

CLOSE THE GAP

Position paper on the Federal Budget 2017

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

The Close the Gap Campaign's 2017 *Progress and priorities report* (the Executive Summary is contained in Appendix 1) outlines a number of recommendations for consideration by the Turnbull Government in its budgeting deliberations for 2017 and beyond.

These recommendations would underpin tangible improvements in Aboriginal and Torres Strait Islander peoples' health and wellbeing, address systemic disadvantage and yield benefits to the budget in the medium to long term. They are well known to government, consistent with their stated commitments, forward looking and a step beyond unsustainable crisis intervention. While there has been progress with the uptake of mainstream services such as the Medical Benefit Scheme (MBS), current usage of those programs is still only half of what is required on a needs basis.

The lack of progress since 2008 in lowering mortality gives greater urgency for the Government, with bipartisan support across Parliament, to prove its ongoing obligation to closing the gap by 2030. This obligation begins with a well-considered and appropriate budget commitment for the following priorities for Aboriginal and Torres Strait Islander Health.

Budget priorities

The Close the Gap Campaign believes that the Federal Budget 2017-18 should address the following:

- 1) **Provide sufficient funding for the *Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan (NATSIHIP) 2013-2023*, by:**
 - a. Identifying and filling the health service gaps as outlined in Strategy 1A, during the term of the current government. This is a major imperative; and
 - b. Aboriginal and Torres Strait Islander health peak bodies and community controlled health services should be provided with sufficient funding that is longer-term (through 5-year rolling funding agreements at a minimum).

The Government's *Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan 2013-2023* (the Implementation Plan) has the potential to be the key driver of progress towards the best possible outcomes from investment in health and related services.

The Close the Gap Campaign commends the ongoing partnership that Government made with Aboriginal and Torres Strait Islander health leaders, through the National Health Leadership Forum, in developing the Implementation Plan. The consultation process for the next iteration of the Implementation Plan is welcome but needs to include consideration of the financial implications of any new actions and deliverables – as well as a proper analysis of the resources required to deliver the Implementation Plan in its current operation.

The Implementation Plan is a major commitment by Government and the 2017 Budget must adequately resource its application and operation.

2) Prioritise disability services for Aboriginal and Torres Strait Islander people by:

- a. Ensuring that the National Disability Insurance Scheme affords equitable entitlement to Aboriginal and Torres Strait Islander people. This equitable entitlement is costed at \$1.6 billion of existing budget commitments to fund the NDIS and based on population estimates and the prevalence of severe and profound disability amongst Aboriginal and Torres Strait Islander people;
- b. Making disability a priority of the Indigenous Advancement Strategy and in all existing targets under the Closing the Gap Policy Framework; and
- c. Providing funding for a community-based disability advocacy program to provide mentoring and support to young Aboriginal and Torres Strait Islander people with disability who come into contact with the juvenile justice system. This provides operational funding for an unfunded program which is currently provided by the First People Disability Network.

The Campaign's 2016 Progress and Priorities Report called on COAG to introduce a target of Aboriginal and Torres Strait Islander people with disability as part of the Closing the Gap framework.

The subsequent release of 2016 Census data has shown just how prevalent the issue of disability is in Aboriginal and Torres Strait Islander communities, at least twice the rate for other Australians. For this reason, the National Disability Insurance Scheme (NDIS) should incorporate strategies and accountability mechanisms to ensure that existing funding commitment to the Scheme are equitable apportioned to Aboriginal and Torres Strait Islander disability.

There are issues around the high-levels of disadvantage, the remoteness and lack of services for many Aboriginal and Torres Strait Islander people, and the lack of cultural competence in the services that are delivered. These issues are largely neglected in both Indigenous and disability policy. All Government Department and Agencies have a role and responsibility to ensure that the impact of disability upon social and wellbeing outcomes are adequately addressed in all policies and programs which affect Aboriginal and Torres Strait Islander people.

3) Support, grow and increase the capability of the workforce (including medical and allied health professionals, nurses, midwives, Aboriginal health workers etc.) to meet current and future Aboriginal and Torres Strait Islander health needs, by providing secure and long-term funding

The need for a growing and well-supported Aboriginal and Torres Strait Islander Health workforce is well established and recognised in the Government's formation of an Aboriginal and Torres Strait Islander Health Workforce Working Group (ATSIHWWG). Aboriginal and Torres Strait Islander people represent around 3 per cent of Australia's population but, despite improvements, still make up less than 1 per cent of Australia's health workforce.

The ATSIHWWG's *National Aboriginal and Torres Strait Islander Health Workforce Strategic Framework 2016-2023*¹ contains the key elements to an effective Aboriginal and Torres Strait Islander health workforce and a series of strategies to build the workforce. The Framework is a coherent plan to increase the size, skills and distribution of the workforce required to improve access to appropriate services for Aboriginal and Torres Strait Islander people. It should be the starting point for a considered Budget commitment to actualise the strategies, and remains vital to closing the gap.

Aboriginal and Torres Strait Islander Health peak and workforce organisations are best placed to lead in growing this workforce – and should be adequately supported to do so. This would add substance to statements and deliver better health and wellbeing for Australia's First Peoples while reducing budget pressures long-term.

4) Aboriginal Community Controlled Health Services (ACCHS) are supported to provide high-quality, comprehensive and accountable services that are locally responsive to identified Aboriginal and Torres Strait Islander health needs by:

- a. Providing sufficient funding to identify and fill the primary health care service gaps; and
- b. Systematic assessment of health outcomes/needs, workforce capability and service capacity undertaken to inform the development of the core services model, future workforce requirements and investment and capacity building priorities
- c. Ensure Primary Health Networks are directed to support and partner with ACCHS as the *preferred providers* of Aboriginal and Torres Strait Islander health services.

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

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

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

We further propose that ACCHS be treated as preferred providers for health services for Aboriginal and Torres Strait Islander people unless it can be shown that alternative arrangements can produce better outcomes in terms of quality of care and access to services. We believe the evidence shows this and we support government using an objective, informed evidence base to guide future decisions.

5) National Inquiry into institutional racism in the health system (particularly in hospitals)

The Close the Gap Campaign continues to call on the Government to instigate a ‘national inquiry into racism and institutional racism in health care settings, and hospitals in particular, and its contribution to Aboriginal and Torres Strait Islander health inequality’.

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

‘The Australian health system is free of racism and inequality and all Aboriginal and Torres Strait Islander people have access to health services that are effective, high quality, appropriate and affordable. Together with strategies to address social inequalities and determinants of health, this provides the necessary platform to realise health equality by 2031.’²

Identifying and addressing institutional racism in Australia’s health system is critical to achieving health equality by 2030 and the Government needs to undertake an inquiry as a matter of urgency

to fully understand the size of this issue and its implications for Aboriginal and Torres Strait Islander health.

6) Fund the development of a long-term National Aboriginal and Torres Strait Islander Social and Cultural Determinants of Health Strategy

As stated in the 2017 Progress and Priorities Report, ‘for Aboriginal and Torres Strait Islander peoples, social determinants formed by societal structures and inequalities can be added to the historical impact of colonisation and its contemporary impacts including... the dynamics of cultural misconnection.’³

The way we live, work and play affects our health.

This is an increasingly acknowledged fact and it is encouraging to see some Ministers and government departments starting to consider the social and cultural determinants in their policy development.

To properly consider the social and cultural determinants of health that impact Aboriginal and Torres Strait Islander people, the Federal Government should resource the development of a national strategy that ties together all the disparate policies into a single, coherent plan: A coherent plan for an effective, efficient and productive approach to enabling an improvement in peoples’ lives.

Furthermore, the State and Territory governments should be incorporated into the development process. Aboriginal and Torres Strait Islander policy considerations are too often victim to jurisdictional buck-passing and a multitude of changing stove-piped approaches.

7) Restore previous funding levels to the National Congress of Australia’s First Peoples as the national representative body for Aboriginal and Torres Strait Islander peoples

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

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

8) Reconsider the MBS pause on indexation, noting that the MBS provides a vital stream of service-contingent income to Aboriginal Community Controlled Health Organisations

The Medicare Benefits Schedule patient rebate level was frozen in July 2014 and is currently not scheduled to be indexed again until at least July 2020. This means that every year an even greater proportion of health costs are either borne by the patient or the health service that provides the care. This has a disproportionately adverse impact on Aboriginal and Torres Strait Islander people. Aboriginal and Torres Strait Islander people have poorer health on average than other Australians, have higher care needs, live on average ten years less than other Australians, have lower incomes and higher rates of disability.

Many Aboriginal and Torres Strait Islander people have poor access to health services for reasons of cost, distance and and/or face prejudice that restricts access and quality of care. This situation

is well understood: fixing it is meant to be a priority for all Australian governments. Increasing costs and inhibiting access simply makes a bad situation worse.

The ACCHS sector has made a clear and positive difference in meeting the health needs of Aboriginal and Torres Strait Islander people – often where no alternative private or public health services are available. ACCHS have increasingly relied on MBS service-contingent income to fund increases in much needed service access and quality for their communities. The funds are reinvested into service capacity and delivery. The freeze on indexation just means they have fewer resources to meet community needs.

ACCHS' are already under profound pressure due to the demand for their services, the high burden of disease they deal with and the breadth of care and connected service support they often provide or facilitate for patients. MBS arrangements directly impact the availability and impact of health care on Aboriginal and Torres Straits Islander peoples.

Appendix 1: Executive Summary and Recommendations of the Close the Gap Campaign's *2017 Progress and Priorities Report*

Executive Summary

After 10 years, and despite closing the gap being a national bipartisan priority, it is clear that Australian governments at all levels are, in key respects, failing Australia's First Peoples.

In February 2016, the Close the Gap Campaign (the Campaign) welcomed the Prime Minister's words at his first Closing the Gap report to Parliament where he said '**we have to stay the course on key policy priorities**' and that it is time for governments to '**do things with Aboriginal people, not do things to**' Aboriginal people. In his speech, the Prime Minister said:

I will honour that commitment not by delivering to Indigenous Australians, but by working with Aboriginal and Torres Strait Islander leaders and their communities across Australia...⁴

And yet, as shown by the recent report of the Australian National Audit Office regarding the *Indigenous Advancement Strategy*,⁵ across nearly every government funded program, initiative or portfolio responsibility we see the continuation of imposed, unengaged and often rushed service delivery.

Long-standing Close the Gap Campaign leader and CEO of The Lowitja Institute, Mr Romlie Mokak said at the *2016 Medicine & Society Oration* that:

Power in the policy world sits with others, not with Aboriginal and Torres Strait Islander peoples. It resides outside of the domain of Aboriginal and Torres Strait Islander people. We must redress the power imbalance.⁶

In his Medicine and Society Oration, Romlie Mokak went on to say that ...

we are outsiders to the intimate internal discussions about our very own health and wellbeing.⁷

This must change in 2017.

Prime Minister, and all Members of Parliament I say to you that Aboriginal and Torres Strait Islander people have the solutions to the difficulties we face.

Consider for a moment the 2.5 million episodes of care delivered to our people by Aboriginal Community Controlled Health Organisations each year.

This community-controlled work is echoed by many of our organisations here today, and amplified by countless individual and community efforts working for change.

Imagine this work stretching out over decades as it has.

We need a new relationship that respects and harnesses this expertise, and recognises our right to be involved in decisions being made about us.

A new relationship where we have a seat at the table when policies are developed.

Dr Jackie Huggins

Redfern Statement Parliamentary Event, 14 February 2017

The launch of the *Redfern Statement* during the Federal Election in June 2016 was a watershed moment for Aboriginal and Torres Strait Islander peak organisations from health, justice, violence prevention, disability, children and families' sectors, coming together to demand a new and better relationship with Government.

This should be a wake up call to Government that things need to be done differently. Indeed in the Prime Minister's 2017 Closing the Gap Report, six of the seven closing the gap targets were not on track.⁸

The Campaign was especially concerned that the target to halve the gap in child mortality by 2018 is not on track and that Aboriginal and Torres Strait Islander child mortality did not improve significantly over the period 2008-2015. This is not good enough from governments that have committed to close the life expectancy gap by 2030 as a national priority.

While the Campaign has been generally pleased with the statements of ongoing bipartisan support from across the Federal Parliament supporting closing the gap, words are not enough. The recognised necessity and urgency to closing the gap must be backed by action based on meaningful engagement with Aboriginal and Torres Strait Islander people.

Government must place Aboriginal and Torres Strait Islander affairs at the heart of their agenda, recognising health equality as a national priority.

Despite the regular upheaval of major policy changes, significant budget cuts, changing governments and the constant bureaucracy churn, we have still managed to see some encouraging improvements in Aboriginal and Torres Strait Islander health outcomes – although the 2017 Closing the Gap Report shows a mixed picture with insufficient progress in the key areas of health, education and employment.

Much remains to be done and, as we move into the next phase of the Closing the Gap framework, enhanced program and funding support will be required.

The necessary leadership of the Federal Government in closing the gap does not lessen the responsibility of the States and Territories to do all they can to bring about health equality for Aboriginal and Torres Strait Islander people. Roles and responsibilities of each level of government must be made clear and agreements forged through Council of Australian Governments (COAG) to renew national partnership arrangements between the Commonwealth and State jurisdictions.

Of particular importance for all levels of government, is to develop a more comprehensive approach to Aboriginal and Torres Strait Islander health that encompasses the social and cultural determinants of health.

The Campaign believes that strong leadership at all levels of government in taking forward a social and cultural determinants approach to Closing the Gap is required. It is here that the Redfern Statement is so important, affirming that:

The health and wellbeing of Aboriginal and Torres Strait Islander peoples cannot be considered at the margins...

It is time that Aboriginal and Torres Strait Islander voices are heard and respected, and that the following plans for action in relation to meaningful engagement, health, justice, preventing violence, early childhood and disability, are acted upon as a matter of national priority and urgency.⁹

The Campaign is confident that in getting this right for Aboriginal and Torres Strait Islander peoples, the inherent strength of a holistic approach to health will benefit all Australians.

We are also confident that if Government delivers on the words of the Prime Minister to work with Aboriginal and Torres Strait Islander peoples to deliver the solutions to health inequality, progress towards the national priority of closing the health equality gap will occur.

Recommendations

- **New Engagement**

The Federal, State and Territory governments renew the relationship with Aboriginal and Torres Strait Islander peoples, by engaging with sector leaders on the series of calls in the Redfern Statement, and that they participate in a National Summit with Aboriginal and Torres Strait Islander leaders in 2017, to forge a new path forward together.

The Federal Government restore previous funding levels to the National Congress of Australia's First Peoples as the national representative body for Aboriginal and Torres Strait Islander peoples, and work closely with Congress and the Statement signatories to progress the calls in the Redfern Statement.

The Federal Government hold a national inquiry into racism and institutional racism in health care settings, and hospitals in particular, and its contribution to Aboriginal and Torres Strait Islander inequality, and the findings be incorporated by the Department of Health in its actioning of the Implementation Plan of the National Aboriginal and Torres Strait Islander Health Plan 2013-2023.

- **Reinvigorating the national approach to health inequality**

State and Territory governments recommit to the Close the Gap Statement of Intent, and develop and implement formal partnerships with the Federal Government with agreed roles, funding and accountability with the provision of annual reports on their efforts to close the gap from each jurisdiction.

The Federal, State and Territory governments work together to develop a *National Aboriginal and Torres Strait Islander Health Workforce Strategy* to meet the vision of the National Health Plan.

- **Social and Cultural Determinants of Health**

The Federal Government develop a long-term National Aboriginal and Torres Strait Islander Social and Cultural Determinants of Health Strategy.

- **Implementation Plan**

The Implementation Plan is a major commitment by the Federal Government and must be adequately resourced for its application and operation. As such, the Government should:

Identify geographic areas with both high levels of preventable illnesses and deaths and inadequate services, and development of a capacity-building plan for Aboriginal Community Controlled Health Organisations (ACCHOs) in those areas.

Fund the process required to develop the core services model and the associated workforce, infrastructure, information management and funding strategies required.

Ensure Aboriginal and Torres Strait Islander health funding is maintained at least at current levels until the core services, workforce and funding work is finalised, when funding should be linked directly with the Implementation Plan.

Ensure the timely evaluation and renewal of related frameworks upon which the Implementation Plan relies.

Finalise and resource the National Plan for Aboriginal and Torres Strait Islander Mental Health and Social and Emotional Wellbeing. This plan should incorporate and synthesise the existing health, mental health, suicide and drugs policies and plans – and should be an immediate priority of all governments.

Ensure that the consultation process for the next iteration of the Implementation Plan be based on genuine partnership with Aboriginal and Torres Strait Islander people, in a way that is representative and properly funded so that First Peoples can be full and equal development partners.

- **Primary Health Networks**

The Federal Government mandate formal agreements between Primary Health Networks (PHNs) and ACCHOs in each region that:

- a. specify Aboriginal and Torres Strait Islander leadership on Indigenous issues and identify the specific roles and responsibilities of both the PHNs and the ACCHOs.
- b. include workforce targets for Aboriginal and Torres Strait Islander health professionals and include mandatory Aboriginal and Torres Strait Islander representation on the clinical committees of every PHN.

The Federal Government mandate ACCHOs as preferred providers of health services for Aboriginal and Torres Strait Islander people provided through PHNs.

The Federal Government develop and implement agreed accountability, evaluation and reporting arrangements to support the provision of primary health care for Aboriginal and Torres Strait Islander peoples in each PHN area.¹⁰

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- 1 National Aboriginal and Torres Strait Islander Health Workforce Strategic Framework (2016-2023) <http://www.health.gov.au/internet/main/publishing.nsf/Content/work-pubs-natsihwsf>
 - 2 Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan 2013-2023 <http://www.health.gov.au/internet/main/publishing.nsf/Content/indigenous-implementation-plan>
 - 3 2017 Progress and Priorities Report - <https://www.humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/publications/close-gap-progress-0>
 - 4 The Hon Malcolm Turnbull MP, *Speech to Parliament on the 2016 Closing the Gap Report* (Speech delivered at the House of Representatives, Canberra, 10 February 2016) <http://www.malcolmturnbull.com.au/media/speech-to-parliament-on-the-2016-closing-the-gap-report>.
 - 5 Australian National Audit Office, *Indigenous Advancement Strategy* (2017) Commonwealth of Australia. At <https://www.anao.gov.au/work/performance-audit/indigenous-advancement-strategy>.
 - 6 Romlie Mokak, 'A Question of Value: Aboriginal and Torres Strait Islander Health' (Speech delivered at the 2016 Cranlana Programme Medicine & Society Oration, Melbourne, 10 August 2016).
 - 7 Romlie Mokak, 'A Question of Value: Aboriginal and Torres Strait Islander Health' (Speech delivered at the 2016 Cranlana Programme Medicine & Society Oration, Melbourne, 10 August 2016).
 - 8 Closing the Gap Prime Minister's Report 2017 <http://closingthegap.pmc.gov.au/sites/default/files/ctg-report-2017.pdf>.
 - 9 Redfern Statement Alliance, *The Redfern Statement* (9 June 2016) National Congress of Australia's First Peoples. At <http://nationalcongress.com.au/about-us/redfern-statement/>.
 - 10 CTG 2016 Election Statement.