



Government of **Western Australia**
Department of **Treasury and Finance**



Western Australian Aboriginal Expenditure Review 2023-24



Acknowledgement of Country

This report was prepared by the Western Australian Department of Treasury and Finance (DTF) on the traditional lands of the Whadjuk people of the Noongar Nation.

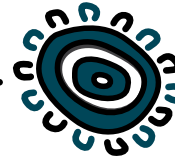
DTF acknowledges and pays tribute to the Traditional Custodians of country throughout Western Australia and their continuing connections to land, sea, sky, and community.

We pay respect to all members of Western Australia's Aboriginal communities and their cultures, and to Elders past and present.

We acknowledge the strength and stewardship of Aboriginal people in sustaining the world's oldest living culture and value the contribution Aboriginal people make to Western Australia's communities and economies.

We recognise our responsibility as an organisation to work with Aboriginal people, families, communities, and organisations to make a difference and to deliver improved economic, social, and cultural outcomes for Aboriginal people.

We reflect on the impact of government policies and practices and acknowledge the important work of this Aboriginal Expenditure Review in making progress towards genuine partnership and shared decision-making between government and Aboriginal people and communities.



A note about language

In this report, in line with the Western Australian Aboriginal Empowerment Strategy, the term Aboriginal people is used in place of 'Indigenous' or 'Aboriginal and Torres Strait Islander' people, in recognition that Aboriginal people are the original inhabitants of Western Australia.

We refer to both Aboriginal and Torres Strait Islander peoples, for example, when discussing national-level policies and themes. Together, Aboriginal people and Torres Strait Islander people make up the First Nations of Australia.

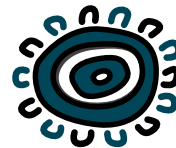
This report is primarily about Aboriginal people in Western Australia (including Aboriginal people who also identify as Torres Strait Islander people). We respectfully recognise the valuable contributions of Torres Strait Islander people to Western Australia's society, economy, and communities. A glossary of terms is included in this report.

Design acknowledgement

The design used within this document was created by Kathleen Musulin, a proud Malgana Yawuru woman from the Gascoyne region, who works within the Department of Treasury and Finance's (DTF) Aboriginal Affairs Coordination Unit.

The design is a visual representation of DTF's journey working with and alongside Aboriginal people, communities, and other government agencies, to create meaningful connections to country and communities.

Central to the design are the relationships we develop along the way based on building trust, respecting culture, and working transparently to improve outcomes with and for communities in Western Australia.



The circles represent DTF listening and working together with Aboriginal communities.



The lines and dots represent walking together.



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Under Treasurer's foreword

It is my privilege to introduce Western Australia's second Aboriginal Expenditure Review.

The first Aboriginal Expenditure Review was a significant step towards meeting our State's commitment to the National Agreement. This review reaffirms the WA Government's intention to support access to data (Priority Reform 4) and participation in shared decision making (Priority Reform 1).

Data sharing is central to empowering Aboriginal people and communities. The Aboriginal Expenditure Review seeks to build greater transparency, and to support informed decisions that deliver positive outcomes for Aboriginal people.

This second review continues to focus on the involvement of Aboriginal organisations in delivering programs and services. Aboriginal involvement underpins decisions and investments that are culturally informed, and that effectively target the needs and priorities of Aboriginal people and communities.

While DTF coordinates the Aboriginal Expenditure Review, each review represents the collective efforts of both agencies and Aboriginal organisations across the State.

DTF recognises in particular the work of the Aboriginal Advisory Council of Western Australia (AACWA), the Aboriginal Health Council of Western Australia (AHCWA), and the Council of Aboriginal Services Western Australia (CASWA). Each of these organisations provided invaluable input and advice in shaping the inaugural Aboriginal Expenditure Review, which also forms the basis of this second report. DTF looks forward to working in partnership with Aboriginal organisations on future reports.

Providing expert financial advice to the Government is central to DTF's role. This work seeks to promote the wellbeing of all people in our State, including the wellbeing of Aboriginal people through the ongoing delivery of the Aboriginal Expenditure Review.

I thank all those who have contributed their time, advice, and efforts to support DTF in delivering this report.

A handwritten signature in black ink, reading "Joann Wilkie". The signature is written in a cursive style and is positioned above the printed name and title.

Joann Wilkie
BEcons (Hons), MCP, MPP, GAICD
Under Treasurer

Executive summary

About the Aboriginal Expenditure Review

Western Australia's annual Aboriginal Expenditure Review (AER) was established as part of the State's commitment to the National Agreement on Closing the Gap (the National Agreement).

The inaugural AER, released in 2022-23, was developed by DTF (then the Department of Treasury) in consultation with the Aboriginal Advisory Council of Western Australia (AACWA) and the Aboriginal Health Council of Western Australia (AHCWA).

DTF recognises the value of this initial input and is committed to engaging again with Aboriginal stakeholders in the production of future AER reports to increase their utility to both Aboriginal people and the public sector.

Where does the AER data come from?

In producing this second AER, the DTF asked 23 agencies to provide expenditure data on programs and services used by Aboriginal Western Australians.

This data included information about whether Aboriginal organisations were involved in the delivery of programs and services, the delivery location, and – where possible – alignment with specific Closing the Gap outcomes.

What types of expenditure are included?

Most of the data presented in this AER relates to expenditure on programs and services for, or predominantly used by, Aboriginal people. This is referred to as 'direct Aboriginal expenditure'.

This year's AER also includes case studies on the proportion of general service expenditure that relates to the use of mainstream programs and services by Aboriginal people. This will be a key area for exploration in future AER reports.

What were the key findings in 2022-23?

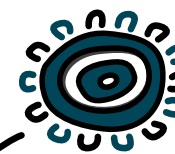
Overall, direct Aboriginal expenditure increased by 22.8% between 2021-22 and 2022-23 to a total of \$759.4 million and is budgeted to increase by a further 34.4% in 2023-24.

This year's AER shows that Aboriginal organisations were involved in 53.2% of direct Aboriginal expenditure, where they were either one of several parties involved or were the sole provider of a program or service.

Six agencies accounted for 80% of direct Aboriginal expenditure, being the Department of Communities, WA Health, Departments of Education; Justice; and Biodiversity, Conservation and Attractions; and the Mental Health Commission.

The Department of Communities continues to have the highest total direct Aboriginal expenditure at \$208.9 million in 2022-23, followed by WA Health at \$127.6 million.

Significant reforms of the arrangement provision of power and water to remote Aboriginal communities were reflected in expenditure changes throughout the report. Responsibility and funding moved from the Department of Communities to the Water Corporation and Horizon Power.



This change was not only evident in expenditure specific to remote Aboriginal communities, but also in total direct Aboriginal expenditure by agency, and by agency with Aboriginal involvement in program and service delivery. On a regional basis, the Perth and Peel regions accounted for \$140.1 million of direct Aboriginal expenditure, reflecting the total number of Aboriginal people living in the Perth metropolitan area.

Expenditure was also relatively high in the Kimberley (\$192.2 million), Goldfields (\$79.4 million), and Pilbara (\$79.4 million), with these three regions also having the highest proportion of Aboriginal involvement in expenditure.

The two Closing the Gap outcomes with the highest reported direct Aboriginal expenditure in 2022-23 were 'Long and healthy lives' (Outcome 1), and Housing (Essential Services) (Outcomes 9b).

These were also the outcomes with the highest overall expenditure by Aboriginal involvement in program and service delivery.

What lessons can we learn from this year's AER?

Robust and timely evaluation is critical to improving AER reporting, and to the effective delivery of programs and services.

Without evaluation, expenditure figures alone cannot provide the whole story when it comes to understanding whether investment is driving meaningful change. Agencies lack the information needed to redirect funding from programs that have minimal impact, or worse, inadvertently cause harm.

Improvements to the ways in which agencies collect and use service data is critical to ensuring that funding goes to programs and services that make the greatest impact for Aboriginal people and communities.

Recent reforms to public sector data sharing point to continuing improvement in this space, which will both improve service planning, delivery, and evaluation, and uplift the quality of information provided in future AER reports.

What are the next steps?

DTF is committed to the continuous improvement of AER reporting.

In the next AER and subsequent iterations, DTF intends to move beyond a focus on transparency, and to apply an 'opportunities' lens to the AER data, using it to highlight potential avenues that agencies, peak bodies, and Aboriginal Community-Controlled Organisations (ACCOs) can explore to ensure investment translates to meaningful change for Aboriginal people and communities in Western Australia.

DTF will also continue to work with agencies to improve the quality and level of detail in AER reporting data, and explore opportunities to increase the AER's alignment with the whole-of-government policies and strategies that seek to deliver positive outcomes for Aboriginal people in Western Australia.

Key insights from this Aboriginal Expenditure Review

\$759.4m total direct Aboriginal expenditure

22.8% increase in total direct Aboriginal expenditure from previous year



403 programs for, or predominantly used by, Aboriginal people in 2022-23

182 programs that were delivered wholly or in part by Aboriginal organisations

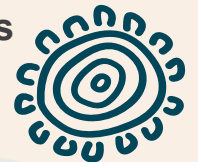


Increase in number of these programs from previous year: **20**

Expenditure on these programs: **\$403.5m**

Increase in expenditure on these programs from previous year: **\$61.1m**

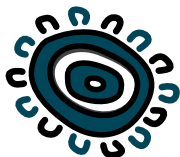
% of total programs that these programs represent: **53.2%**



Agencies with the highest expenditure

\$208.9m Department of Communities

\$127.6m Department of Health



Introduction

What is the AER?

The AER is an annual overview of WA Government spending on programs for, or predominantly accessed by, Aboriginal people.

The Government released Western Australia's first AER in 2023, as a step towards meeting the State's commitment to the National Agreement on Closing the Gap (the National Agreement).

This report presents the findings of the State's second AER.

How does the AER relate to Closing the Gap?

The AER is a response to Western Australia's commitment to report on current spending on Aboriginal programs and services, and to identify opportunities to reprioritise funding to Aboriginal organisations, particularly ACCOs, under Clause 113 of the National Agreement.

The National Agreement was made between Australian governments and Aboriginal people to work together in full and genuine partnership to achieve improved outcomes for Aboriginal people and communities. This recognises that obtaining positive outcomes for Aboriginal people requires self-determination and partnership.¹

The National Agreement outlines four Priority Reforms. These reforms aim to change the way government work with Aboriginal people, driving progress towards 19 socio-economic targets across areas that have an impact on life outcomes for Aboriginal people. The AER supports each of these Priority Reforms, helping foster partnerships, grow the community-controlled sector, and build accountability through better information-sharing.

¹ Australian Human Rights Commission (2023).





Closing the Gap Priority Reforms



Priority Reform One

Formal partnerships and shared decision-making:

Committing to shared decision-making with Aboriginal people and organisations.



Priority Reform Two

Building the community-controlled sector:

Identifying current funding to the State's ACCO sector and exploring opportunities for the reprioritisation of current funding to ACCOs.



Priority Reform Three

Transforming government organisations:

Transforming government systems to be culturally safe, free from racism, and accountable to Aboriginal people, ensuring programs and services are designed and delivered in partnership that recognises community strengths and self-determination.

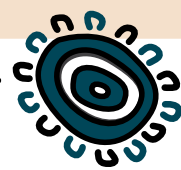


Priority Reform Four

Shared access to data and information at a regional level:

Ensuring that Aboriginal people and organisations have continued and transparent access to data and information (including disaggregated data where available) on the Government's funding of programs and services for Aboriginal people and communities.





Why is the AER important?

The AER is an important step in ensuring that Government funding decisions are responsive to the needs and goals of Aboriginal people and communities.

The AER seeks to reduce the boundaries between government and Aboriginal people and organisations about how much is invested into programs and services, and where this investment could be reprioritised to Aboriginal organisations and ACCOs.

It fills a long-standing gap in processes to capture and report Aboriginal expenditure data across Western Australia. This data can be used to improve investment decisions, providing greater transparency, support for evidence-based decision-making, and a whole-of-sector perspective.

Annual AERs will build enduring dataset that tracks government spending on programs and services for Aboriginal people over time and provides greater insight into the relationship between government spending, and progress towards Closing the Gap targets.

Government agencies can use this growing body of AER data to improve service deliver and resource allocation, particularly when investing funds into programs and services that directly impact Aboriginal people.

Aboriginal Western Australians can draw on AER findings to inform discussions with government on spending on programs and services for Aboriginal people and communities, and in whether investment has been effective in meeting local needs.

As emphasised in the recent Aboriginal and Torres Strait Islander-led review of Closing the Gap, shared data supports shared decision making with Aboriginal people and communities, underpinning informed advocacy and evidence-based policy engagement.²

² Jumbunna Institute for Indigenous Education and Research, UTS. (2025).

³ Productivity Commission (2024b).

The Productivity Commission's 2024 Review of the National Agreement on Closing the Gap report shows that most States and Territories have not undertaken or not published expenditure reviews to identify opportunities for the reprioritisation of services to Aboriginal organisations and ACCOs.³

In contrast, the WA Government has committed to publishing an annual AER to support efforts to close the gap and contribute to the implementation of the Priority Reform areas under the National Agreement.

This information can be used by Aboriginal people, communities, organisations, the Government and the broader Western Australian community.

Interpreting the findings

This section provides readers with the information needed to understand and interpret the AER findings. It explains the period covered by the review, how the information has been collected, and how the definition of 'Aboriginal expenditure' has been applied.

It also includes a spotlight on Native Title expenditure that explores some of the financial aspects of Native Title, and provides examples of the types of Native Title-related costs are included in the AER figures.

Period covered by this review

The reporting year in focus for this AER is the 2022-23 financial year, spanning 1 July 2022 to 30 June 2023.

Agencies were asked to provide information about money spent in 2021-22 and 2022-23 (referred to as actual expenditure), and about budgeted expenditure for 2023-24.

How the information was collected

For this report, 23 agencies were asked to submit expenditure data on programs and services primarily accessed by, or designed for, Aboriginal people.

The collection method was the same as that used for the previous AER, which was itself modelled on the Productivity Commission's Indigenous Expenditure Reviews⁴, with agencies supplying the data via a manual entry form.

Agencies were also asked to provide information on the type of organisation that delivered the program or service funded by the Aboriginal expenditure, where it was delivered, its alignment with Closing the Gap outcomes, and the end-date for funding.

⁴ Productivity Commission (2017).

During information collection, agencies had an opportunity to review the expenditure classifications used for the first AER, and in some cases were able to make a more accurate classification (for instance, where expenditure was reported as Aboriginal-predominant expenditure for the 2022-23 AER, but has more accurately been reclassified as general expenditure for this AER). This means that 2021-22 figures in this report may not align exactly with those in the 2022-23 AER report, due to these updated classifications being applied to prior year data.

What is meant by Aboriginal expenditure?

In the AER, the term expenditure refers to money the Government has spent on, or has budgeted for, programs and services for Aboriginal people and communities. The AER classifies expenditure in one of three ways:

- **Aboriginal-specific expenditure** – Money spent on programs and services that are specifically designed to improve outcomes for Aboriginal people and communities. For example, the Aboriginal Social and Emotional Wellbeing Program is delivered by ACCOs and provides mental health support in five communities to service Aboriginal people and families. Accordingly, the money spent on this program is classified as Aboriginal-specific expenditure.
- **Aboriginal-predominant expenditure** – Money spent on programs and services that are not specifically targeted to Aboriginal people, but where a large amount of service users are, or are expected to be, Aboriginal. For example, the Kununurra, Halls Creek and Balgo Subsidised Public Air Service, funded by the Department of Transport, is considered Aboriginal-predominant as it provides air services between Kununurra, Halls Creek and Balgo. While the service is not specifically designed for Aboriginal people, it is predominantly used by Aboriginal people within these locations.

- **General service expenditure** – Government money spent on services available to all Western Australians (sometimes referred to as ‘universal’ or ‘mainstream’ programs and services). While many Western Australian agencies do not yet have the ability to provide a measure of general service expenditure attributable to Aboriginal people and communities, the Departments of Communities; Education and WA Health do capture this information. This is explored in the General service expenditure section in the following section.

As with the previous AER, this section review focuses largely on Aboriginal-specific and Aboriginal-predominant expenditure. Together, these two areas make up what is referred to in the report as ‘direct expenditure’ on programs and services for Aboriginal people and communities in Western Australia.

The AER in context

The AER findings are most meaningful when understood in the context of the Western Australian Aboriginal population, and in relation to the whole-of-government strategic initiatives that inform investment and service deliver at an agency level.

This section provides a snapshot of the demographic characteristics of Aboriginal people in Western Australia, and of the overarching strategies that currently shape expenditure decisions.

Aboriginal people in Western Australia

The population of Aboriginal people in Western Australia is growing, with an estimated 19% increase or almost 20,000 people in the ten years between 2011 and 2021.

The median age of Aboriginal people is lower than that of the non-Aboriginal population. In 2021, the median age for Aboriginal people in Western Australia was 24.5 years, while the median age for non-Aboriginal people was 38.1 years.

Table 1: Estimated Aboriginal population in WA^a

	2011	2016	2021
Estimated number of Aboriginal people in WA	101,074	111,075	120,006
Percentage of total estimated WA population	4%	4%	4.4%
Median age of Aboriginal people in WA	22.4	23.3	24.5
Median age of non-Aboriginal people WA	36.8	36.3	38.1

^a Australian Bureau of Statistics (2013); Australian Bureau of Statistics (2018); Australian Bureau of Statistics (2023a).





Western Australia is the largest State or Territory in Australia and makes up one-third of Australia’s total land mass. Compared to other States and Territories, most of the land area in Western Australia is considered remote.

The State’s size and the distribution of its population can make the delivery of government programs and services complex, and this has a disproportionate effect on Aboriginal people living in some of Western Australia’s remote communities.

This underscores both the challenge and the importance of investing effectively to ensure that Aboriginal people and communities across the State can access what they need to live happy and healthy lives, and retain close ties to their cultures.

Table 2: Aboriginal population by remoteness (2021)^a

	Major cities (WA)	Regional (inner and outer regional)	Remote (remote and very remote)	State (total)
Estimated number of Aboriginal people	54,886	25,291	39,829	120,006
Percentage of estimated WA Aboriginal population	45.7%	21.1%	33.2%	100%
Estimated number of non-Aboriginal people	2,106,927	404,908	117,524	2,629,359
Percentage of estimated WA non-Aboriginal population	80.1%	15.4%	4.5%	100%

^a Australian Bureau of Statistics (2023a); Australian Bureau of Statistics (2023b).

The population of Aboriginal people in Western Australia is more geographically spread than the non-Aboriginal population, with the majority (54.3%) of Aboriginal people living in regional or remote areas compared to around 20% of the non-Aboriginal population (Table 2).

A third of WA’s Aboriginal population live in remote or very remote areas, which includes over 200 remote Aboriginal communities, many of which were established by Traditional Owners on-Country, with another 37 town-based communities.⁵

⁵ Government of Western Australia (2023).

Whole-of-government strategies

The AER sits alongside a range of whole-of-government strategies that seek to support improved outcomes for Aboriginal people and communities. The expenditure presented in this report is in part the product of service design, delivery, and funding decisions that have been informed and shaped by these strategies.

The **Aboriginal Empowerment Strategy** provides a broad framework for Government policies, initiatives, plans and programs aimed at improving outcomes for Aboriginal people.⁶ It seeks to establish a future in which all Aboriginal people, families and communities are empowered to live good lives and choose their own future from a secure foundation. Created in collaboration with AACWA, it also outlines the Government's approach to fulfilling its Closing the Gap obligations.

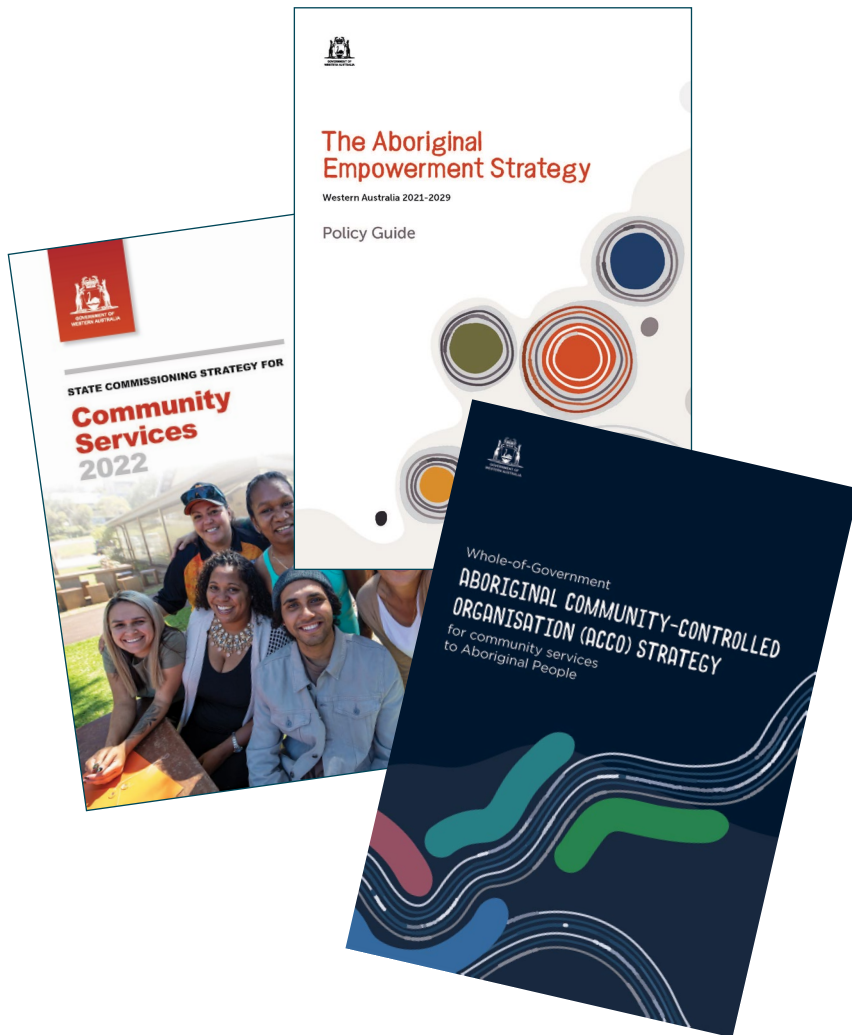
The **Whole-of-Government ACCO Strategy** seeks to strengthen the role and capacity of ACCOs in the delivery of programs and services to Aboriginal people and communities. The strategy is part of the Government's broader commitment to improving outcomes for Aboriginal people by empowering Aboriginal-led solutions and pursuing Closing the Gap outcomes and Priority Reforms. The strategy aims to ensure that Aboriginal people in Western Australia have access to place-based, Aboriginal community-led, culturally responsive and secure community services that are planned, designed and delivered by strong and sustainable ACCOs.⁷

The **State Commissioning Strategy** aims to deliver greater cohesion between Government agencies, service providers, peak bodies, consumer advocates and program and service users to ensure everyone has access to the services they need to be well-supported and live healthy and fulfilled lives. It outlines how the WA Government can best continue to deliver these important services into the future by working collaboratively across sectors to meet the changing needs of people and communities.⁸

⁶ Department of the Premier and Cabinet (2021).

⁷ Government of Western Australia (2024).

⁸ Department of Finance (2022).



Expenditure beyond the scope of the AER

The AER is not an exhaustive list of all expenditure that seeks to improve outcomes for Aboriginal people in Western Australia. As mentioned in the Spotlight: Native Title section, Native Title compensation payments are excluded from the AER. This section highlights several other types of expenditure that are noteworthy but fall outside the scope of this AER.

Expenditure by the Commonwealth without State involvement

The AER does not report on expenditure in Western Australia that is made directly by the Commonwealth or local governments, where the WA Government has not played a role in delivery.

Lotterywest grants program

The AER only reports on spending that is funded by a government appropriation to a government agency to provide programs or services.

Lotterywest is a government statutory authority, which distributes grant funding to community groups through the Community Grants Program. The distribution of grants to community organisations falls outside the scope of expenditure tracked by the AER.

Nevertheless, it is worth noting that Lotterywest grants often fund organisations that seek to improve outcomes for Aboriginal people. In 2022-23 Lotterywest awarded \$24 million across 54 grants for projects and initiatives to support Aboriginal people across Western Australia. These grants were awarded to 48 organisations (including Aboriginal organisations and ACCOs) with the value of grants ranging from approximately \$15,000 to just under \$3 million.

Aboriginal Procurement Policy

The Aboriginal Procurement Policy (APP) was implemented in 2018 and mandates progressive targets for the awarding of contracts to Aboriginal businesses by Government agencies. Since 1 December 2023, contracts awarded to Aboriginal organisations and ACCOs also contribute to an agency's target.⁹ The value of these contracts awarded to Aboriginal businesses under the APP are not included in the AER figures.

In 2022-23, government entities awarded 6.9% of contracts to Aboriginal organisations, exceeding the target of 3.5%. The total value of contracts awarded was over \$254 million, with the majority relating to works (\$193 million), goods and services (\$51 million), and community services (\$9 million). Over \$130 million in contracts was awarded to Aboriginal organisations located in the regions.¹⁰

A total of 167 Aboriginal businesses were engaged across 356 contracts in 2022-23, increasing from 119 Aboriginal businesses and 262 contracts in the previous period.¹¹

⁹ Note that APP contracting data is based on an award value for work that may span several years. This means that it is not directly comparable to AER data, in that these headline figures do not represent an amount spent in a single period.

¹⁰ Department of Finance (2023).

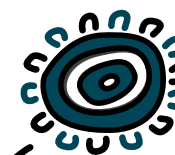
¹¹ Department of Finance (2023).

Spotlight: Native Title Expenditure

Native Title is the recognition that Aboriginal and Torres Strait Islander people have rights in land and waters according to their traditional laws and customs. More so than any other State or Territory, Western Australia carries significant responsibilities and interests of Native Title, with over 90% of its land mass subject to a Native Title determination.

Components of Native Title Settlements between the Government and Native Title holders vary between settlements, but they can include both monetary compensation and commitments from government to work with Native Title holders to work towards achieving positive outcomes.

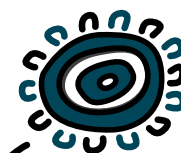
Native Title monetary compensation (payments and financial transfers) is excluded from the AER. However, some funding to Native Title holders to establish programs and services relevant to an agreement is captured in the AER. For instance, the Department of Water and Environmental Regulation funds a strategic water reserve and a water monitoring training program to assist Native Title holders in becoming qualified water monitors and ensuring their continued access to water resources.



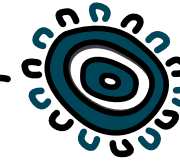
Aboriginal Expenditure Review findings

The AER findings in this section focus largely on direct Aboriginal expenditure, disaggregating this by Aboriginal involvement in expenditure, agency, location, and Closing the Gap outcome.

Beyond direct expenditure, this section also presents spotlights on Western Australia's Remote Communities Fund, and general service expenditure by the Departments of Communities, Education and WA Health. It also examines the extent to which programs and services funded by Aboriginal expenditure are subject to evaluation – an essential step for understanding whether investment has delivered meaningful outcomes for Aboriginal people and communities.



Overview of direct Aboriginal expenditure



Key points

- Direct Aboriginal expenditure increased by 28.8% between 2021-22 and 2022-23 to a total of \$759.4 million and is budgeted to increase by a further 34.4% in 2023-24.
- The increase is largely attributable to new expenditure on programs delivered under the Remote Communities Fund, and to increased activity in existing programs.

In 2022-23, the Government spent \$759.4 million (representing approximately 2% of total government expenditure) on 403 programs specifically for, or used predominantly by, Aboriginal people and communities. This is a 22.8% increase from the \$618 million reported in 2021-22.¹²

In 2023-24, direct Aboriginal expenditure is budgeted to increase by 34.4% to \$1.02 billion, representing the equivalent of 2.6% of total government expenditure.¹³ Total general government expenses are predicted to grow by 9% over the same period.

The higher rate of increase for general government expenditure should be interpreted in context: Aboriginal people are also users of mainstream services, and have higher rates of service use for some health and community services than other user groups.

The major contributors to the annual increase in expenditure are projects delivered under the Remote Communities Fund (see the *Spotlight: The Remote Communities Fund* section of this report), and increased activity in existing programs.

Existing programs that have seen significant increases in expenditure include programs supporting the implementation of land-related components of Native Title Settlements, divestment of the Aboriginal Lands Trust Estate, and Indigenous Land Use Agreements (delivered by the Department of Planning, Lands and Heritage) and the Plan for Our Parks and Aboriginal Ranger Program (delivered by the Department of Biodiversity, Conservation and Attractions).

¹² The first AER reported a \$768 million program spend for 2022-23 and a \$583 million spend for 2021-22. Improvements in the identification of Aboriginal expenditure has contributed to the differences between the two AER reporting years. Additionally, some agencies that identified relevant spending in the previous AER did not identify any spending for this review.

¹³ Note that improvements in data capture, expenditure disaggregation and reporting also contribute an increase in reported direct Aboriginal expenditure.

Aboriginal-specific expenditure

In 2022-23, the Government invested \$577 million in 291 programs delivered specifically for Aboriginal people in Western Australia. This equates to 1.5% of total government expenditure (\$38.5 billion) and is an increase of 20.2% (\$97 million) on 2020-21 expenditure.

Aboriginal-specific expenditure is budgeted to increase by a further 31.5% (\$182 million) to \$759 million in 2023-24.

Aboriginal-specific expenditure

In 2022-23, a further \$182 million was invested in 112 programs and services where Aboriginal people were identified as the majority (greater than 50%) user group. This is an increase of 32.8% (\$45 million) on the 2021-22 figure, and is budgeted to increase by a further 45.6% to \$265 million in 2023-24.

Table 3: Direct Aboriginal expenditure against total general expenditure

Type of expenditure	Financial year		
	2021-22 Actual	2022-23 Actual	2023-24 Budget
Total government expenditure	\$35.6b	\$38.5b ↑	\$39.9b ↑
Aboriginal-specific	\$480m	\$577m ↑	\$759m ↑
Aboriginal-predominant	\$137m	\$182m ↑	\$265m ↑
Total direct Aboriginal expenditure (equivalent to % of total general expenditure)	\$618m	\$759m ↑	\$1.02b ↑
Equivalent to % of total general expenditure	1.7%	2% ↑	2.6% ↑



Aboriginal involvement in direct expenditure

Key points

- Aboriginal organisations were involved in \$403.5 million (or 53.2%) of direct Aboriginal expenditure in 2022-23.
- Total expenditure on programs and services delivered by, or with the involvement of, Aboriginal organisations (or solely by Aboriginal organisations) has increased each year since 2021-22, but the proportion of total expenditure accounted for by these programs has fallen over the same period.
- Total budgeted expenditure 2023-24 increases to \$479.7 million, accounting 46.9% of total direct Aboriginal expenditure.

This section provides an overview of Aboriginal involvement in direct Aboriginal expenditure. The 'Direct Aboriginal expenditure by agency' and 'Direct Aboriginal expenditure by location' sections examine Aboriginal involvement in more detail on a by agency and by region basis.

2022-23 snapshot

In 2022-23, over half (53.2%) of direct Aboriginal expenditure went to fund programs and services that were either delivered wholly or in part by Aboriginal organisations (including ACCOs).

When considering direct expenditure by provider type, it is important to note that a small number of programs often account for a significant proportion of expenditure. For instance, in 2022-23, 44% of total expenditure was attributable to only 13 programs.

At the other end of the scale, there are large numbers of programs with relatively low expenditure. For example, in 2022-23, 42% (or 169) of all programs had an individual cost of less than \$250,000, but in the aggregate these programs only accounted for 3% of expenditure.

These patterns suggest that there may be some fragmentation in service delivery and funding, and may also be indicative of capacity limitations in the ACCO sector.

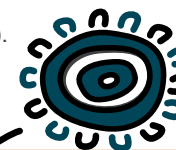
A continued focus on Priority Reform 2 (Building the community-controlled sector) may allow ACCOs to take on greater involvement in delivering more substantial programs. However, capacity of the ACCO sector is unlikely to be the only factor, since similar patterns are evident whether considering total expenditure, expenditure with Aboriginal organisation involvement, or expenditure on programs and services delivered solely by the Government.

Changes from 2021-22 to 2022-23

Any Aboriginal involvement: In 2022-23, Aboriginal organisations had a role in delivering 182 programs and services with a total value of \$403.5 million (or 53.2% of total direct Aboriginal expenditure), as shown in Table 5.

This is an increase of \$61.1 million from \$342.4 million reported in 2021-22, but a slight decrease proportionally from 55.4% of total expenditure.¹⁴

¹⁴. Due to data limitations, total expenditure attributable to Aboriginal organisations cannot be calculated, except where these are the sole program provider (Table 5).



Sole Aboriginal provider: In 2022-23, 75 programs were delivered solely by Aboriginal organisations, accounting for \$124.1 million (or 16.4%) of total direct Aboriginal expenditure.

This is down slightly from the \$127 million (or 20.6%) of expenditure reported in 2021-22.

No Aboriginal involvement: A total of 209 programs were delivered without the involvement of Aboriginal organisations in 2022-23. These programs accounted for \$350.8 million (or 46.3%) of total direct Aboriginal expenditure, being an increase of \$78.2 million on 2021-22.

Of these programs:

- \$303.2 million (representing 40% of total direct Aboriginal expenditure) was spent on programs delivered solely by agencies;¹⁵ and
- \$50.7 million (6.7% of total direct Aboriginal expenditure) was spent on programs delivered by the Government with the involvement of non-Aboriginal organisations.¹⁶

Changes from 2022-23 to 2023-24 (Budget)

Any Aboriginal involvement: The involvement of Aboriginal organisations in expenditure is budgeted to increase by \$76.2 million to \$479.7 million, but to decrease proportionally from 53.2% to 46.9% of total direct Aboriginal expenditure.

Sole Aboriginal provider: There is a \$49.9 million decrease in budgeted spending where Aboriginal organisations are the sole provider, taking this figure down to \$74.4 million (from 16.4% to 7.3% of total expenditure).

No Aboriginal involvement: Expenditure on programs not involving Aboriginal organisations is budgeted to increase by \$187.2 million to \$538 million, or from 43.6% to 52.6% of total expenditure.

This increase is driven largely by a \$179.9 million increase in expenditure on programs delivered only by Government service agencies, with only a slight increase in the dollar value of programs delivered by the Government with the involvement non-Aboriginal organisations.

¹⁵ This category includes core government functions and legal responsibilities, such as funding for Aboriginal students in primary and secondary schools, the functions of WA Health (including the Aboriginal Hospital Liaison Program and metropolitan Aboriginal children's health care.), and specialist outpatient Aboriginal mental health services.

¹⁶ This category includes rehabilitative services delivered in prisons, some regional statutory youth justice services funded by the Department of Justice, the Department of Communities' regional Aboriginal short stay accommodation programs, Broome and Kununurra night patrol and youth services, and the Department of Education's Clontarf Foundation Football Academies Program.



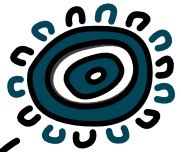
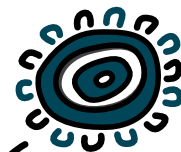


Table 4: Program size and number by provider types: Government only compared to Aboriginal organisation involvement (2022-23)

2022-23 Program expenditure	Aboriginal org. involvement Expenditure (\$m)		Government agencies only Expenditure (\$m)		All provider types Expenditure (\$m)	
	Expenditure (\$m)	Number of programs	Expenditure (\$m)	Number of programs	Expenditure (\$m)	Number of programs
\$10 million and above	213.4	(9 programs)	127.9	(5 programs)	330.4	(13 programs)
\$2 million to \$10 million	122.3	(23 programs)	110.8	(21 programs)	260.8	(49 programs)
\$500,000 to \$2 million	49.6	(46 programs)	51.2	(46 programs)	122.1	(106 programs)
\$250,000 to \$500,000	11.2	(30 programs)	9.1	(25 programs)	26.6	(66 programs)
Less than \$250,000	7.0	(74 programs)	4.2	(54 programs)	19.5	(169 programs)
Total	403.5	(182 programs)	303.2	(151 programs)	759.4	(403 programs)



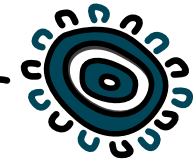


Table 5: Aboriginal organisation involvement in WA Government expenditure (2021-22 to 2023-24)

(Note: Percentages may not add due to rounding.)

Aboriginal organisation involvement	Program numbers			Expenditure \$m/% of direct expenditure		
	2021-22	2022-23	2023-24	2021-22	2022-23	2023-24
Any involvement with Aboriginal organisations	162	182	159	342.4	403.5 ↑	479.7 ↑
				55.4%	53.2% ↓	46.9% ↓
Aboriginal organisation as the sole provider (subset of data above)	64	75	62	127.0	124.1 ↓	74.2 ↓
				20.6%	16.4% ↓	7.3% ↓
No involvement of Aboriginal organisations	189	209	199	272.6	350.8 ↑	538.0 ↑
				44.1%	46.3% ↑	52.6% ↑
Government only (subset of data above)	140	151	152	234.6	303.2 ↑	483.1 ↑
				38.0%	40.0% ↑	47.2% ↑
Mix of Government and non-Aboriginal organisation (subset of data above)	52	63	49	40.6	50.7 ↑	57.8 ↑
				6.6%	6.7% ↑	5.7% ↓
Provider type not specified	10	12	15	3.0	4.8 ↑	8.3 ↑
				0.5%	0.6% ↑	0.8% ↑

The WA Government's commitment to support growing the ACCO sector

The WA Government is committed to supporting a strong and sustainable ACCO sector that delivers quality programs and services to Aboriginal people and communities in line with Priority Reform Two of the National Agreement and Western Australia's Whole-of-government ACCO Strategy.

Priority Reform Two acknowledges that ACCOs are uniquely positioned to deliver culturally responsive and secure services to Aboriginal people, achieve better individual and community outcomes for service users, and employ more local Aboriginal people within community.¹⁷

The Government is working in partnership with a range of Aboriginal peak organisations including CASWA, AHCWA, and SNAICC – National Voice for our Children. These organisations will continue to play an important role in providing advice to the WA Government about the ACCO sector, its existing capabilities, and ways it can be strengthened.

It is anticipated that the proportion of services delivered by Aboriginal organisations will continue to increase in the future as agencies implement the Whole-of-government ACCO Strategy.

¹⁷. Government of Western Australia (2024).



Direct Aboriginal expenditure by agency

Key points

- Nearly 80% of 2022-23 direct Aboriginal expenditure is driven by only six agencies, with the largest contributor being the Department of Communities at \$208.9 million, followed by WA Health at \$127.6 million.
- State-owned utilities, such as Horizon Power and the Water Corporation, will see a significant increase in direct Aboriginal expenditure from 2023-24 as they take over some responsibilities and funding for service delivery in remote Aboriginal communities from the Department of Communities.

Of the 23 agencies (including State-owned utilities) included in this AER, the top six agencies by expenditure contributed nearly 80% of total direct Aboriginal expenditure in 2022-23.

These agencies were the Departments of Communities; Education; Justice; Biodiversity, Conservation and Attractions; and WA Health and the Mental Health Commission.

Significant changes between 2021-22 and 2022-23

Table 6 shows key changes in agency expenditure between 2021-22 and 2022-23.

As explained in the box on page 25, Horizon Power and Water Corporation both increased their direct Aboriginal expenditure significantly in this period, due to an expanded role in provisioning power and water services in remote Aboriginal communities.

‘Spotlight: Remote Communities Fund’ on page 35 provides more information on recent changes in the State’s approach to infrastructure investment in remote Aboriginal communities.

Table 6: Changes in direct Aboriginal Expenditure by agency, ranked by % increase, 2021-22 to 2022-23

Agency	Change
Horizon Power	615% increase (\$1.3m to \$9.3m)
Water Corporation	272% increase (\$3.3m to \$12.3m)
Mental Health Commission	150% increase (\$15.2m to \$38.1m)
Main Roads	95% increase (\$13.6m to \$26.5m)
Department of Biodiversity, Conservation and Attractions	60% increase (\$31.6m to \$50.8m)

Changes to power and water provision in remote Aboriginal communities

The 2023 transfer of responsibilities for some remote Aboriginal community essential services from the Department of Communities to Horizon Power and the Water Corporation has had significant implications for direct Aboriginal expenditure by agency from 2023-24 onwards.

This change has major implications for direct Aboriginal expenditure by agency, where 2023-24 Budget figures show substantial increases for the Water Corporation and Horizon Power, and a decrease for the Department of Communities.

The transfer has also resulted in significant movements in direct Aboriginal expenditure with Aboriginal involvement for each of the agencies affected, as there is considerable Aboriginal involvement in delivering these services.

As shown in the Involvement of Aboriginal organisations section of this report, the change has driven a sharp increase in expenditure with Aboriginal involvement for the Water Corporation, and a corresponding decrease for the Department of Communities.

Significant changes between 2022-23 and 2023-24 (Budget)

Table 7 shows key changes in agency expenditure between 2022-23 and the budgeted expenditure figures for 2023-24.

Utilities continue to have the highest percentage increase due to their expanded role, while the Department of Communities had a decrease in direct Aboriginal expenditure (noting that this agency still has the highest overall direct Aboriginal expenditure in the sector).

Table 7: Changes in direct Aboriginal Expenditure by agency, ranked by % increase, 2022-23 to 2023-24

Agency	Change
Water Corporation	486% increase (\$12.3m to \$72.1m)
Horizon Power	453% increase (\$9.3m to \$51.4m)
Department of Planning, Lands and Heritage	163% increase (\$30.1m to \$79.2m)
Main Roads	149% increase (\$26.5m to \$65.9m)
Department of Biodiversity, Conservation and Attractions	75% increase (\$50.8m to \$88.7m)
Department of Communities	10% decrease (\$208.9m to \$187.8m)

Table 8 presents the top 14 agencies ranked by total direct Aboriginal expenditure in 2022-23, with comparative figures for the 2021-22 and 2023-24 (Budget) years. Note that top 14 have been included as they best highlight the significant increase in budgeted expenditure by Horizon Power and Water Corporation in 2023-24, where these agencies move up into 7th and 9th positions.

Table 8: WA Government agencies by direct Aboriginal expenditure in 2021-22, 2022-23, compared to 2023-24 Budget year

Agency	Number of programs			Expenditure (\$m)		
	2021-22	2022-23	2023-24	2021-22 Actual	2022-23 Actual	2023-24 Budget
Department of Communities	44	44 -	39 ↓	187.5	208.9 ↑	187.8 ↓
WA Health	107	116 ↑	115 ↓	120.3	127.6 ↑	142.6 ↑
Department of Education	16	16 -	16-	80.4	88.7 ↑	96.6 ↑
Department of Justice	47	52 ↑	50 ↓	73.8	82.2 ↑	94.1 ↑
Department of Biodiversity, Conservation and Attractions	17	16 ↓	17 ↑	31.6	50.8 ↑	88.7 ↑
Mental Health Commission	16	21 ↑	21-	15.2	38.1 ↑	46.8 ↑
Department of Planning, Lands and Heritage	7	7 -	7-	23.3	30.1 ↑	79.2 ↑
Main Roads Western Australia	3	3 -	3-	13.6	26.5 ↑	65.9 ↑
Department of Primary Industries and Regional Development	32	38 ↑	26 ↓	22.6	23.2 ↑	24.0 ↑
Department of Training and Workforce Development	8	9 ↑	8 ↓	14.8	15.8 ↑	16.1 ↑
Water Corporation	3	3 -	3-	3.3	12.3 ↑	72.1 ↑
Department of Jobs, Tourism, Science and Innovation	6	5 ↓	6 ↑	6.6	10.0 ↑	8.5 ↓
Department of Water and Environmental Regulation	8	8 -	8-	4.4	9.5 ↑	11.0 ↑
Horizon Power	1	2 ↑	2-	1.3	9.3 ↑	51.4 ↑
Others (includes 9 agencies) ^a	46	63 ↑	50 ↓	19.2	26.4 ↑	38.8 ↑
Total	361	403 ↑	371 ↓	617.9	759.4 ↑	1,020 ↑

^a. Total of reported expenditure by the Public Sector Commission, WA Police, Legal Aid WA, Department of Finance, Keystart, Construction and Training Fund, State Solicitor's Office, Health and Disability Complaints Office, and Department of Energy, Mines and Industry Regulation and Safety. Note that three of the agencies that had reported direct Aboriginal expenditure in 2021-22 reported that they had none in 2023-24; these were State Solicitor's Office, the Health and Disability Complaints Office, and the Department of Energy, Mines and Industry Regulation and Safety.

Involvement of Aboriginal organisations by agency

This section provides a breakdown of the overall figures on Aboriginal involvement in direct expenditure on an agency-by-agency basis. In doing this, it considers both expenditure with any Aboriginal organisation involvement, and expenditure where Aboriginal organisations are the sole provider of a program or service.

As explained in the box on page 25, the decrease in the Department of Communities' expenditure with Aboriginal involvement is due to a transfer of the Department's responsibilities for power and water provision in remote communities to the Water Corporation and Horizon Power. Accordingly, the decrease does not necessarily reflect any decrease in Aboriginal involvement for functions retained by the Department.

Expenditure with any Aboriginal organisation involvement

In 2022-23, two agencies reported that 100% of their direct Aboriginal expenditure had Aboriginal involvement; these were the Water Corporation and the Department of Water and Environmental Regulation.

Other agencies with relatively high proportions of Aboriginal involvement were the Department of Communities (95.7%), Department of Justice (64.5%), and the Mental Health Commission (62.2%).

In terms of total direct Aboriginal expenditure with Aboriginal involvement, the Department of Communities far exceeds that of any other agency, with expenditure of \$199.5 million in 2022-23 and budgeted expenditure of \$178.9 million for 2023-24.

A full breakdown of direct Aboriginal expenditure with any Aboriginal involvement by agency is provided in Table 9.

Expenditure where Aboriginal organisations are the sole provider

As shown in Table 10, in 2022-23, nine agencies reported direct Aboriginal expenditure where Aboriginal organisations were the sole provider.

The top three agencies by total spend were the same as those for expenditure with any Aboriginal involvement. These were the Department of Communities (\$84.2 million), WA Health (\$29.4 million), and the Department of Justice (\$3.2 million).



Agencies reporting expenditure in this category typically report having relatively few programs where Aboriginal organisations were the sole provider. The main outlier is WA Health with 30 programs in 2022-23 (increasing to 31 in 2023-24) and the Department of Primary Industries and Regional Development with 13 programs (falling to six in 2023-24).

Table 9: Direct Aboriginal expenditure by Aboriginal organisation involvement and agency (2021-22 to 2023-24)

Agency	Number of programs with any Aboriginal organisation involvement			Expenditure with any Aboriginal organisation involvement (\$m)			Percentage of Agency's total direct Aboriginal expenditure		
	2021-22	2022-23	2023-24	2021-22 Actual	2022-23 Actual	2023-24 Budget	2021-22	2022-23	2023-24
Department of Communities	38	37 ↓	33 ↓	179.9	199.5 ↑	178.9 ↓	95.9%	95.5% ↓	95.3% ↓
WA Health	46	48 ↑	49 ↑	54.9	58.2 ↑	71.0 ↑	45.7%	45.6% ↓	49.8% ↑
Department of Justice	20	24 ↑	23 ↓	46.1	53.0 ↑	60.3 ↑	62.5%	64.5% ↓	64.1% ↓
Mental Health Commission	12	15 ↑	15 -	13.6	23.7 ↑	31.7 ↑	88.9%	62.2% ↓	67.7% ↑
Water Corporation	3	3-	3 -	3.3	12.3 ↑	72.1 ↑	100%	100% -	100% -
Department of Biodiversity, Conservation and Attractions	2	1↓	1 -	6.2	10.4 ↑	13.8 ↑	19.6%	20.5% ↑	15.6% ↓
Department of Water and Environmental Regulation	8	8-	8 -	4.4	9.5 ↑	11.0 ↑	100%	100% -	100% -
Department of Education	2	2-	2 -	7.5	8.1 ↑	10.5 ↑	9.3%	9.1% ↓	10.9% ↑
Department of Training and Workforce Development	4	4-	3 ↓	7.8	7.5 ↓	7.8 ↑	52.7%	47.4% ↓	50% ↑
Department of Primary Industries and Regional Development	15	24 ↑	11 ↓	8.7	6.5 ↓	5.6 ↓	38.5%	28% ↓	23.3% ↓
Sub-total: Top 10 agencies above	150	205 ↑	148 ↓	332.4	388.7 ↑	462.7 ↑	-	-	-
Others (includes 13 agencies)	12	17 ↑	11 ↓	9.3	14.5 ↑	16.8 ↑	-	-	-
Total (all agencies)	162	222 ↑	159 ↓	341.7	403.5	479.5	55.3%	53.1%	47.0%

Table 10: Expenditure with Aboriginal organisations as the sole service provider by agency, 2021-22 to 2023-24

Agency	Number of programs			Total expenditure (\$m)		
	2021-22	2022-23	2023-24	2021-22 Actual	2022-23 Actual	2023-24 Budget
Department of Communities	8	8 -	6 ↓	85.2	84.2 ↓	32.5 ↓
WA Health	27	30 ↑	31 ↑	28.3	29.4 ↑	31.2 ↑
Department of Justice	8	7 ↓	7 -	2.9	3.2 ↑	3.2 -
Department of Primary Industries and Regional Development	9	13 ↑	6 ↓	6.1	2.7 ↓	2.1 ↓
Mental Health Commission	5	6 ↑	6 -	2.9	2.7 ↓	3.2 ↑
Department of Jobs, Tourism, Science and Innovation	2	2 -	2 -	1.0	1.0-	0.9 ↓
Department of Local Government, Sport and Cultural Industries	2	2 -	1 ↓	0.2	0.6 ↑	0.3 ↓
Department of Finance	1	1 -	1-	0.5	0.3 ↓	0.8 ↑
WA Police	2	6 ↑	2 ↓	0.1	0.2 ↑	0.2 -
Total	64	75 ↑	62 ↓	127.2	124.3 ↓	74.4 ↓

Direct Aboriginal expenditure by location

Key points

- On a regional basis, the Kimberley accounted for the largest total direct Aboriginal expenditure in 2022-23 at \$192.1 million, followed by the combined Perth and Peel regions at \$140.1 million.
- The regions with the highest proportion of Aboriginal organisation involvement in direct Aboriginal expenditure were the Pilbara (66.2%), the Goldfields (59.7%) and the Kimberley (56.6%).
- Western Australia's remote Aboriginal communities account for nearly one third of the State's direct Aboriginal expenditure, with most of this funding going towards infrastructure, housing, and essential services.

Expenditure by Region

In 2022-23, \$550.2 million (72%) of direct Aboriginal expenditure could be attributed to a specific region in Western Australia.¹⁸ This figure includes expenditure where a program was delivered in a single region, and where the region-specific spend for a program delivered across multiple regions could be identified.

Agencies reported \$137.2 million of expenditure as 'State-wide', for which a breakdown by region was not available. Additionally, a further \$41.3 million was reported as being spent across multiple regions, but not across the entire State, where a region specific breakdown was again not available.¹⁹

For this AER, spending in the Perth and Peel regions have been combined, and all other regions of Western Australia are listed separately

¹⁸ Future AERs will explore the use of appropriate proxies to apportion some or all of this expenditure to service delivery regions.

¹⁹ Note that the data was unable to be disaggregated and outline the percentage of funding that is delivered by Aboriginal organisations as the sole provider by region. This is a limitation of the data and has been noted as an opportunity for improvement in future AERs.

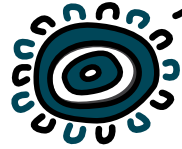
²⁰ Figures include large programs delivered across multiple regions, such as the Department of Communities' Remote Communities Housing Repairs and Maintenance program.



as regions outside of the metropolitan area. Expenditure of \$140.1 million was attributable to the Perth and Peel regions, and \$410.1 million to specific regions outside the metropolitan area.²⁰

Expenditure by region is relatively high across the State's north-west, Remoteness can contribute to higher costs outside the metropolitan area, with distances posing both logistical and economic challenges for the delivery of government programs and services. However, costs in the north-west may also be affected by other factors, including varying levels of need, and different service delivery models.

Over 50% of Western Australia's Aboriginal population lives outside major cities, with 33.2% living in remote or very remote areas. Consequently, the elevated costs of service delivery in rural, regional, and remote locations contribute to both high per capita and overall costs in these areas.



Aboriginal organisation involvement in region-specific expenditure

Regions with the highest reported involvement of Aboriginal organisations in total expenditure are the Pilbara (66.2%), the Goldfields (59.7%) and the Kimberley (56.6%).

Regions with the lowest involvement of Aboriginal organisations in total expenditure are Perth and Peel (39.7%), the Mid West and Gascoyne (39.1%), and the Wheatbelt (31%). These regions also had the highest rates of government-only involvement in total expenditure.

Table 11 provides more detail on direct Aboriginal expenditure by Aboriginal involvement and region.

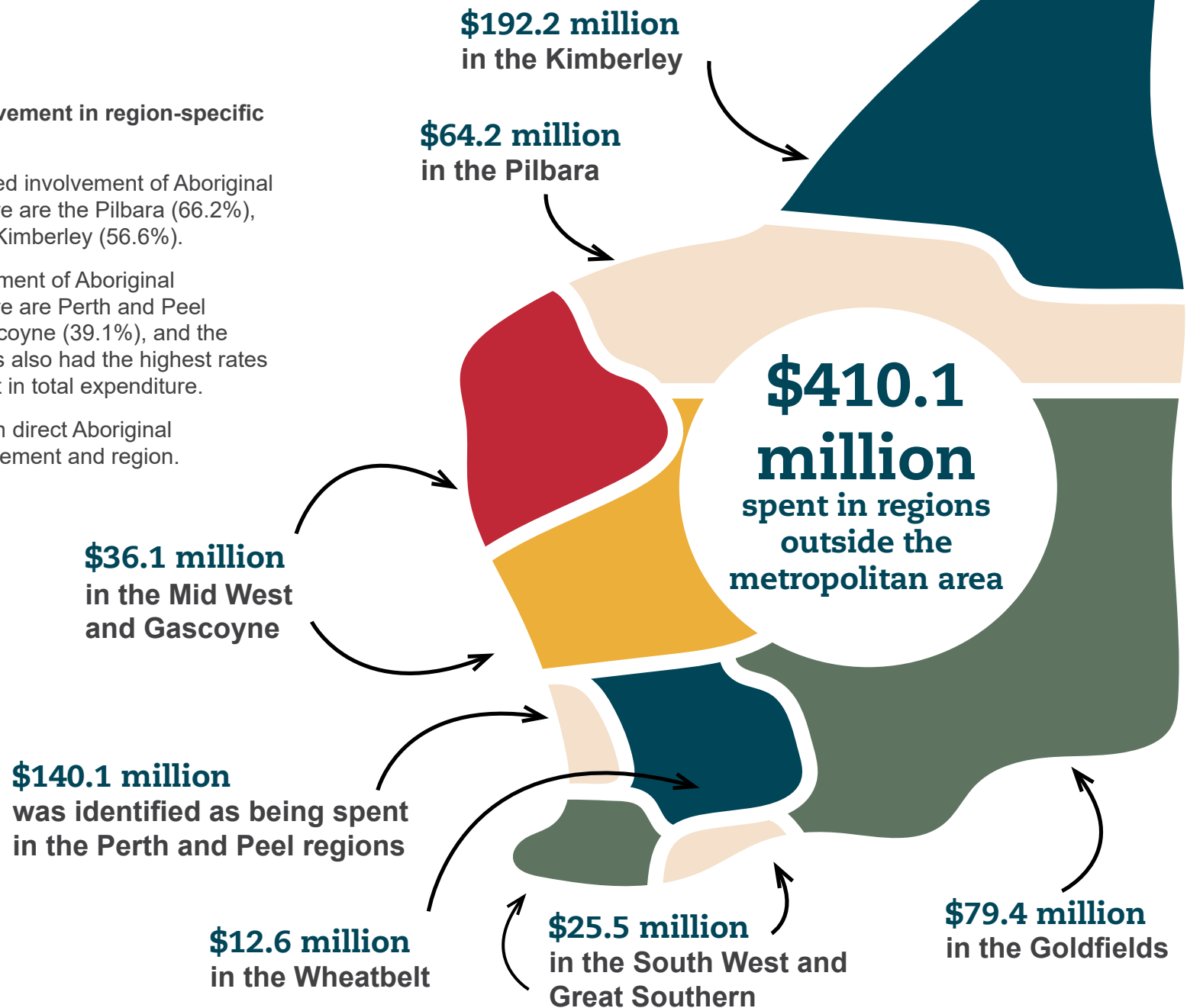


Table 11: Regional expenditure by Aboriginal organisation involvement^a

Region	Program numbers	Total expenditure (all provider types) (\$m)	Number of programs		Percentage of Agency's total direct Aboriginal expenditure	
			Aboriginal organisations	Government only	Aboriginal organisations	Government only
Perth and Peel	126	140	55.5	67.3	39.7	48.0
Kimberley	115	192.2	108.9	75.7	56.6	39.4
Goldfields	54	79.4	47.4	31.0	59.7	39.0
Pilbara	59	64.2	42.5	17.4	66.2	27.1
Mid West and Gascoyne	67	36.8	14.4	20.1	39.9	54.6
South West and Great Southern	37	25.5	10.6	11.4	41.4	44.7
Wheatbelt	24	12.6	3.9	8.0	31.0	63.5
State-wide (no break down by region)	65	137.2	77.7	57.1	-	-
Delivered across multiple regions but not State-wide (nil breakdown by region)	36	61.5	37.5	11.6	-	-
Regional spend not reported or data not provided	11	10.2	5.0	1.6	-	-

^a Region-specific program numbers reflect only those programs for which a regional break-down in expenditure was provided. This includes programs delivered across multiple regions, and those delivered solely in one region. Note that it is not possible to provide average expenditure by program in the regions due to the significant amount of expenditure for which a regional break down was not provided by agencies (over \$200 million).

Remote Aboriginal Community expenditure

Western Australia is home to more than 200 remote Aboriginal communities and another 37 town-based communities.²¹

In 2022-23, 31.8% of direct expenditure (\$241.5 million) was attributable to services and programs delivered to or in a remote Aboriginal community. This is budgeted to increase by 38.4% to \$334.3 million in 2023-24, while remaining steady as a proportion of direct expenditure at 32.8%.

Spending on infrastructure, housing, and essential services accounted for 61.4% of expenditure in remote Aboriginal communities in 2022-23. This was followed by core support services (such as education, health, family support and mental health) at 29.4%, and other government services at 9.2%.

A significant increase of 57.2% in infrastructure, housing and essential services expenditure (\$84.9 million) is budgeted for remote Aboriginal communities in 2023-24.²²

Table 11 provides more detail on remote Aboriginal community expenditure by service type and agency.

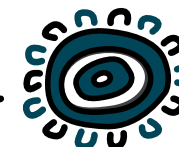


²¹. Government of Western Australia (2023).

²². Note that the total funding received by each remote Aboriginal community, the programs and services provided, and the proportion of remote expenditure received by Aboriginal organisations could not be calculated in this edition of the AER.

Table 12: Remote Aboriginal Community by service type and agency

Service type	Agencies	Number of programs			Total expenditure (\$m)		
		2021-22	2022-23	2023-24	2021-22 Actual	2022-23 Actual	2023-24 Budget
Infrastructure, housing and essential services	Horizon Power, Department of Communities, Water Corporation, Main Roads WA	11	12 ↑	12 -	111.5	148.3 ↑	233.2 ↑
Core support services	Department of Communities, WA Health, Department of Education, Department of Justice, Legal Aid, Mental Health Commission	47	51 ↑	53 ↑	59.5	70.8 ↑	69.3 ↓
Other government services	Department of Local Government, Sport and Cultural Industries; Department of Transport; Department of Planning, Lands and Heritage; Department of Training and Workforce Development; Department of Water and Environmental Regulation; Department of Jobs, Tourism, Science and Innovation; Department of Primary Industries and Regional Development; Department of the Premier and Cabinet	29	27 ↓	27 -	15.6	22.3 ↑	31.8 ↑
Total		87	90 ↑	92 ↑	186.7	241.5 ↑	334.3 ↑



Spotlight: Remote Communities Fund

Improving standards and investing in remote community infrastructure, housing and essential services

The WA Government is working to meet the need for further investment in remote communities, following the Commonwealth's withdrawal from funding in 2018.

The WA Government established the Remote Communities Fund (the Fund) in 2022-23, with an initial \$350 million allocation to support upgrades and regularise power and water, provide new housing and improve municipal services in remote communities.

An initial \$200 million investment from the Fund is allocated to continue existing power and water services, plan future upgrades, and to improve water quality over the next 10 years. This work includes a transfer of responsibility for power and water services from the Department of Communities to the Water Corporation and Horizon Power.

Over time, this investment aims to support services in remote Aboriginal communities into line with those received across comparable communities in Western Australia, and to allow remote Aboriginal communities to benefit from the integration of renewables into local power systems.

Both the quality and supply of housing in remote and town-based communities will be supported through a further \$140 million investment over four years.

Thirty residents of the Burrinunga community in Derby will be the first to benefit, with works to refurbish nine houses in the community. A Housing Management Agreement between the Department of Communities and the Burrinunga Aboriginal Corporation means the houses will be refurbished in accordance with the Residential Tenancies Act 1987, and managed and leased by the Department of Communities on behalf of the Burrinunga Aboriginal Corporation..

This new funding will support the refurbishment of houses that have not been refurbished for many years, ensuring that they provide a safe and healthy environment for residents. The four-year program of investment will also support the construction of new houses in communities most exposed to the negative effects of overcrowding.

A further \$10 million has been set aside for repairs to local roads and landfills to support and enable housing investment.

Agencies are working closely with local communities to deliver the Remote Communities Fund investment, contributing to improved outcomes in line with the Government's Aboriginal Empowerment Strategy and Closing the Gap commitment.

The WA Government will continue to assess investment need across remote community foundational services to support meaningful progress on Closing the Gap targets.

Expenditure by Closing the Gap outcome

Key points

- The two Closing the Gap outcomes with the highest reported direct Aboriginal expenditure in 2022-23 were *'Long and healthy lives'* (\$126.0 million), and *'Housing (essential services)'* (\$92.9 million).
- The *'Long and healthy lives'* and *'Housing (essential services)'* outcomes also had the highest total expenditure by Aboriginal involvement.

This section provides a summary of direct Aboriginal expenditure that relates to specific Closing the Gap outcomes (including by Aboriginal involvement), and changes between 2022-23 expenditure and budgeted expenditure for 2023-24.

Further information is available in the tables in Appendix 2: Closing the Gap outcomes. The appendix provides information on both total direct Aboriginal expenditure and total expenditure with Aboriginal organisation involvement for each of the 17 outcomes. It also includes description of the measures used to assess each outcome.

2022-23 snapshot

In 2022-23, the five Closing the Gap outcomes with the highest total expenditure in Western Australia were *'Long and healthy lives'* (Outcome 1), *'Housing (essential services)'* (Outcome 9B), *'Criminal justice'* (Outcome 10), *'Legal rights and interests in lands and seas'* (Outcomes 15A and 15B), and *'Housing (overcrowding)'* (Outcome 9A), as shown in Table 12.

Spending across most Closing the Gap outcomes increased from 2021-22 levels in 2022-23. The largest increases in total expenditure related to *'Legal rights and interests in land and seas'* (Outcomes 15A and 15B), *'Economic participation'* (Outcome 8), and *'Housing (overcrowding)'* (Outcome 9A).

A total of \$133.9 million (or 17.6%) of direct Aboriginal expenditure could not be assigned to a specific Closing the Gap outcome.

This demonstrates a need for improved tracking of outcomes against expenditure, and improvements across public sector commissioning and performance monitoring.

It is anticipated that reporting against Closing the Gap outcomes will improve in subsequent AERs as these practices grow more established within service delivery agencies.



Aboriginal involvement in expenditure by Closing the Gap outcome

When assessing Aboriginal involvement in expenditure that goes towards Closing the Gap outcomes, it is important to remember that the AER only reviews State Government expenditure.

This means that federally funded programs delivered in partnership with Aboriginal organisations do not appear in the data. A good example is the Connected Beginnings program, which is delivered across nine sites in Western Australia and directly supports 'Early childhood education' (Outcome 3) and 'Children thriving' (Outcome 4).²³

In terms of State Government expenditure, in 2022-23 Aboriginal organisations had the greatest involvement (by total direct Aboriginal expenditure) in programs relating to 'Youth engagement in education and employment' (Outcome 7), 'Long and healthy lives' (Outcome 1), and 'Housing (overcrowding)' (Outcome 9A).

Aboriginal organisation involvement (by expenditure) is budgeted to grow significantly in programs to address 'Housing (overcrowding)' (Outcome 9A) and 'Housing (essential services)' (Outcome 9B), with more modest increases relating to 'Long and health lives' (Outcome 1), and 'Economic participation' (Outcome 8).

²³. Department of Education (2025).

A complex relationship between increased expenditure and improved outcomes

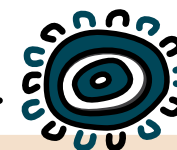
Despite increasing expenditure across the majority of Closing the Gap outcomes, the Productivity Commission's Closing the Gap Annual Data Compilation Report (2024) shows that:

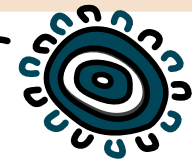
- four outcomes are on track to be met nation-wide including 'Healthy birth weight' (Outcome 2); 'Early childhood education' (Outcome 3); 'Economic participation' (Outcome 8) and 'Legal rights and interests in land and seas' (Outcome 15);
- four outcomes are worsening nation-wide, and one outcome is worsening in Western Australia 'Children thriving' (Outcome 4). 'Youth justice' (Outcome 11) has seen no change nationally, and 'Adult justice' (Outcome 10) has seen no change in WA); and
- a further five outcomes have seen some improvement but are not on track nationally.

Data from the 2024 report is used here, as it aligns with the focal year of this Aboriginal Expenditure Review. The Productivity Commission's has subsequently been released, and provides revised information on the number of outcomes that are on track, improving, and worsening.

Robust program evaluation, discussed in the 'Expenditure and evaluation' section of this report, is a critical element in understanding whether increased investment is really driving improvements on the ground.

The information provided through evaluation allows agencies to build on the lessons learned from successful programs, and redirect expenditure from less effective initiatives towards those that deliver meaningful change.





General service expenditure

The first AER highlighted the need to better understand how mainstream services are used by Aboriginal people and communities.

For the 2023-24 AER, three agencies were identified that were able to readily provide data on service use and associated expenditure for Aboriginal people and communities using mainstream services. These were WA Health, the Department of Communities, and the Department of Education.

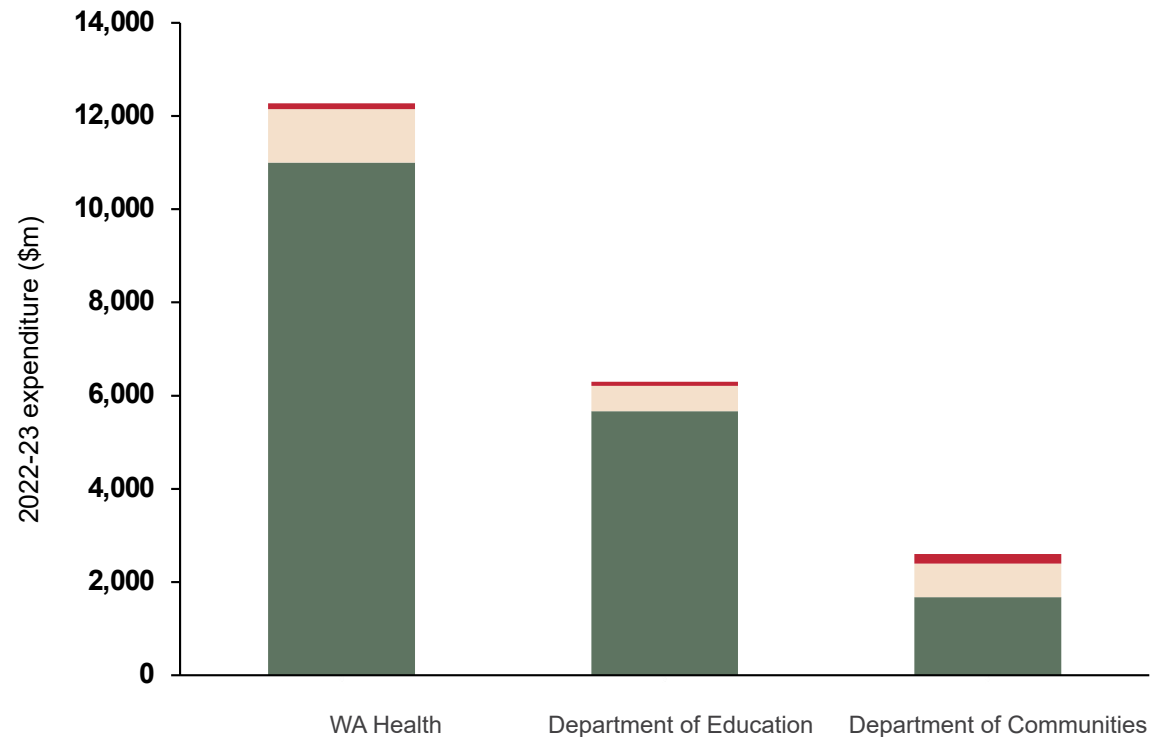
Figure 1 shows total expenditure for each of these agencies in 2022-23, split by direct Aboriginal expenditure, expenditure associated with Aboriginal use of mainstream services, and the remainder (being mainstream service use by non-Aboriginal people). The case studies on the following pages explore the service use patterns that underpin each agency's expenditure.

The selected agencies used service data where users had been asked whether they identified as Aboriginal to apportion expenditure (for instance, by number of school enrolments, number of health service contacts, or number of people accessing a community service).

Beyond apportioning expenditure, this type of service use data can provide valuable information to service providers, indicating where Aboriginal people are either over-represented or under-represented. This information can prompt agencies to investigate further, and work to improve the accessibility, effectiveness, and cultural appropriateness of their services as required.

Figure 1: 2022-23 expenditure for selected agencies by type and user group

Case study: WA Health



	WA Health	Department of Education	Department of Communities
Direct Aboriginal Expenditure	128	89	209
Mainstream service use - Aboriginal Expenditure	1,145	542	722
Non-Aboriginal Expenditure	11,000	5,669	1,675



WA Health comprises the Department of Health, Health Service Providers, and the Quadriplegic Centre. The services provided by WA Health are broad ranging. They include public hospital-based services, care at emergency and outpatient departments, and prevention, health promotion and community health services.

In 2022-23, total expenditure on WA Health services was \$12.3 billion. \$1.3 billion (or 10.6%) of this expenditure was identified as relating to the delivery of services to Aboriginal people.

Aboriginal-specific and Aboriginal predominant spending accounted for only \$127.6 million of this \$1.3 billion figure. Service data allowed for the remaining \$1.1 billion to be identified as relating to mainstream service use by Aboriginal people and communities.

WA Health's service use data further showed that Aboriginal people were over-represented in the rates of service use for public hospital admissions, emergency department contacts, services provided at small rural hospitals, and in aged and continuing care services.



Case study: Department of Communities

The Department of Communities provides services to support vulnerable people in Western Australia, through disability services, child protection services, family support, and housing support. Its programs include supporting children in out of home care, child protection assessment and investigation services, family and domestic violence support services, and supports for people at risk of or suffering from homelessness or in vulnerable housing situations. In 2022-23, total expenditure on Department of Communities services was \$2.6 billion.²⁴ Of this total, \$925 million related to service use by Aboriginal people.

\$203 million of this \$925 million related to delivery of Aboriginal-specific and Aboriginal-predominant services. As with WA Health, the majority (\$722 million) was associated with mainstream service use by Aboriginal people.

Compared to the wider population, Aboriginal people were again over-represented in service contacts relating to supports for children in out of home care, child protection assessments and investigations, and support for people with vulnerable housing arrangements.

The reasons for this overrepresentation are complex, but can include structural drivers such as poverty, intergenerational trauma, the flow-on effects of under-investment in service provision, and a lack of culturally safe services. An additional driver can be the application of inadequate decision making and risk-assessment tools that contribute to systemic bias against Aboriginal people.²⁵

²⁴. Does not include NDIS contribution funding.

²⁵. SNAICC – National Voice for our Children (2023).



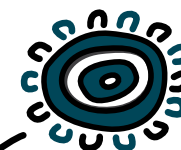
Case study: Department of Education

The Department of Education is responsible for the provision of public primary and secondary education services in Western Australia.

In 2022-23, the Department of Education received \$6.3 billion to fund the provision of these services, with \$631 million (or 10%) of this relating to delivery of services to Aboriginal people.

The by-region distribution of this expenditure on a percentage basis aligned with the relative proportions of Aboriginal people in each region (for instance, being far higher in the Kimberley than in Perth).

Again, expenditure on the use of mainstream services accounted for much of this \$631 million total. Direct expenditure on Aboriginal-specific and Aboriginal-predominant only accounted for \$89 million, with the remaining \$542 million relating to mainstream education service use by Aboriginal people.



Expenditure and evaluation

Key points

- Agencies were able to confirm that just over 40% of the programs active in 2022-23 had been subject to an evaluation, with over half of these evaluations being completed within the previous twelve months.
- Agencies were unable to provide information about the evaluation status of 26% of programs active in 2022-23. It was unclear as to whether these had (or had not) been the subject of an evaluation.

Evaluation is the process of determining whether something is working well and how it can be improved to ensure positive outcomes are achieved. Evaluation is important as it helps government make decisions on how programs and services can be improved.

Accordingly, the AER considers proportion of direct Aboriginal expenditure that is subject to evaluation, as this is a critical step in understanding whether investment actually translates to improved outcomes for Aboriginal people and communities.

Table 13 summarises the evaluation status of programs with direct Aboriginal expenditure that were active in 2022-23. Of a total 403 programs, agencies were able to identify:

- 167 programs (or 41% of all programs), that been the subject of a completed evaluation, with just over half of these having undergone evaluation within the 12 months to 30 June 2023; and
- 131 programs (or 33% of all programs) that had not been evaluated (noting that some of these will have been new programs, or small or finite programs that would not typically be resourced for a full evaluation).

Notably, agencies were unable to provide an evaluation status for a further 105 programs (or 26% of all programs active in 2022-23). This may indicate a disjoint between tracking of evaluation activity at a whole-of-agency level, or a lack of integration between evaluation and expenditure data.



Table 13: Evaluation status of programs with direct Aboriginal expenditure (30 Jun 2022-23)

When an evaluation was last completed	Number of existing programs evaluated as at end of 2022-23	% of existing programs evaluated as at end of 2022-23
Less than a year ago	87	22%
1-3 years	54	13%
More than 3 years	26	28%
Subtotal: All evaluated	167	41%
Never/not yet evaluated	131	33%
No information provided	105	26%
Total	403	100%

Practicing culturally appropriate evaluation

The Aboriginal Empowerment Strategy, the Whole-of-government ACCO Strategy, and the State Commissioning Strategy highlight that the accurate interpretation of data about Aboriginal people requires an Aboriginal cultural context and is best done in partnership with Aboriginal people. This is highly relevant in the planning, design and delivery of evaluations.²⁶

Accountability and shared decision making with Aboriginal people and communities in the evaluation process is also aligned with Indigenous Data Sovereignty, and with the sharing principles of the Closing the Gap Priority Reforms One and Four.²⁷ Ensuring culturally appropriate evaluation approaches also aligns with the Productivity Commission's Indigenous Evaluation Strategy.²⁸

²⁶. Department of Finance (2022).

²⁷. Department of the Prime Minister and Cabinet (2020).

²⁸. Productivity Commission (2020).

Future reporting and next steps

DTF is committed to continuous improvement of the utility of the AER and of its alignment with the National Agreement in each year's release.

In conducting the next AER and those beyond it, DTF will:

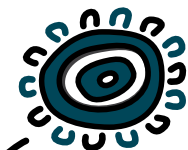
- undertake further work to ensure Aboriginal stakeholders have a voice in informing what data is captured and reported, with a view to increasing the value and utility of the report to Aboriginal people, service providers, and peak bodies;
- look to apply an 'opportunities' lens to the AER, moving beyond simply reporting the data, to using it to identify potential avenues that agencies, peak bodies, and ACCOs can explore to ensure investment translates to meaningful change for Aboriginal people;
- review its AER data collection and reporting approach, aligning with the Productivity Commission's 2024 Review of the National Agreement and the Closing the Gap Independent Aboriginal and Torres Strait Islander Led Review, to effectively address the Priority Reforms;
- work with agencies to improve and embed annual AER reporting processes, addressing data gaps and limitations where practical to increase granularity, thereby improving transparency and accountability in line with Closing the Gap Priority Reform 4;
- explore opportunities to increase the AER's alignment with other Government policies and strategies that relate to delivering positive outcomes for Aboriginal people and Communities in Western Australia (including the Aboriginal Empowerment Strategy, the Whole-of-government ACCO Strategy and the State Commissioning Strategy); and
- investigate options to use existing agency service data collections to increase the amount of expenditure that can be apportioned by region, and to provide information on the portion of expenditure on mainstream services that relate to service use for additional agencies.

A focus on opportunities

Both this AER and its predecessor have highlighted the potential to prioritise Aboriginal involvement in service delivery through agencies' service planning and commissioning activities. They have also identified priorities for improvement to data collection and program evaluation.

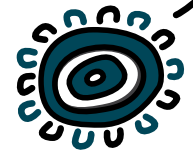
As DTF continues to enhance future iterations of the AER, this work will aim to surface new opportunities for whole-of-sector improvement in both expenditure decision-making, and expenditure reporting.

The AER process should not only look to increase transparency, but to reveal new avenues for meaningful and effective change. Doing so will underpin the usefulness of future AERs for all those seeking to improve outcomes for Aboriginal people across the State.



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Appendix 1: Glossary

Aboriginal people

- The original inhabitants and first peoples of Western Australia. Aboriginal people are not one group but rather comprise hundreds of groups with their own unique cultural traditions, histories, and languages.
- In this report, the term Aboriginal is used in recognition that Aboriginal people are the original inhabitants of Western Australia.
- Torres Strait Islander people are also included in data relating to 'Aboriginal people' in this report, and they are typically not recorded separately in agency data structures, and are generally eligible for Aboriginal specific programs and services.

Aboriginal Community-Controlled Organisation (ACCO)

Priority Reform Two of the National Agreement defines an ACCO as an organisation that is:

- incorporated under relevant legislation and not-for-profit;
- controlled and operated by Aboriginal people;
- connected to the community, or communities, in which they deliver the services; and
- governed by a majority Aboriginal governing body.

Aboriginal Expenditure Review (AER)

- An annual report that aims to provide transparent access to information about WA Government spending to shape decision-making and ensure better outcomes for Aboriginal people and communities.
- This report is the second edition of the AER. The first edition was released in 2023, and related to the 2021-22 financial year.

Aboriginal organisation²⁹

Other than ACCOs, Aboriginal organisations:

- are businesses, charities, sole traders, or not-for-profit organisations;
- are incorporated under Commonwealth, State or Territory legislation; and
- have at least 50% Aboriginal ownership and/or directorship.

Agencies

- Agencies are WA Government departments and other statutory organisations responsible for funding or delivering a program or service for Aboriginal people and communities.
- The Government has many agencies; these cover different policy and service delivery areas such as education, justice, and health.

Australian Bureau of Statistics

- The Australian Bureau of Statistics is the national statistical agency of Australia. It has a leading role in collecting, analysing and disseminating statistical information to help inform government policy and public understanding of Australia's demographic, social, and economic characteristics.

Western Australian Department of Treasury and Finance (DTF)

- The Government department that is the main economic and financial advisor to the WA Government, and is responsible for producing the AER.

Expenditure

- Money spent by the WA Government on a program or service.
- Actual spend – the actual amount of money spent on a program or service in the financial year that has passed.

²⁹ Government of Western Australia (2024).

- Budget spend – a government forecast of budgeted spend for a specific period. This money has not been spent but is planned to be spent to be in a coming financial year.

Expenditure types

- **Aboriginal-specific expenditure** – spending on programs and services that are specifically designed to provide a direct benefit to improve outcomes for Aboriginal people. (For example, funding for a local Aboriginal Community-Controlled Health Organisation to provide community-based transition care services for older Aboriginal people upon discharge from hospital.)
- **Aboriginal-predominant expenditure** – spending on programs and services that are not explicitly targeted to Aboriginal people, but are predominantly used by Aboriginal people. (For example, funding for a youth sports program in a town where the majority of residents, and program users, are Aboriginal.)
- **General service expenditure** – spending on programs and services that are available to all Western Australians, or to people from a variety of backgrounds. (For example, emergency departments, schools, and water services.)
- **Location-specific expenditure** – includes programs delivered in one or more specific regions in Western Australia. (For example, expenditure on a program that is only delivered in the Pilbara region.)
- **Remote Aboriginal Community expenditure** – the money spent on or in remote Aboriginal communities.
- **State-wide expenditure** – includes expenditure on programs provided across all Western Australian regions, as well as expenditure for central policy or planning work with State-wide benefits. (For example, expenditure on whole-of-state education and health programs.)
- **Total government expenses** – is the total amount of money spent by the Western Australian Government. This would include spending on goods and services, public sector wages, public infrastructure projects, healthcare, education and other government programs.

Financial year

- A period of 12 months used for accounting and reporting. In Australia, the financial year runs from 1 July to 30 June. The financial year that is the main focus of this AER is the 2022-23 financial year (1 July 2022 to 30 June 2023).

National Agreement on Closing the Gap (The National Agreement)

- The National Agreement is an agreement by Australian Governments (Commonwealth, state, and territory) and the Coalition of Aboriginal and Torres Strait Islander Peak Organisations. It seeks to enable Aboriginal and Torres Strait Islander people and governments to work together to overcome the inequality experienced by Aboriginal and Torres Strait Islander people, and achieve life outcomes equal to all Australians.

Not-for-profit organisation

- An organisation that provides programs and services to the community but does not operate for a profit, personal gain, or benefit for an individual or group. (For example, a community service organisation, community art centre, or sports club.)

Programs and services

- A coordinated set of activities or initiatives designed to achieve specific goals or address particular needs of a community.
- Programs are structured with defined objectives and time frames, often comprising multiple related activities. Services are actions or assistance provided directly to individuals, communities, or organisations to improve individual and community wellbeing.

Sole provider

- An individual or organisation that is the only provider for delivering a program or service.

Acronyms

Acronym	Explanation
AACWA	Aboriginal Advisory Council of WA
AHCWA	Aboriginal Health Council of WA
ACCO	Aboriginal Community-Controlled Organisation
AER	Aboriginal Expenditure Review
APP	Aboriginal Procurement Policy
CASWA	Council of Aboriginal Services Western Australia
DTF	Western Australian Department of Treasury and Finance
WA	Western Australia

Appendix 2: Closing the Gap outcomes

Table 14 provides detailed information on direct Aboriginal expenditure that can be apportioned to specific Closing the Gap outcomes. The figures in the brackets indicate the component of expenditure where there was Aboriginal involvement.

Table 14: Western Australian and national progress against Closing the Gap outcomes against program numbers and expenditure, Productivity Commission, 2024

Closing the Gap outcome	WA progression ^a	Australia-wide progression	Program numbers			Expenditure (\$m)			
			2021-22	2022-23	2023-24	2021-22	2022-23	2023-24	
1 – Long and healthy lives	Improvement	Improvement but not on track	Total:	86	88 ↑	89 ↑	116.2	126.0 ↑	130.1 ↑
Close the Gap in life expectancy within a generation, by 2031.			Abl. involvement:	37	39 ↑	40 ↑	57.3	60.2 ↑	65.8 ↑
2 – Born healthy and strong	Improvement	Good improvement and on track	Total:	9	11 ↑	10 ↓	6.3	7.8 ↑	8.7 ↑
By 2031, increase the proportion of Aboriginal and Torres Strait Islander babies with a healthy birth weight to 91%.			Abl. involvement:	6	6 -	6 -	5.8	6.2 ↑	6.5 ↑
3 – Early childhood education	Improvement	Good improvement and on track	Total:	7	6 ↓	5 ↓	3.1	4.4 ↑	4.8 ↑
By 2025, increase the proportion of Aboriginal and Torres Strait Islander children enrolled in Year Before Full-time Schooling (YBFS) early childhood education to 95%.			Abl. involvement	0	0 -	0 -	0	0 -	0 -
4 – Children thriving^b	Worsening	Worsening	Total:	0	3 ↑	3 -	0	0 -	0 -
By 2031, increase the proportion of Aboriginal and Torres Strait Islander children assessed as developmentally on track in all five domains of the Australian Early Development Census (AEDC) to 55%.			Abl. involvement:	0	3 ↑	3 -	0	0 -	0 -

^a States and Territories do not have individual targets; assessment of whether an outcome is 'on track' is only measured at the national level. Accordingly, this column only indicates whether there has been improvement in Western Australia.

^b Due to rounding, small expenditure figures 2022-23 and 2023-24 figures are reported as \$0.

Closing the Gap outcome	WA progression ^a	Australia-wide progression	Program numbers			Expenditure (\$m)			
			2021-22	2022-23	2023-24	2021-22	2022-23	2023-24	
5 – Student learning potential	Improvement	Improvement but not on track	Total:	6	5 ↓	4 ↓	17.0	15.2 ↓	17.5 ↑
By 2031, increase the proportion of Aboriginal and Torres Strait Islander people (age 20-24) attaining year 2 or equivalent qualification to 96%.			Abl. involvement:	5	4 ↓	3 ↓	12.8	8.6 ↓	10.8 ↑
6 – Further education pathways	Improvement	Improvement but not on track	Total:	5	7 ↑	5 ↓	0.9	1.0 ↑	0.8 ↓
By 2031, increase the proportion of Aboriginal and Torres Strait Islander people aged 25-34 years who have completed a tertiary qualification (Certificate III and above) to 70%.			Abl. involvement:	2	2 -	2 -	0.2	0.3 ↑	0.3 -
7 – Youth engagement in education and employment	Improvement	Improvement but not on track	Total:	29	28 ↓	29 ↑	31.1	40.8 ↑	46.8 ↓
By 2031, increase the proportion of Aboriginal and Torres Strait Islander youth (15-24 years) who are in employment, education or training to 67%.			Abl. involvement:	18	17 ↓	17 -	19.4	27.4 ↑	34.3 ↓
8 – Economic participation	Improvement	Good improvement and on track	Total:	37	41 ↑	31 ↓	33.6	53.0 ↑	59.2 ↑
By 2031, increase the proportion of Aboriginal and Torres Strait Islander people aged 25-64 who are employed to 62%.			Abl. involvement:	22	26 ↑	15 ↓	28.2	41.1 ↑	46.7 ↑
9A – Housing (overcrowding)	Improvement	Improvement but not on track	Total:	12	11 ↓	8 ↓	46.4	55.2 ↑	76.7 ↑
By 2031, increase the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized (not overcrowded) housing to 88%.			Abl. involvement:	9	9 -	7 ↓	43.8	54.2 ↑	76.2 ↑

^a States and Territories do not have individual targets; assessment of whether an outcome is 'on track' is only measured at the national level. Accordingly, this column only indicates whether there has been improvement in Western Australia.

Closing the Gap outcome	WA progression ^a	Australia-wide progression	Program numbers			Expenditure (\$m)			
			2021-22	2022-23	2023-24	2021-22	2022-23	2023-24	
9B – Housing (essential services)	No assessment	No assessment	Total:	5	6 ↑	6 -	79.5	92.9 ↑	147.2 ↑
By 2031, all Aboriginal and Torres Strait Islander households within discrete, or in or near town-based Aboriginal and Torres Strait Islander communities receive essential services that meet or exceed the relevant jurisdictional standard.			Abl. involvement:	4	4 -	4 -	78.2	83.5 ↑	96.0 ↑
10 – Criminal Justice	No change	Worsening	Total:	30	34 ↑	31 ↓	66.5	73.0 ↑	70.9 ↓
By 2031, reduce the rate of Aboriginal and Torres Strait Islander adults held in incarceration by at least 15%.			Abl. involvement:	13	16 ↑	12 ↓	41.9	45.4 ↑	45.6 ↑
11 – Youth Justice	Improvement	No change	Total:	19	30 ↑	19 ↓	15.2	20.3 ↑	25.9 ↑
By 2031, reduce the rate of Aboriginal and Torres Strait Islander young people (10-17 years) in detention by at least 30%.			Abl. involvement:	6	11 ↑	8 ↓	7.4	10.5 ↑	13.9 ↑
12 – Child protection	Improvement	Worsening	Total:	4	7 ↑	6 ↓	11.0	15.7 ↑	17.3 ↑
By 2031, reduce the rate of over-representation of Aboriginal and Torres Strait Islander children in out-of-home care by 45%.			Abl. involvement:	3	6 ↑	5 ↓	10.6	15.3 ↑	16.8 ↑
13 – Family Safety	No assessment	No assessment	Total:	13	18 ↑	16 ↓	11.8	13.9 ↑	13.9
By 2031, the rate of all forms of family violence and abuse against Aboriginal and Torres Strait Islander women and children is reduced at least by 50%, as progress towards zero.			Abl. involvement:	9	10 ↑	10 -	10.1	12.8 ↑	9.3

^a States and Territories do not have individual targets; assessment of whether an outcome is 'on track' is only measured at the national level. Accordingly, this column only indicates whether there has been improvement in Western Australia.

Closing the Gap outcome	WA progression ^a	Australia-wide progression	Program numbers			Expenditure (\$m)			
			2021-22	2022-23	2023-24	2021-22	2022-23	2023-24	
14 – Social and emotional wellbeing	No assessment	Worsening	Total:	3	5 ↑	5 -	4.0	10.6 ↑	10.3 ↓
Aboriginal and Torres Strait Islander people enjoy high levels of social and emotional wellbeing.			Abl. involvement:	2	2 -	3 ↑	3.9	10.5 ↑	10.2 ↓
15A and 15B – Legal rights or interests in land and seas	Improvement	Good Improvement and on track	Total:	24	25 ↑	27 ↑	49.9	71.9 ↑	151.2 ↑
By 2030, a 15% increase in Australia's land mass and sea area subject to Aboriginal and Torres Strait Islander people's legal rights or interests.			Abl. involvement:	1	1 -	1 -	0.5	0.8 ↑	0.7 ↓
16 – Culture and languages	No assessment	No assessment	Total:	8	6 ↓	5 ↓	1.6	2.0 ↑	10.7 ↑
By 2031, there is a sustained increase in number and strength of Aboriginal and Torres Strait Islander languages being spoken.			Abl. involvement:	3	3 -	2 ↓	0.6	0.6 -	0.5 ↓
17 – Access to information	No assessment	No assessment	Total:	1	2 ↑	2 -	0.6	2.9 ↑	3.5 ↑
By 2026, Aboriginal and Torres Strait Islander people have equal levels of digital inclusion.			Abl. involvement:	0	0 -	0 -	0	0 -	0 -
Does not address a Closing the Gap target			Total:	49	55 ↑	55 -	115.4	133.9 ↑	207.1 ↑
			Abl. involvement:	17	18 ↑	17 ↓	19.5	20.4 ↑	40.5 ↑
Data not provided			Total:	14	15 ↑	15 ↓	7.2	18.9 ↑	19.6 ↑
			Abl. involvement:	4	5 ↑	4 ↓	0.6	3.4 ↑	3.9 ↑
Total			Total:	361	403 ↑	371	617.9	759.4 ↑	1,020.0 ↑
			Abl. involvement:	162	182 ↑	159	342.2	403.5 ↑	479.7 ↑

^a States and Territories do not have individual targets; assessment of whether an outcome is 'on track' is only measured at the national level. Accordingly, this column only indicates whether there has been improvement in Western Australia.

Appendix 3: Data limitations

Service level and contract level expenditure

The expenditure reported in the AER has largely been provided at a program level. Most agencies have provided limited reporting at the individual service or contract level, placing limitations on the extent to which some of the data can be disaggregated.

Service and contract level data would make it feasible to assess the extent of Aboriginal organisation involvement for programs that are delivered by a mix of inputs from the Government and Aboriginal organisations. It would also clarify the regional distribution of expenditure, where programs involve locally contracted providers across multiple regions.

DTF recognises the value of this information and will continue to pursue improvements in data collection and disaggregation in future AERs.

Other data limitations and constraints

APP data timing issues

The expenditure reported in the AER is APP data, where it relates to programs and services that have been contracted out to be delivered by Aboriginal organisations. APP data is based on award value, which may span across multiple years. While best efforts have been made to allocate expenditure to financial years, this may introduce a measure of inaccuracy.

Data quality and consistency

DTF has relied on the accuracy of data provided by agencies, and by manual agency categorisation of expenditure as 'Aboriginal-specific' and 'Aboriginal-predominant'.

Some agencies have reviewed the data provided to the inaugural AER (which was primarily focused on the 2021-22 financial year) and made subsequent improvements to its accuracy and categorisation. This means that there is a slight difference between the 2021-22 figures published in the first AER report, and the updated figures 2021-22 provided in this report for year on year comparison.

Expenditure against Closing the Gap outcomes

DTF has relied on agencies to allocate expenditure to a primary Closing the Gap outcome. Agencies were unable to allocate \$133.9 million to a specific Closing the Gap outcome. This may have various causes, including limited information capture, reporting challenges, or varying levels of awareness of Closing the Gap outcomes across the sector. It does not imply that this expenditure did not support a Closing the Gap outcome.

Program expenditure by region

DTF has relied on agencies to allocate expenditure to regions. Agencies were unable to allocate \$178.5 million to a specific region. This means that expenditure figures are understated on a by region basis. Improved regional allocation of expenditure is a key area of focus for future AERs.

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