Caveats when considering expenditure and outcomes together

Extreme caution should be taken when considering outcomes and expenditure and attributing causal links between outcomes and expenditure, for the following reasons:

- There are a large number of confounding factors that affect outcomes achieved, other than the level and form of government expenditure.

- Government expenditure is often targeted to areas of greater need. A correlation between high expenditures and poor outcomes may reflect primarily this cause rather than ineffective government expenditure.

- Direct service provision expenditure data were collected for the 2015-16 financial year, while the outcomes data were based on a range of latest available information to the 2015-16 year used. This means that the data for outcomes data are from different years. Therefore, expenditure data and outcomes data cannot be directly compared due to the different date ranges. For example: outcomes in 2011 cannot be attributed to expenditure in 2015-16.

- Attributing outcomes to specific expenditure or a specific timeframe requires detailed contextual analysis that is not reflected in the current presentation of the data. For example: an investment in early childhood education in 2015 may yield outcomes many years later.

- Investments in one OID strategic area will affect outcomes in other OID strategic areas at different time intervals. For example: an investment in early childhood education will engender downstream effects in economic participation, health, education and justice outcomes.