Public Administration References Committee Inquiry into the impact of the IAS tendering process are implemented as a priority.