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Official Committee Hansard

SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

ESTIMATES

(Budget Estimates)

MONDAY, 30 MAY 2005

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SENATE

COMMUNITY AFFAIRS LEGISLATION COMMITTEE

Monday, 30 May 2005

Members: Senator Knowles (*Chair*), Senator Greig (*Deputy Chair*), Senators Barnett, Denman, Humphries and Moore

Senators in attendance: Senator Knowles (*Chair*), Senator Greig (*Deputy Chair*), Senators Barnett, Bartlett, Evans, Forshaw, Humphries, Mason, McLucas, Moore and Webber

Committee met at 9.04 am

FAMILY AND COMMUNITY SERVICES PORTFOLIO

In Attendance

Senator Patterson, Minister for Family and Community Services

Department of Family and Community Services

Executive

Dr Jeff Harmer, Secretary

Mr Wayne Jackson, Deputy Secretary

Mr Stephen Hunter, Deputy Secretary

Mr David Kalisch, Acting Deputy Secretary Executive (Secretary & Deputy Secretaries)

Group Managers

Ms Glenys Beauchamp, Group Manager, Families and Children

Ms Kerry Flanagan, Group Manager, Women and Youth

Mr Robert Knapp, Group Manager, Housing and Disability

Mr Alex Dolan, Acting Group Manager, Social Policy

Ms Cate McKenzie, Group Manager, Communities

Mr Tim Youngberry, Group Manager, Business, Financial Services and Information Technology

1.1 Support for Today

Mr Alex Dolan, Acting Group Manager, Social Policy

Ms Pamela Kinnear, Senior Advisor Family Payments

Mr Andrew Whitecross, Branch Manager, Research and Data Management

Mr Steve Jennaway, Branch Manager, Budget Development

Ms Michalina Stawyskyj, Branch Manager, People

Ms Fiona Dempster, Branch Manager, Ministerial, Media and Executive Support

1.2 Preparing for the Future

Mr Alex Dolan, Acting Group Manager, Social Policy

Ms Pamela Kinnear, Senior Advisor Family Payments

Mr Andrew Whitecross, Branch Manager, Research and Data Management

Mr Steve Jennaway, Branch Manager, Budget Development

Ms Michalina Stawyskyj, Branch Manager, People

Ms Fiona Dempster, Branch Manager, Ministerial, Media and Executive Support

2.1 Practical Support and Sharing Responsibility

Mr Robert Knapp, Group Manager Housing and Disability
Ms Cate McKenzie, Group Manager, Communities
Ms Liza Carroll, Branch Manager, Housing Support
Mr Peter Taylor, Branch Manager, Branch Manager Indigenous Housing & Infrastructure
Ms Dawn Casey, Branch Manager Indigenous Housing & Infrastructure

3.1 Support for the Aged

Mr Alex Dolan, Acting Group Manager, Social Policy
Mr Nick Hartland, Branch Manager, Social Security Relationships and Compliance
Mr Peter Hutchinson, Acting Branch Manager International
Mr Ben Wallace, Acting Branch Manager, Seniors & Means Test

3.2 Support for People with Disabilities

Mr Robert Knapp, Group Manager Housing and Disability
Ms Peta Winzar, National Disability Operations State Manager Queensland State Office
Mr Roger Barson, Branch Manager Disability and Carers

3.3 Support for Carers

Mr Robert Knapp, Group Manager Housing and Disability
Mr Roger Barson, Branch Manager Disability and Carers

3.4 Support for Youth

Ms Kerry Flanagan, Group Manager, Women and Youth
Ms Kim Loveday, Branch Manager, Youth Bureau
Ms Kasy Chambers, Branch Manager, Communications and Library

3.5 Support for Women

Ms Kerry Flanagan, Group Manager, Women and Youth
Mr Alex Dolan, Acting Group Manager, Social Policy
Ms Jenny Bourne, Branch Manager Safety, Leadership and Consultation
Ms Lee Emerson, Branch Manager Policy, Research and International
Mr Ben Wallace, Acting Branch Manager Seniors and Means Test

4.1 Support for Families

Ms Glenys Beauchamp, Group Manager, Families and Children
Mr Alex Dolan, Acting Group Manager, Social Policy
Ms Kerry Flanagan, Group Manager, Women and Youth
Mr Jeff Popple, Branch Manager Families and Children's Policy
Dr Loucas Nicolaou, Branch Manager, Indigenous Family and Child Wellbeing
Mr Evan Lewis, Branch Manager, Early Childhood and Communities
Mr Tony Carmichael, Branch Manager, Family Relationship Services and Child Support Policy
Mr David Hazlehurst, Manager Family Payments
Ms Kim Loveday, Branch Manager Youth Bureau

4.2 Child Support

Mr Wayne Jackson, Deputy Secretary
Ms Glenys Beauchamp, Group Manager, Families and Children
Mr Tony Carmichael, Branch Manager, Family Relationship Services and Child Support Policy

4.3 Child Care Support

Ms Glenys Beauchamp, Group Manager, Families and Children

Ms Linda Powell, Branch Manager, Child Care Policy and Planning

Ms Donna Griffin, Acting Branch Manager, Child Care Policy and Planning

5.1 Supporting Communities and Delivering Local Solutions

Ms Cate McKenzie, Group Manager, Communities

Mr Barry Smith, Assistance Secretary, Community Branch

Aboriginal Hostels Ltd

Mr Keith Clarke, General Manager

Dr Kamlesh Sharma, Assistant General Manager and Company Secretary

Mr Russell Lane, Assistant General Manager Operations

CHAIR—I declare open this public hearing of the Senate Community Affairs Legislation Committee. The Senate has referred to this committee the particulars of the proposed expenditure for 2005-06 and particulars of proposed supplementary expenditure for 2004-05 for the portfolios of Family and Community Services and Health and Ageing. The committee is due to report to the Senate on 20 June 2005 and Friday, 22 July has been set as the date for the return of answers to questions taken on notice. The committee will now commence examination of the Family and Community Services portfolio. I welcome the Minister for Family and Community Services, Senator the Hon. Kay Patterson, the departmental secretary, Dr Jeff Harmer, and, of course, all the officers of the Department of Family and Community Services.

I remind officers that the Senate has resolved that there are no areas in connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament, or its committees, unless the parliament has expressly provided otherwise. I also remind officers that they will not be asked to express an opinion on matters of policy, and they shall be given reasonable opportunity to refer questions asked of them to superior officers or to a minister. Witnesses are reminded that the giving of evidence to the committee is protected by parliamentary privilege. However, the giving of false or misleading evidence may constitute a contempt of the Senate. Minister, do you wish to make an opening statement?

Senator Patterson—Yes, I do. When we get to the end of this meeting, it will be some ungodly hour on Thursday or most probably Friday afternoon. I want to put on the record my appreciation, as minister, for your chairmanship of this committee over a very long time. You have been fair and firm. We will miss you very much; I will miss you particularly as minister, but I am sure every other senator will miss you too. I will have an opportunity to say other things in the Senate but, because there will be thin pickings of people by the end of this meeting, I wanted to say thank you very much. You have made an enormous contribution in Senate estimates committees, both as an inquisitor and as a chairman over a very long period—over 20 years now. As minister I thank you very much on my own behalf and also on behalf of the party. I am sure I speak on behalf of all other senators as well.

CHAIR—Thank you, Minister; I greatly appreciate those kind words. The committee will be working from the portfolio budget—

Senator McLUCAS—Given it is your last chairing of this estimates committee, and in the same vein as Senator Patterson, I also want to thank you for your chairing of the committee. At the end of Thursday night, or whenever it might be, there will not be a great audience, so I also want to say thank you. I look forward to another four days of estimating.

CHAIR—Thank you, Senator McLucas. I appreciate those comments as well. The committee will be working from the portfolio budget statements and the portfolio supplementary additional estimates statement No. 2. I propose that we commence with general questions on the portfolio overview in the PBS—pages 13 to 31—and then outcomes 1, 2, 3, 4 and 5 on pages 69 to 210. Budget measures listed on pages 54 to 68 can be considered under the relevant outcome as well as any questions on supplementary additional funding. Questions relating to Aboriginal Hostels Limited Agency will be heard after the completion of outcome 5, and there will not be any questions for the Australian Institute of Family Studies. With the concurrence of senators, Senator Mason would like to ask a few quick questions in the overview.

Senator MASON—Thank you, colleagues for letting me push in like this, being somewhat of an interloper. I have some quick questions on *Absence management in the Australian Public Service*. Minister, I placed a question on notice to you a few weeks ago about absence management and I received a reply recently. It relates to personal leave, and in particular sick leave. Dr Harmer, the minister mentioned in her reply that in the calendar year 2004 there were 10.03 days per full-time employee taken as sick leave. Do you know what the amount of personal leave taken was per full-time employee in the calendar year 2004?

Dr Harmer—I know that the figure of 10.03 is the accurate figure for sick leave for 2004.

Ms Stawyskyj—The figure for personal leave was 13.05.

Senator MASON—Dr Harmer, in the results for FaCS in the financial year 2001-02, personal leave was 12.44, so in fact personal leave has gone up. Looking across the Public Service, the figure is quite high. I will ask quickly about the administrative arrangements in your department. Are there any limits on the amount of personal leave you can take?

Dr Harmer—Perhaps I can begin by saying that I am well aware that 10.03 is quite a high level. It pertains to the year 2004. The 2004 sick leave, in particular, which I have looked into personally, is up on both 2002 and 2003. We were at 8.49 in 2002 and 8.92 in 2003, so it is quite worrying that it has gone to 10.03 for 2004.

Senator MASON—So, in effect, that is two five-day weeks—

Dr Harmer—Yes, it is.

Senator MASON—on top of four weeks recreation leave.

Dr Harmer—It is an issue for me and my management team. I believe, looking at the figures, that it is certainly a management issue for the rest of the APS. As you can imagine, once we knew the 2004 figures, we have been putting a lot of effort into looking at what we can do to address this issue within FaCS. It has taken quite a bit of my time and my senior management's time to work out strategies. At the moment, we do not have the management of sick leave and personal leave as a specific category in the performance agreements of managers. We are going to do that. I used that strategy in the Health Insurance Commission

when I was managing director there, and that helped me to focus managers on their responsibility to manage the leave provisions a little bit more actively. We are going to do that.

Senator MASON—Did it have an effect, Dr Harmer?

Dr Harmer—Yes, it did. I need to be careful, because we are still in the negotiations on our certified agreement, but the Department of Family and Community Services has a provision in its certified agreement which was new in the last agreement, which is unlimited personal leave approved by managers within the organisation. In reviewing how that worked over the last three years, I am not convinced that giving managers flexibility over that is a good idea, so I have proposed in our current negotiating position for the certified agreement that we remove that and that, still maintaining a family friendly workplace, we go back to having my discretion on the recommendations of managers so that I can manage it more across the whole of the organisation.

We are also maintaining our other measures to ensure that we keep a healthy workplace, such as the provision of influenza vaccinations, encouraging participation in health promotion activity, proactive return-to-work programs and various other things. We are going to monitor it more strongly than we have in the past, and we are going to give clear guidance to managers and employees about sick leave and the pressure it puts on other people—although, clearly, quite a lot of people do get sick and are entitled to take sick leave. There is a high correlation in the Public Service, from our analysis, in that those departments that have a higher proportion of women usually have a higher level of sick leave, possibly because they interact more with kids at school, who bring home flu and things like that. In the Public Service, our proportion of women is quite high: it is 66.2, compared to the Australian Public Service average of 53.8.

Senator MASON—I accept all that, but the trend is up in fact.

Dr Harmer—Yes, it is.

Senator MASON—And that is not a good thing.

Dr Harmer—I agree.

Senator MASON—But you are looking at it.

Dr Harmer—We are. I am reasonably confident, although I need to be a little careful because I know that you will probably be here asking me about it again next year—

Senator MASON—I suspect I will be, yes.

Dr Harmer—We will be monitoring this carefully. I am reasonably confident, if we get the provision in the CA through. There was quite a blip up in 2004, which I think can really only be explained by the variable interpretation of that provision in our certified agreement, frankly.

Senator MASON—That was in effect unlimited personal leave monitored by managers.

Dr Harmer—A variable interpretation of it across the organisation, which is a concern to me as well. So we are going to get rid of that, monitor it more carefully, put it in the performance agreements of our managers, have an education campaign for both employees

and managers, and continue with our pretty progressive methods to try to reduce sickness from flu and those sorts of things.

Senator MASON—The Audit Office report entitled *Absence management in the Australian Public Service* suggested that the Australian Public Service Commissioner might want to make some general guidelines as to how to approach the issue. Do you think that would be useful?

Dr Harmer—It might be useful. For FaCS it would not be necessary because I have only been—

Senator MASON—You are onto it already.

Dr Harmer—I am, and I have only been there since the end of last year. It is something that I think ought to be the responsibility of the CEO and the management team. I guess it would not do any harm for the Public Service Commissioner to do it, but I think it is a matter for each individual CEO and the agency.

Senator MASON—Thank you very much.

Senator MOORE—I will follow on from those questions, but I also have a few questions about HR generally. Dr Harmer, you mentioned the certified agreement negotiations. One of the things about your department is its high profile with family friendly policies. My understanding is that you are a past winner of a very prestigious award for family friendly policies in your department—is that is right?

Dr Harmer—I need to check that. Yes.

Senator MOORE—It was celebrated long and hard across the public sector. In terms of the responses that you were giving to Senator Mason, are you in negotiations now for your certified agreement?

Dr Harmer—Yes, we are.

Senator MOORE—I am interested in whether the internal reviews of higher use of leave have indicated what kind of usage has been most common. Have you kept records of the areas of leave that have been taken?

Ms Stawyskyj—It is tagged as sick leave. We do not have the capacity to break it down between sick leave and carer's leave.

Senator MOORE—One of the reasons that you were so successful in that award was the indication that you were looking after families, particularly those with ill children. That was certainly one of the high-profile areas.

Dr Harmer—Indeed.

Senator MOORE—I am just interested to know whether there has been any record keeping of higher usage, as Senator Mason seems to believe. How much of that was usage by a parent with children?

Ms Stawyskyj—Our carer's leave is in that personal leave category and is 2.23 per staff.

Senator MOORE—So if we took the 2.23, which is where you led the public sector in family friendly policies, and reduced that from your accumulated total, that would bring it back to less than the Australian Public Service standard. Is that right?

Ms Stawyskyj—The figure that Senator Mason was quoting was for personal sick leave, which was 10.3. In addition to that, our staff take 2.23 in carer's leave. Then there is another 0.79 miscellaneous leave for various other purposes. That totals 13.05.

Senator MOORE—Which was the figure that Dr Harmer was discussing with Senator Mason. So you did lump it all together in those figures—that is right, isn't it?

Dr Harmer—The 10.03 figure—

Senator MOORE—Is for sick leave alone.

Dr Harmer—that Senator Mason was talking about is just sick leave for the year 2004. The other figure that has been spoken about is for carer's leave. I have absolutely no intention of moving back from being a leader in family friendly workplaces.

Senator MOORE—I think the term that your department used was 'model'.

Dr Harmer—Indeed. I think we still would be, frankly, even with the changed provision for uncapped personal leave. We still maintain 12 weeks paid and up to 40 weeks unpaid maternity leave, four weeks paid leave for non-primary care givers associated with children and carer's leave. There are a lot of provisions that will remain in our current certified agreement, which we are very proud of and that our staff appreciate, to make sure that FaCS remains a family friendly workplace.

Senator MOORE—Have these concerns about leave come up in the process of consultation that is going on within the department at the moment?

Dr Harmer—They have certainly been a feature of our certified agreement negotiations with the union, yes. I have been going around the country talking with my staff in the various state offices, because I am driving the Family and Community Services' certified agreement. I have been explaining to staff what my intention is and making it clear that I want to maintain FaCS as a family friendly workplace. But any CEO that looks to renegotiate a certified agreement has to look at how, say, new provisions in the previous agreement are working, and this one is not working as intended.

Senator MOORE—What does 'not working as intended' mean?

Dr Harmer—There has been a great deal of variability in the taking of personal leave, because of the uncapped nature of the current provision and no doubt because of the variable interpretation of it from management team to management team.

Senator MOORE—Is that a training issue?

Dr Harmer—It could be a training issue. But I would rather take the pressure off individual managers from this issue and manage it myself, with recommendations from the higher level people in the organisation. That is my preference. I do not think that more than one or two departments have that provision in their agreements. I am moving back to being more in line with what most of the Public Service is doing.

Senator MOORE—To a standard across the service.

Dr Harmer—Yes, with that particular provision. But I am maintaining most of the other provisions that represent a family friendly workplace and that are the reasons we were considered a model.

Senator MOORE—Can you remind me of some of those?

Dr Harmer—They include: 12 weeks paid and up to 40 weeks unpaid maternity leave—

Senator MOORE—Which is a standard. That aint above anything.

Dr Harmer—I will go through them: on returning from maternity leave, access to part-time employment for up to two years; four weeks paid leave for non-primary caregivers associated with a child birth; carers leave; flexitime; access to home based work; access to part-time work; access to purchased leave and paternal leave; opportunities to access paid and unpaid adoptive leave for staff adopting children; access to parental carers rooms; Christmas close down; promoting good health allowance; influenza vaccines—there is a whole range of things. I think we would be at or near the very top of Public Service agencies in terms of being family friendly.

Senator MOORE—With your experience in the industry, which of those ones that you have just read out are extraordinary?

Dr Harmer—The combination of them. I am not sure how common that particular combination is. My team may have that information; otherwise, we could take it on notice.

Ms Stawyskyj—A number of them would have similar provisions but ours may be more generous. For example, with the non-primary caregiver leave, a number of agencies will have one week or they may have leave available without pay. We have four weeks paid leave for that. So it is often through those sorts of arrangements and the quantum of the provision that is perhaps more extraordinary.

Senator MOORE—I am trying to see in public sector wide terms how these family friendly processes are considered. As I said, your department has always been seen—and I think it ought to be, because of your name—

Dr Harmer—Yes, we are conscious of that.

Senator MOORE—I would think it would be like Tax not paying their tax bills and that kind of thing. We just have a concern that a very high standard is being pulled back for some reason. Dr Harmer, you are quite clear that that is not the intention and that you will be driving this to ensure that that does not happen.

Dr Harmer—Yes, indeed. I have assured staff as I have been talking with them around the country that where there is anyone with a genuine need for leave, and there is a strong recommendation from their manager, I am most unlikely to knock it back. I just want to have it more centrally and consistently managed.

Senator MOORE—Can you clarify for me how you see that operating when you mention having it ‘more centrally’ managed.

Dr Harmer—For extended personal leave, a recommendation from a manager will come to me.

Senator MOORE—Personally?

Dr Harmer—Yes.

Senator MOORE—Is that unusual?

Dr Harmer—I do not know. Maybe I will discover that it becomes too onerous; I do not think it will. I have assured my staff that, in most circumstances, I would be likely to take the senior manager's recommendation. It will also focus my mind on it a bit more and make sure I keep the data and have a finger on the pulse a bit more in managing it.

Senator MOORE—How many staff are there in the department?

Dr Harmer—About 1,800.

Senator MOORE—So you would hope that there would not be a rush of applications in one fortnight?

Dr Harmer—I would hope not.

Senator MOORE—For a whole range of reasons. In terms of the process, do you have to have prior approval for pre-approved extended personal leave?

Ms Stawyskyj—There is a requirement that all leave be approved but, with personal leave, particularly the sick leave category, it is often difficult to have prior approval. But there is an expectation that the staff member will phone their supervisor and outline the nature of their leave requirement and give an indication of the time frame.

Senator MOORE—I am just wondering about the very few, we hope, applications going to you, Dr Harmer. Is that likely to be leave that people need to take in the future or would it be a situation where they have to get approval from you after they are off work?

Ms Stawyskyj—The one the secretary would be approving is for further leave that is beyond the accrued amount of leave an individual has. When it is within the normal accrued capacity, the normal process of leave approval occurs. So it is only for extended leave that goes beyond an accrued amount. It happens when a person has exhausted their accrued leave.

Dr Harmer—I would not be injecting myself into the approval of it. It is only when they have used all their available leave and they want to apply for something in addition to that. That is the issue.

Senator MOORE—I am thinking about how the process would operate. You are a devolved department, aren't you? You have most of your staff in Canberra but some are sprinkled—

Dr Harmer—Yes, we do.

Senator MOORE—So, instead of being locally approved, which people now have the capacity to do under the uncapped provision, there is still a capacity at the moment for a manager or people at any level to say no, isn't there?

Dr Harmer—Yes.

Senator MOORE—But now that extended process under your proposed plan will be back to you.

Dr Harmer—Yes, it will. It will be a manager's recommendation to me.

Senator MOORE—How are you going at convincing the staff that it is a good thing?

Dr Harmer—It is very difficult to tell, because we have not done a survey, but I have received pretty good support around the states and in national offices when I have been speaking about these things—and I have been doing quite a lot of it in the last couple of months. There is certainly a feeling amongst the Family and Community Services staff that there is the potential for that uncapped provision to lead to a lot of pressure in some workplaces where some people are taking quite a deal of leave and putting pressure back on the rest of the team to do their work. There is some feeling about that. If they trust me—and I believe they will—to apply this and make decisions reasonably, I do not think it is going to worry the vast majority of staff, frankly.

Senator MOORE—The model in the public sector devolving responsibility and delegations out as far as possible reverses the trend. Is there any kind of view amongst the senior management that this is a dilution of their ability to make decisions?

Dr Harmer—I do not think so.

Senator MOORE—Hopefully they would tell you if they thought that way.

Dr Harmer—I have not been a dictator in the formulation of the management position negotiations. I certainly consulted with my senior management team—my deputies, my division head level people and the SES. No-one in that group is saying to me, ‘This is a dangerous centralisation of power,’ or anything like that. It is a relatively minor element in what is overwhelmingly devolved decision making around management.

Senator MOORE—When is the certified agreement due to be negotiated?

Dr Harmer—We are in the final stages of negotiation now.

Senator McLUCAS—At the opening of Senate estimates in February, in both this committee and Finance and Public Administration, there was considerable discussion about the changed arrangements because of the moving of Centrelink and HIC, in particular, to the Finance and Public Administration Committee. In the reports of both the Community Affairs Committee and the Finance and Public Administration Committee I think quite strong words were used about the effect that has had on our ability to properly scrutinise the various agencies. Chair, we made a direct request of you and the Chair of Finance and Public Administration. What happened as a result of that? Was there a meeting between you and the other chair?

CHAIR—Senator Mason and I met with Senator Evans to discuss the concerns that you had. We subsequently wrote to the ministers concerned. Senator Minchin came back to us advising that, as it was a policy decision to shift the Department of Human Services into Finance and Public Administration, that is where it would stay and, unfortunately, the officers concerned would be appearing at F&PA and not at this hearing.

Senator McLUCAS—Senator Patterson, did you have a view on the structure of the committee system, given the move of HIC and Centrelink in particular, the largest agencies?

Senator Patterson—I think Senator Knowles explained the government’s point of view. There has been a policy change about the location of those services—Centrelink, HIC and all

the others. They are in Finance and Public Administration. It was the decision to leave them there.

Senator McLUCAS—Even though Medibank Private is still appearing in this committee but technically belongs in Finance and Public Administration. So we can accommodate Medibank Private. We have done that over some time now.

Senator Patterson—That is not in the finance portfolio. I suppose now the major shareholder is the Minister for Finance and Administration, not the Minister for Health and Ageing and the minister for finance, as it was a couple of years ago. But it is within the health portfolio in the sense of it being administered within the health portfolio. I do not know the answer to that question. I do not know exactly where Medibank Private now fits.

Senator McLUCAS—In Finance.

Senator Patterson—I am not going to take your word for it; I will go back and check. The decision has been made, with the changes in the machinery of government, that those services would go to Finance and Public Administration, and they are appropriately located in those estimates.

CHAIR—Senator McLucas, just to inform you about Medibank Private, that was actually a decision of the Department of Health and Ageing. You might want to question them on Wednesday with regard to that.

Senator McLUCAS—Here we go again.

CHAIR—I want to assure you that we did look at this very seriously. Both Senator Mason and I did raise this issue. It did raise a hypothetical question that if we were starting to unpick the way in which all of the departments appeared before estimates there would be no end to that. While I was personally sympathetic to the cause, I did understand that of course it was going to be very difficult because it was a decision of government to put them into F&PA.

Senator McLUCAS—The reports of both this committee and Finance and Public Administration, I think, used quite strong language about the change meaning a diminished level of scrutiny simply because the difference between policy and service delivery is often blurred. I think Finance and Public Administration said members are forced to put matters on notice, a practice that at times is inevitable, but that prevents any in-depth examination of important matters. I think that is quite significant language that, unfortunately, does not seem to have been picked up by the ministers. Senator Patterson, I understand that Senators Knowles and Mason wrote to you as well. Did you respond to that letter?

Senator Patterson—I will have to go back and check the record. I respond to my colleagues' letters; I would just need to go back and check that. I sign a lot of letters every day. I presume I answered it, but I will check and I will have an answer for you later today. It would have been the same answer that Senator Knowles gave you with regard to Senator Minchin's reply.

Senator McLUCAS—Senator Knowles, can we have a copy of Senator Minchin's letter?

CHAIR—Yes, you certainly can.

Senator McLUCAS—I could have that later today?

CHAIR—Yes, if I can unearth it in my office. From Senator Patterson’s perspective, I think it would be fair to say that we had a discussion with the three relevant ministers and it was decided that, because it was Senator Minchin’s portfolio, Senator Minchin would respond on behalf of the three ministers.

Senator Patterson—Yes, I am just double-checking. I did not say I answered it because I had this funny feeling that I had not; and I had not because Senator Minchin answered on behalf of us. I had a vague recollection of an answer, but not one I had signed. He said that he consulted with me, Mr Hockey and Senator Ellison, the Manager of Government Business in the Senate, and he was responding on that basis.

Senator McLUCAS—Minister, you have been a member of this committee for a considerable period of time. Do you recognise the difficulties that the new structure creates for this committee?

Senator Patterson—I also recognise the difficulties that a structure like the one you are suggesting would pose for a group like Centrelink, who would have to appear with DEWR, FaCS, DEST and AFFA. I think we have to look at it from the other point of view as well. At the moment we have DEWR and community services on at the same time. That would have an effect on Centrelink. I think you need to have a look at it from the other perspective. These are the issues that we took into account.

Senator McLUCAS—But the policy connection between Centrelink and FaCS, I would suggest, is the strongest policy connection, rather than between Centrelink and DEST or AFFA.

Senator Patterson—No, not necessarily. DEWR has a very strong policy link now with Centrelink.

Senator McLUCAS—Are you suggesting that DEWR’s relationship with Centrelink would be more significant than with FaCS?

Senator Patterson—No, but I am saying that now, with the working age payments, they do have a significant link with Centrelink, and it is more appropriate for Centrelink to answer questions in one place. We have indicated that, through Senator Minchin’s letter, to Senator Knowles.

Senator McLUCAS—Does Centrelink appear at the committee that deals with DEWR?

Senator Patterson—No; that is what I am saying. They would have to appear at four estimates hearings. The senior officers at Centrelink have a lot to do, and to appear for two weeks before four estimates committees is not, we believe, an appropriate use of their time. They are in Finance and Public Administration. That is an appropriate place for them to be asked questions. They can be asked questions about administration and the administration of policy. Centrelink are there for questions to be asked of them, in an appropriate Senate estimates hearing.

Senator FORSHAW—They have these links with these other departments and therefore, you could argue, should appear before other estimates committees as well. Those links have always been there, haven’t they? They have always handled issues to do with the payments of unemployment benefits in the past.

Senator Patterson—But they were in FaCS then.

Senator FORSHAW—Yes; that is the point I am making: Centrelink were dealt with in FaCS, even though they clearly had a relationship with payments made in respect of employment and payments made in respect of the farming community. I attended AFFA estimates for a number of years and it was never a problem that Centrelink did not appear with AFFA, because we knew they were being considered here, as the primary central point to do with them.

CHAIR—Can I just make the point that what we are talking about here is, in essence, making an exception that they appear here instead of at F&PA.

Senator FORSHAW—Yes. I am a member of F&PA and I faced this issue the last two lots of estimates.

CHAIR—Can I just finish. We were asking for the exception to be made that they appear here. The argument that was then put to me was that, if the exception were made that they appear here, the exception would have to be made that they appear before all the other estimates committees with which they have a connection. That is why they said Centrelink still have to remain with F&PA because to make one exception would be to make four exceptions and that would be an unacceptable drain on their time.

Senator FORSHAW—I appreciate that argument. I was involved in the F&PA estimates when this issue first arose. It first arose with Medibank Private, before it arose with Centrelink; that is about two estimates ago. I understand that the request for an exception to be created for it to be dealt with here was made because this is essentially the committee where it was, and it has been brought into F&PA.

CHAIR—But it is not going to be excised out of F&PA to just come back here, so that is the problem.

Senator FORSHAW—I understand the point you are making, but I think that people should understand, as the members and the chair of the F&PA committee understood, when this first arose.

Senator McLUCAS—Minister, did you get an opportunity to read the report of the Community Affairs Committee after the February estimates?

Senator Patterson—The decision has been made by the ministers and communicated to the committee by Senator Minchin in a letter to Senator Knowles that it is appropriate for Centrelink and the other services to remain in Finance for the purposes of estimates.

Senator McLUCAS—I think you would agree that there was quite strong language in that report.

Senator Patterson—I know it was strong language, but what I have said to you is that we feel equally strongly about the need for Centrelink to not have to appear at estimates hearing after estimates hearing. It is in Finance and Public Administration; it is the appropriate place for senators to go and ask questions of all the responsibilities that Human Services have within that portfolio.

Senator McLUCAS—Have you taken any action within your department to try to assist the processes of this committee so that the sorts of problems we have experienced, and probably will continue to experience, can be somewhat addressed?

Senator Patterson—I think that people will get more used to the relativity of responsibilities of this portfolio, DEWR and Human Services within Finance. I will be as cooperative as I can in answering questions. The decision has been made and I think we need to move on.

Senator McLUCAS—So no action has been planned in your department, FaCS, to assist that process?

Senator Patterson—FaCS is in constant communication with Centrelink and Human Services.

Senator McLUCAS—I understand that. That is not the question I am asking. It is the relationship with this committee in terms of the processes of estimates.

Senator Patterson—There are questions that are appropriate for this committee and there are questions that are appropriate for Finance and Public Administration. I am sure that it is not beyond the wit of senators to work those out and to ask questions appropriately of Human Services, and questions here within FaCS.

Senator McLUCAS—That is actually the point that the committee report made: the delineation between the policy setting—that is, the FaCS responsibility—and the service delivery end, in Centrelink, is not always clear and there are questions that cross over that blurred area. I was wondering whether your department has taken it upon itself, after the receipt of that report, to do something to assist this committee in its responsibility of scrutinising the operations of—

Senator Patterson—We will do everything to cooperate where it is appropriate, where it is FaCS questions we are answering, and we will direct senators to Human Services estimates hearings if that is appropriate.

Senator McLUCAS—Which were on last week—that is the issue. Anyway, we will leave it there and we will wait and see how the processes of these four days go.

CHAIR—Are there any further questions on the overview?

Senator McLUCAS—Mr Harmer, can you outline the extent of FaCS's involvement in Prime Minister and Cabinet's Welfare Reform Task Force?

Dr Harmer—I will begin with some comments and then hand you over to Mr Kalisch, who was more involved. FaCS was certainly involved. We were a member of the task force group being chaired by PM&C that did the policy development work and made various recommendations to government. I had a coordination group within the Department of Family and Community Services supporting our nominee on the task force and providing information through to him. So I think we were pretty heavily involved through the process, yes. Mr Kalisch might want to add to that.

Mr Kalisch—Dr Harmer has given you a pretty good sketch of FaCS's involvement. We had an officer with considerable skills and attributes based within the task force at PM&C. We

also had a coordination arrangement within the department whereby we brought together the people who had an interest in the work of the task force. I regularly attended the meetings of the senior officials coordinating the work of the task force.

Senator McLUCAS—So there was one FaCS representative on the task force?

Mr Kalisch—Yes, one officer within the task force at Prime Minister and Cabinet.

Senator McLUCAS—What level was that officer?

Mr Kalisch—He is a substantive EL2.

Senator McLUCAS—Were any FaCS officials seconded to the task force during its life?

Mr Kalisch—No, only that one official. I do not know whether the term ‘secondment’ is a correct one. We were essentially still paying his salary and conditions, but he was working at Prime Minister and Cabinet along with officials from DEWR and DHS—and Centrelink had an official there from what I recall.

Senator McLUCAS—I suppose ‘seconded’ was the incorrect word.

Dr Harmer—He was placed there.

Senator McLUCAS—Were any other FaCS officials asked to attend at any time?

Mr Kalisch—There were other officials from FaCS that had conversations and discussions, of course, with people from PM&C, but that was more around subject-specific issues such as child care and disability.

Senator McLUCAS—For what period was the officer placed in the task force?

Mr Kalisch—I will have to get back to you on that.

Dr Harmer—We will check the dates. It was for the entire period of the task force, as I recall.

Mr Kalisch—Up until around budget day. I will get you the start date.

Senator MOORE—Close of business that day, Mr Kalisch?

Mr Kalisch—It was the close of business the day before.

Senator McLUCAS—You may not be able to answer this. Do you know what the other membership of the task force was?

Mr Kalisch—You would have to ask Prime Minister and Cabinet for the details.

Senator McLUCAS—What was the role of that official in their involvement with the task force?

Mr Kalisch—His role was, I suppose, twofold. One was to act as a conduit between FaCS and the task force, enabling information to flow freely in both directions, making sure that relevant people in FaCS were aware of the latest developments within the task force but also ensuring that information that was pertinent that was held in FaCS could be provided to the task force very promptly and accurately. The other role that I understand every member of the task force played was really just providing an overview of the policy process itself in contributing their broad experience and understandings.

Senator McLUCAS—Can you give me an outline of the coordination group that was established within FaCS—the number of people on it and what it did?

Mr Kalisch—It was a group that I chaired. It had representation from senior SES people across the department. We probably had 10 to 12 people who attended the meetings covering our child-care area, our Office for Women, our disability and carers area and our social policy area.

Senator MOORE—Does that group still meet, Mr Kalisch?

Mr Kalisch—No. Now that the budget measures have been decided, that group does not meet. We are obviously looking at implementation strategies within the department.

Senator MOORE—What section of the department covers that? Which section are you in now?

Mr Kalisch—I am acting deputy secretary looking after the social policy and families groups at the moment.

Senator MOORE—So this stream is under social policy and—

Mr Kalisch—I suppose, given the depth of the announcement around the Welfare to Work measures, it does impact in our social policy area and in our families area. It certainly has a considerable interest for our Office for Women, as well as our disability and carers areas.

Senator MOORE—So it does not have its own section? There is no new section being created?

Mr Kalisch—No. The main implementation task that FaCS will have is in the child-care area, which Ms Beauchamp is oversighting. I understand that you will have an opportunity to ask questions about that tomorrow.

Senator McLUCAS—I understand that another committee, an interdepartmental committee, was established that was separate from the task force, so to speak.

Mr Kalisch—That was the group of officials that I referred to. I attended a number of meetings of that group.

Senator McLUCAS—Who was on that committee?

Mr Kalisch—That was chaired by Dr Shergold, and it had representation from DEWR, DEST and DHS. I think you would probably need to seek information from PM&C as to the exact officials; I cannot recall. There were a number of meetings, and the representation did change slightly between the meetings.

Senator McLUCAS—What was the time frame for those meetings?

Mr Kalisch—They were held as required. There was a meeting at the very start to establish the process and a number of meetings in between.

Senator McLUCAS—Could you just explain to the committee the purpose of that committee compared to that of the task force?

Mr Kalisch—It was really an oversighting committee of the work of the task force and also to address particular issues, if any, that needed to be discussed and resolved at particular junctures.

Senator MOORE—Is that part of a whole-of-government approach?

Mr Kalisch—Certainly.

Senator MOORE—That is how it was actually portrayed—

Mr Kalisch—Yes, certainly.

Senator MOORE—in terms of the working group? That was the whole-of-government model on this particular policy change?

Mr Kalisch—Both the officials group and the task force I think were a very good example of a whole-of-government experience, and that was really looking at an issue that needed a whole-of-government approach.

Senator McLUCAS—Mr Kalisch, you were the FaCS person who was on the oversight group, if we can call it that?

Mr Kalisch—Yes.

Senator McLUCAS—I just need a bit more explanation of ‘oversight’. How does that work in a practical sense?

Mr Kalisch—It is like a steering committee looking at the proposed work program and balance of the task force, particularly in its establishment—looking at its scope of activities. Nonetheless, it is probably also fair to say that at the end of the day an officials oversighting group has its limitations, and that really it is only ministers and cabinet that oversight the true process and provide guidance for that. So we were playing our part, but at the end of the day it was cabinet and ministers who were oversighting the process.

Senator McLUCAS—So you were providing advice in that oversight group? I take your point: the decision is made by government, not by an oversight group.

Mr Kalisch—Essentially it was providing advice around the sorts of issues that needed to be covered and canvassed by the task force and the areas where advice needed to be provided to government. It certainly was not a decision-making group.

Senator McLUCAS—I am still not clear about the difference between the two committees.

Mr Kalisch—Perhaps it is something you need to experience!

Senator MOORE—Mr Kalisch, would advice about proposed resources impacts within departments—locations of activities and that kind of thing—be something that would go through the IDC steering committee? I will call it the steering committee because I am comfortable with that term. Is that the kind of consideration that the steering committee would look at and then feed up to the higher mob?

Mr Kalisch—Perhaps this might help Senator McLucas as well. The task force itself within PM&C, the group of officials who were there working—I suppose ‘full time’ does not quite give it justice because they were working more than full time on this process—was a very fluid one, a very dynamic one. It was a very quick paced process. They were coordinating their actions quite quickly and then working back with their host departments if

there were particular avenues that they needed some advice on. Perhaps I can give you just one example around child care.

Senator MOORE—That would be useful.

Mr Kalisch—Because the activities were moving around in terms of the number of parents who might be interviewed in a particular year, we needed to be sure that the child-care places would be available at an appropriate level for those parents who were interviewed.

Senator McLUCAS—So the department would have undertaken a considerable amount of modelling to be able to inform those decisions.

Mr Kalisch—We used certainly our best judgments based on the inflows that we were getting from another source.

Dr Harmer—It was certainly a time of fairly high activity within the department for us.

Senator McLUCAS—Mr Kalisch, you seem to be saying that you did not undertake modelling, so to speak, but worked from your own information and the internal knowledge of the department.

Mr Kalisch—Yes, that was certainly what was done in our specific program areas. I think modelling is probably too highfalutin a word.

Senator McLUCAS—That is what I am getting to. Was FaCS involved in consultations outside of the department during this process with disability groups, parent organisations, women's organisations, child-care users et cetera as part of this process?

Mr Kalisch—I cannot comment on that. Individual program areas may well have had some individual consultations, but the main consultations were being held by the DEWR ministers in their portfolio.

Dr Harmer—Because the parenting payment and the disability support payment post-election are the responsibility of the Department of Employment and Workplace Relations and because we were working, both within the task force and on the steering group which Mr Kalisch was a member of, on preparations for the budget, it would have been most unlikely that we in FaCS would have been consulting in the lead-up to a piece of budget work. In any case, as Mr Kalisch said, it would have been primarily the responsibility of the Department of Employment and Workplace Relations, which run those two big income support payments for those of working age, rather than ours.

Senator MOORE—Given that your sections are the policy experts in the areas of disability, child care, family payments—and particularly in the area of family research—was there any ongoing standard work being done? Taking note of the fact that those areas have as part of their normal program regular interface with their clients and their user groups, was that continuing through that process?

Mr Kalisch—We certainly used some of that research and inputted it into the task force process.

Senator MOORE—I know that you cannot talk for all of the sections, although Dr Harmer may be able to, but as a natural part of your ongoing activity your sections are in

constant discussion with these areas. I would have expected that kind of discussion to have continued.

Dr Harmer—It certainly did. There was quite a lot of support from within the department for our member on the task force across a range of things, particularly child care, as Mr Kalisch has mentioned. Other elements of the department were also inputting.

Senator McLUCAS—Questions were asked of the Department of the Prime Minister and Cabinet last week and I understood from that discussion that a steering committee will be established that will guide the implementation of the Welfare to Work package. Is FaCS represented on that steering committee?

Dr Harmer—Yes, we are.

Senator McLUCAS—What level of officer is represented there?

Dr Harmer—There are two committees. On one I am the representative. I did not make the first meeting—I sent my very capable acting deputy Mr Kalisch along. I do plan to attend those meetings. At the next level down there is an implementation committee. Ms Glenys Beauchamp, who is the division head of the Families and Children Group, will be our member on that committee because it is primarily an implementation committee and child care is a very important element of the implementation for FaCS.

Senator McLUCAS—Does the first committee have a name?

Dr Harmer—I am sure it does, but I am not sure that I can recall it.

Mr Kalisch—It is called the welfare to work steering committee or something of that nature. The second committee is the Welfare to Work Strategic Project Management Committee.

Senator McLUCAS—I love that name.

Dr Harmer—So it is steering and project management, if you like.

Senator McLUCAS—Who else sits on the welfare to work steering committee?

Dr Harmer—It is chaired by Dr Peter Boxall, the Secretary of the Department of Employment and Workplace Relations. I am on it.

Mr Kalisch—There is Ms Patricia Scott, the secretary of DHS and Mr Jeff Whalan, the CEO of Centrelink. The secretary of DEST is also invited to attend. Treasury also has a deputy secretary on that committee. Finance also has a representative.

Senator McLUCAS—Does that committee have written terms of reference as to what its purpose is?

Mr Kalisch—Those terms of reference were discussed at the first meeting, and it would be appropriate for you to get those from the committee chair—Dr Peter Boxall.

Senator McLUCAS—So I have to ask another committee for that?

Mr Kalisch—They are operating at the same time, so I am sure you can ask a colleague.

Senator McLUCAS—What is the reporting timetable for the steering committee?

Mr Kalisch—I would envisage that the steering committee will operate for as long as the implementation process goes.

Senator McLUCAS—Who does that committee report to? Which minister does it report to?

Mr Kalisch—Mainly to Minister Andrews and Minister Dutton.

Dr Harmer—Given that the secretary of the Department of Employment and Workplace Relations has primary responsibility for implementing that measure, it would be primarily to Minister Andrews.

Mr Kalisch—But we envisage that there will be regular reports to cabinet, given the breadth of responsibilities—including to our minister.

Senator McLUCAS—I dare say the implementation committee will have a life as long as the implementation is required, in the same way that the steering committee has: is that the case?

Mr Kalisch—Yes.

Dr Harmer—Yes.

Senator McLUCAS—Does it have terms of reference?

Mr Kalisch—That committee has still to meet. It will meet later this week for the first time.

Dr Harmer—No doubt on the agenda for the first meeting will be the terms of reference.

Senator McLUCAS—What is that implementation committee's reporting pathway?

Mr Kalisch—The governance pathway is that that implementation or strategic project management committee will report to the steering committee.

Dr Harmer—The chair of that implementation group will be a deputy secretary in the Department of Employment and Workplace Relations.

Senator McLUCAS—Will the membership of the implementation committee reflect the membership of the steering committee, in that there will be one person from each of the relevant departments?

Dr Harmer—Almost certainly.

Senator McLUCAS—But that has not been confirmed yet?

Dr Harmer—The reason that Mr Kalisch and I do not know is that it has not yet met. We have nominated our person, which is the head of my Families and Children Group—that is someone who is at division head level. I have not yet seen the nominations. Because we are not chairing it, I have not taken an interest in who the other departments are nominating. But by now I assume that the chair of the committee, the deputy in the Department of Employment and Workplace Relations, would have an indication and an understanding of who is going to be on it.

Senator McLUCAS—Thank you. I will watch that one over time.

Senator MOORE—Dr Harmer, you have nominated someone from your Families and Children Group: is that seen as the major area of your input?

Dr Harmer—Yes, it is.

Senator MOORE—The whole children and families issue?

Dr Harmer—Yes. Our biggest task in implementing the welfare to work reforms is child care.

Senator MOORE—So if that person needs advice about disabilities or other parenting areas that would just feed internally through your areas through normal communication—that kind of thing?

Dr Harmer—Yes.

Senator McLUCAS—Was consideration given to having two representatives from FaCS on the implementation group?

Dr Harmer—We believe that it is more manageable to have one. Within the Family and Community Services portfolio we have very effective mechanisms to coordinate et cetera, as we did in support of our nominee on the task force. We have regular management meetings. These are key strategic issues for us, and I am very confident that we can manage it through the conduit of one person.

Mr Kalisch—There are expectations that senior officers in FaCS will be able to talk across issues, once they have collaborated appropriately with our colleagues.

Senator MOORE—So this particular group may well end up looking like the one you mentioned earlier that happened during the time leading up to the budget—the one that was inside your department and was calling people from the various units together? The process may as time evolves reflect that kind of process?

Dr Harmer—I think it is quite likely it will, yes.

Senator McLUCAS—Would it be possible, once the implementation committee has been established and has met later this week, to provide this committee with the terms of reference?

Dr Harmer—It would be possible, but it would be more appropriate to ask the Department of Employment and Workplace Relations. They will be taking comments, no doubt, on the terms of reference and they will be finalising those. We will be sent a copy. I believe it would be more appropriate to ask Employment and Workplace Relations for the terms of reference.

Senator MOORE—Up until the government changes of structure in this, when ATSIC used to be its own area, I would have thought that in any major budget change of this nature ATSIC would have had a chair at any kind of group or committee that was looking at proposed changes that would impact on families in particular. In the process you have described, has there been anyone who has actually taken on the ownership of the Aboriginal and Torres Strait Islander area, representing the concerns in that area? I would have thought that perhaps FaCS, which took on the family side when ATSIC was carved up, would have had the ownership of that area in discussion of Indigenous issues. Have you seen that as part of your job, Dr Harmer, in terms of maintaining the interest in Indigenous issues?

Dr Harmer—Certainly as part of our internal mechanism. I have a group manager who sits across the housing—which is the biggest element of the ATSSIS program area that came across to FaCS—who would be involved. Similarly, some of the family violence programs that came from ATSSIS which are related to families are within my Families and Children Group, which Ms Beauchamp manages. And we do see ourselves, because we did take a large number of the programs from ATSSIS and ATSSIC, as having a very keen sense of responsibility in that area. I can assure you I feel it, and so do my senior managers.

Senator MOORE—I take that point and I am pleased because it shows the interest across the whole department. My specific interest in Senator McLucas's range of questions was to do with the implementation of the welfare reform changes. There could well be significant numbers of Aboriginal customers who are caught up in this. We have not seen the actual figures yet; we are hoping to get those. But, up until the government changes, I would imagine that ATSSIC would have been one of the contributing agencies that were gathered in those significantly large groups of interested parties. ATSSIC do not exist any more, so who would have that responsibility to look at those issues under this new implementation plan?

Dr Harmer—It would be shared. A number of the ATSSIS and ATSSIC programs went to DEWR, a number to us, some to Health—not so much to Health—some to Education et cetera. All of those departments will be represented on the—

Senator MOORE—That would be one of the issues they would bring to the table.

Dr Harmer—Yes.

Senator MOORE—Thank you.

Senator McLUCAS—I want now to ask some questions around access to various allowances with the move from a pension to an allowance. Is this the appropriate time to ask those questions?

Mr Kalisch—Are you talking about working age payments?

Senator McLUCAS—I am talking about when people move from, for example, a DSP to an enhanced newstart after 1 July 2006.

Mr Kalisch—It is probably a question that it is best directed to the Department of Employment and Workplace Relations, because they have responsibility for those payments.

Dr Harmer—They have responsibility for both of those programs. FaCS does not have any responsibility now for either newstart or the disability support pension.

Senator McLUCAS—But you could provide some answers to questions like: who gets a pensioner concession card and a health care card?

Mr Kalisch—We can certainly provide information around the concession allowances.

Senator MOORE—That is your area isn't it?

Mr Kalisch—We have that overview around—

Senator Patterson—Your office should have a brochure. We will provide you with one. It is a guide that changes every time there is any change. It is green and orange.

Senator MOORE—But these changes have not happened yet, Minister.

Senator Patterson—But, as they occur, this gets updated. Have you seen one of these?

Senator MOORE—It used to be the bane of my life, that book.

Senator Patterson—If one of these comes into your office, sometimes staff will hang onto it to answer questions and will not show it to you. They get updated. This one is to June 2005. They get updated very frequently.

Senator MOORE—And that booklet is absolutely mistake free?

Mr Kalisch—It is a Centrelink product, so I hope it is.

Dr Harmer—We would be very confident that Centrelink would get it right.

Senator MOORE—Very rarely first time, Dr Harmer.

Senator Patterson—I think it has improved since you might have been there.

Senator MOORE—No, Minister, it continues. So that is the current book?

Senator Patterson—If you have a copy, Senator McLucas, all the questions you are asking currently are in there. It will be updated, I am sure, by Centrelink when the new arrangements come into place.

Senator McLUCAS—That is what I want to talk about—what is about to happen.

Senator Patterson—It is a very useful document to carry around.

Senator McLUCAS—Mr Kalisch, can you confirm that eligibility for the pensioner concession card or the health care card depends on the type of income support payment that that individual may be receiving?

Mr Kalisch—Yes, that is correct.

Senator McLUCAS—Can you explain the distinction between those two payments?

Mr Kalisch—Can I take that question on notice? I do not have my notes with me around that particular aspect.

Dr Harmer—We will provide an answer to that.

Senator McLUCAS—I do not want you to take that on notice because it is essentially the difference between if someone is on a pension as opposed to being on an allowance. What is the difference in terms of access to the health care card and the pensioner concession card?

Mr Kalisch—It is not quite that simple. That is probably a layman's understanding of it. There are some allowances that currently get access to the more generous pensioner concession card, particularly I think for some mature aged people. I am just working from memory here. I would prefer to give you an exact answer as to who is entitled to those payments.

Dr Harmer—Mr Kalisch has given you a general answer, but we would prefer to get it absolutely right. Mr Dolan may be able to provide a little bit more information.

Mr Kalisch—The other distinction that probably does need to be drawn here is that while we do have an overview function around pensioner concession cards, health care cards et cetera across government nonetheless it is still within the remit of the individual portfolios as to whom the income support is paid and as to what concession card that is linked to. So it

derives more from the income support payment itself. In this case because the payments that you are talking about—and, I presume, are going to be talking about in the very near future—are either disability support pension or newstart I think it is still more appropriate to direct those questions to the Department of Employment and Workplace Relations.

Senator McLUCAS—But the cost of concession card appears in your budget.

Mr Kalisch—Yes.

Senator MOORE—And it is your department's policy?

Mr Kalisch—Some of the costs around the concession cards fall within our budget but others fall within the health budget—and some of them fall within the responsibilities of state governments, as you are well aware.

Dr Harmer—Output 3.1 is where pensioner concession cards comes up. One of the reasons we are struggling in these answers is that we do not necessarily have all of the people here we need to answer these questions. When we get to output 3.1 there may be some questions that we can answer. I think the key distinction that is important is that, as Mr Kalisch said, the policy drivers of the particular payment will determine eligibility for the particular cards. FaCS will administer it. We will have the funds appropriated through us. But we will be guided by the policy department and the policy minister in terms of eligibility for those cards. For example, it is not our job in these new arrangements as a portfolio department to determine—and Mr Kalisch can correct me if I am wrong, but I think I have got this right—whether particular recipients of different payment types get certain kinds of cards. But, having been determined, we will then ensure that it happens.

Senator McLUCAS—Let us take parenting payment as an example. People who receive parenting payment now have access to a pensioner concession card. Is that correct?

Mr Kalisch—Some do.

Senator McLUCAS—Can you explain the distinction there?

Mr Kalisch—Parenting payment single recipients get access to the pensioner concession card and parenting payment partnered recipients get access to the health care card.

Senator McLUCAS—Let us talk about the parenting payment single. The parenting payment single recipient currently gets access to a pension concession card.

Mr Kalisch—Yes.

Senator McLUCAS—I understand that, under the enhanced newstart, access to that pensioner concession card will not occur. Is that correct?

Mr Kalisch—The question that you have just asked you need to ask of DEWR, because it is a question about eligibility and entitlement to a card, not about the card or the concession itself. We will answer the questions about the concessions themselves. That is our responsibility. Our responsibility does not extend to the eligibility rules.

Senator McLUCAS—So don't you know?

Mr Kalisch—I am not going to answer a question that is the responsibility of another portfolio. I think we need to be fairly careful.

Dr Harmer—When you are speaking about something that is the responsibility of another portfolio it is always wise to be quite cautious in answering questions in a committee.

Senator McLUCAS—But the budget line fits in your department.

Dr Harmer—For the funds for the pensioner concession card and health care card, yes.

Senator McLUCAS—You must have done some assessment of who was eligible in order to make an assessment about the cost.

Mr Kalisch—I think this goes to a similar example I gave you in terms of child care. We work on some of the assumptions that are provided to us and then we do the costings. But those implicit assumptions are still with the host department of that income support entitlement.

Senator McLUCAS—So who hosts pensioner concession cards?

Mr Kalisch—In the case of people on newstart, the disability support pension and the parenting payment, that is a question that should be directed to the Department of Employment and Workplace Relations.

Dr Harmer—They will determine the eligibility for the cards. Once they have determined the eligibility for the cards, we will ensure it happens and we will have the budget appropriation with us. But we will not decide who does it.

Senator MOORE—What about the age pension?

Dr Harmer—We decide that. That is Minister Patterson's policy responsibility.

Mr Kalisch—And it is similar for family payments.

Dr Harmer—Family payments are the same. They are both ours.

Senator MOORE—So you are the parent agency for those?

Dr Harmer—Yes—well, the minister has responsibility for age pension and family payments.

Senator Patterson—I think the easiest way to understand it, Senator Moore, is that I have responsibility for family payments and payments for people who are of non-working age, and DEWR has responsibility for working age payments—parenting payment, newstart allowance and disability support pension.

Senator MOORE—So in some ways you are saying that you are more an implementing agency than a policy agency for the others.

Senator Patterson—No.

Dr Harmer—In respect of the cards, yes. We are the policy agency for cards for pensioners and families.

Senator Patterson—They have the responsibility for those for working age payments.

Mr Kalisch—And broad overview around what, if someone is eligible for a PCC, they actually get.

Senator Patterson—One of the things I would be looking at, for example, is to ensure that we maintain, as much as possible, similar conditions, to make sure that Centrelink does not

have a confusion in that there are different rules pertaining for the date you can claim and all those sorts of things. So we would be looking, in a sense, at an overview of that to ensure that we get consistency: that you apply on this date and you get it at this time—those sorts of issues. Looking at the overall Social Security Act, I would be concerned about those things, so I would have an input into making sure that we keep it as uniform as possible on some of those issues, to ensure that we do not get a more difficult situation for Centrelink to have to administer.

Senator McLUCAS—In the development of the Welfare to Work package, there must have been some costings about people's potential access to a pensioner concession card in the move from parenting payment single and DSP to enhanced newstart. Were FaCS involved in that?

Mr Kalisch—We were certainly involved in a number of the costings.

Senator McLUCAS—In doing that work, are you aware of whether a person moving to enhanced newstart has access to a pensioner concession card?

Mr Kalisch—I would have to take that on notice. We do not have the person here who could provide us with the detail as to whether we were involved in the costings. I will see if I can get you that answer during the day.

Dr Harmer—We may well be able to. The person who was involved will be here during the day and we will try to get you an answer to that during the day.

Mr Kalisch—Just a little further explanation: FaCS is not the only portfolio that does income support or social security costings. The department of employment, since the machinery-of-government changes, have also got a costings capacity and have taken up that role. They were the ones who were responsible for the costings on the income support changes. I need to check as to whether we provided them with any assistance at all or whether they did the costings themselves.

Senator MOORE—Were they long-term Employment people or people that went to Employment after the machinery-of-government changes?

Mr Kalisch—I could not give you an answer on that, but I understand that there were certainly a number of people who went from FaCS to DEWR who were helping out with and involved in the costings process.

Dr Harmer—Quite a few former FaCS staff are now in DEWR.

Mr Kalisch—Some very skilled ones

Senator MOORE—They moved over.

Dr Harmer—Yes.

Senator MOORE—So some of the people who used to work in this area in FaCS prior to the machinery-of-government changes may well be the people who are doing this.

Mr Kalisch—Yes.

Senator MOORE—Up until the budget's welfare to work changes, were you responsible for the parenting payment concession cards?

Mr Kalisch—Up until the changes to the machinery of government. Can I just clarify that, Senator: you are talking about the parenting payment?

Senator MOORE—Yes. People who are on DSP and parenting payments, up until the welfare to work changes, which effectively will be looking at changing those people—

Dr Harmer—We lost policy responsibility—for example, for eligibility for cards and other things—for the working age payments: the disability support pension and the parenting payment. They went to DEWR post the machinery-of-government changes. That is when we lost it, not post budget

Senator McLUCAS—Dr Harmer, we might take your advice and ask some questions of DEWR, but is it possible for us to revisit this after we have had a discussion with DEWR, and can you direct me as to which outcome would be best—

Dr Harmer—Part 3.1, where we have pensioner concession cards, is where questions would be most appropriately handled by us—I will have the right people here—in terms of our estimates for those cards and eligibility et cetera.

Senator McLUCAS—Part 3.1 is ‘Support for the aged’. It is not particularly to do with the aged; it is people who are moving off DSP and—

Dr Harmer—We will undertake, in 3.1, to deal with your questions on pensioner concession cards.

Senator McLUCAS—Thank you.

CHAIR—Are there any further questions for the overview?

Senator MOORE—I want to ask some questions on HR issues with regard to staffing. I should have done this earlier; I do apologise for bringing you back, but there are just some general questions. I am asking this of most departments at the moment, in line with the welfare reform procedures that are going on. I am looking at your agency’s policies around employment. I know that your annual report gives us breakdowns of the number of people at different levels—women, people from different backgrounds. You did mention earlier, Dr Harmer, that you have a very high percentage of women currently in the FaCS work force.

Dr Harmer—Yes, it is 66.3 per cent or something like that.

Senator MOORE—I think you should be deeply congratulated on that. That is good.

Dr Harmer—Thank you very much.

Senator MOORE—What I am asking now is about the process within your agency with regard to employment strategies for people with disabilities. I am following up a question I asked in the last round about Aboriginal employment in your department. You mentioned earlier the family-friendly issue. With the proposal about bringing more single parents into the work force, what kinds of incentives are there within your agency to allow that to be a comfortable workplace for people who may need more flexible hours—nine-to-three workers and that kind of thing? What is in existence in FaCS at the moment, and do you have any plans to enhance the workplace in the next financial year?

Dr Harmer—I gave a bit of an outline of that with regard to the family-friendly provisions in our certified agreement.

Senator MOORE—Yes, you did. I think you covered a lot of the kinds of things you do.

Ms Stawyskyj—I think the main things like that that would attract people like are things like flex-time, carers leave and the fact that we have access to home-based work.

Senator MOORE—The carers leave will now be capped?

Ms Stawyskyj—Yes.

Senator MOORE—Still you have got carers leave.

Ms Stawyskyj—Carers leave is available. Access to part-time work is another one.

Senator MOORE—What are your current part-time work numbers? They used to be high. I am just wondering whether they still are

Ms Stawyskyj—They amount to 13.8 per cent.

Senator MOORE—Is that mainly in central office or is it across the agency?

Dr Harmer—I think it is probably across the whole agency.

Senator MOORE—Do you have any stats that show where that part-time work is—whether it is in the state offices or in the national office?

Ms Stawyskyj—I could certainly get them.

Senator MOORE—That would be good.

Ms Stawyskyj—People also have access to purchased leave, which allows people to purchase more holiday time, if they require it. They would be the standard range of things

Senator MOORE—Mr Harmer mentioned earlier your access to carers rooms and that kind of process. You mentioned that, didn't you, Mr Harmer?

Ms Stawyskyj—Yes, we do have a carers—

Senator MOORE—Are they in all locations?

Ms Stawyskyj—Our carers rooms are in all states, bar one, where we try to also share with other organisations.

Senator MOORE—One of the other questions I have been asking is about the support that the agency gives to potential employees and transferees about what available childcare there is. I think you would be in a good position to offer that advice.

Ms Stawyskyj—The staff have access to advisory services on those sorts of things.

Senator MOORE—Is it the kind of workplace where people could work 9 to 3?

Ms Stawyskyj—Yes.

Dr Harmer—In some parts, but not in all. It is very difficult the more senior you get. If you get a management role, it is difficult to do that. But there are many positions where that would be possible.

Senator MOORE—What are your current employment statistics for people with disabilities across the agency?

Dr Harmer—I will start, and my colleagues might provide more detail. It is always a little difficult, because it requires self-identification.

Senator MOORE—Absolutely, and that is all we could expect. On that basis, what are your statistics?

Dr Harmer—We have two different bases. Our statistics from our personnel records show that 2.4 per cent of our staff are Indigenous and 2.4 per cent have a disability.

Senator MOORE—It is unusual to have the same percentage, but it just worked out that way?

Dr Harmer—Yes.

Senator MOORE—These are the ones who have self-identified—the people who, when they come on board, choose to say, ‘Yes I am.’

Dr Harmer—Yes, and for lots of reasons some people choose to self-identify and some do not.

Senator MOORE—Sure.

Dr Harmer—With our staff survey, which was conducted in October last year, the percentages are different. Indigenous identification with the staff survey is at 4.72 per cent and disability identification is at 5.97 per cent.

Senator MOORE—That is a big difference.

Dr Harmer—That is a big difference. I think that perhaps in the staff survey, which is, I think, anonymous, people are perhaps more prepared to identify as having a disability or an indigenous background than they are on their formal personal staff record held by the people branch. I do not know if that is the case or not, but it would be one possible explanation for it.

Senator MOORE—Is that something that the department is looking at—why there is such a gap, particularly in a department like Family and Community Services?

Dr Harmer—Yes, it is, but for us we do not want to be too imposing on staff about these things, so we will do whatever analysis we can do without getting too involved in an individual’s privacy.

Ms Stawyskyj—We do each year—and at various times of the year—ask the staff again to self identify, to update their data. We do encourage that. We have done that recently and it has not made a large difference to the formal statistics that we have.

Senator MOORE—But at least you have maintained that process.

Ms Stawyskyj—Yes. We are looking at other strategies for providing staff with the confidence, I suppose, that that information will be held confidentially.

Senator MOORE—Those 2.4 stats are slightly lower than the APS average, aren’t they?

Dr Harmer—For disability, yes, but for Indigenous it is exactly on the average.

Senator MOORE—The other issue is whether there is any consideration within the department about some active recruitment strategies under the welfare reform proposals

where certain groups are being actively encouraged in the work force. Is there anything from FaCS about actively recruiting people with disabilities or who identify as single parents?

Ms Stawyskyj—We have in the organisation a disability access coordinator position that is in my branch. That person looks at various strategies to try to encourage people from some of those groups. We are also looking to work with an employer group to try to see what is possible in it. It is something that takes quite a bit of effort and time, but we are conscious of the department's position with disability and are working towards, hopefully, encouraging people from a number of those groups into the department.

Senator MOORE—Is there any strategy using your existing consultation methods with the disability community, which you have through your policy process, to look at specific employment strategies?

Dr Harmer—We will be looking to do better in this area for those sorts of reasons. One of the reasons we are probably not too far down the track on this in responding to the Welfare to Work initiatives is that my HR branch would not have been involved in the policy development work leading up to the budget announcement. So it is only since the budget that my HR area has been switched on to the reforms coming out of Welfare to Work. It is the sort of issue that we will be looking at in playing our part in the broader government wish to get more people with a disability and people on parenting payments back into the work force.

Senator MOORE—So the process that you talked about earlier, Dr Harmer, about communication internally within the department will now move—

Dr Harmer—It will involve the policy areas but not the HR areas.

Senator MOORE—But now they could be into this stage of the process?

Dr Harmer—We will have to look at how the department responds to government broad intent, yes.

Senator MOORE—How many new staff do you take on in a year? I know that is a hard question to answer, but I am interested in the staff changeover, particularly as the last 12 months have been very disruptive where you have had whole chunks of staff moving to other agencies. Do you have any expectation of how many people you put on in a year? You can take that on notice.

Ms Stawyskyj—Generally our turnover of ongoing staff is around 7.35 per cent per year.

Senator MOORE—And that has been fairly standard over a period of time?

Ms Stawyskyj—Yes, that is over 12 years.

Senator MOORE—Can you just remind me what your current break-up is, not in actual figures but central office and regions. Your central office has always been considerably larger as a policy agency, hasn't it?

Dr Harmer—Our national office is 67.5 per cent of our staff.

Senator MOORE—Which is very close to your women's employment.

Dr Harmer—It is, but it is just coincidence.

Senator MOORE—So 67 per cent of your staff across the nation are in Canberra?

Dr Harmer—Yes.

Ms Stawyskyj—67.5 per cent are in Canberra and 32.5 per cent are in the state and territory offices.

Senator MOORE—So there would be an expectation that in any kind of recruitment process there would be greater opportunity in the central office, and in regions—

Dr Harmer—The turnover would be greater in numbers.

Senator MOORE—I think that is it. If I have any other specific questions as it goes through, I will follow up on that process.

Senator McLUCAS—Did you have an officer whose responsibility it was to manage the employment of people with a disability and who had a strategy to employ people with a disability? Can we get a document that describes that strategy work?

Ms Stawyskyj—The disability access coordinator is a person in our branch whose role is to assist people in that group. She works with another group we have, which is the disability stakeholder group—that is, a group of people who have identified a disability and work on various strategies. She assists with assistive technology, which is a big issue, as you can imagine, for a lot of people. She is also involved in our diversity plan. We can provide you with our draft diversity plan, which covers all of the groups but specifically includes strategies for people with a disability.

Senator MOORE—Is that a new one, seeing as it is a draft?

Ms Stawyskyj—It is going to be the new one from our previous one.

Senator MOORE—Is it a brand new document?

Ms Stawyskyj—Yes. It is still in draft, but it will be finalised in the next little while.

Senator McLUCAS—I am really asking if one of her tasks is to encourage employment of people with a disability. So it is a proactive campaign?

Ms Stawyskyj—That is right, it is a very proactive role, and we are probably one of the few agencies that has that designated role for a person within the branch. We do have other people working on diversity strategies, but her focus is disability.

Senator MOORE—That is another part where you are a model department, I think.

Ms Stawyskyj—It is one of them.

Senator McLUCAS—Thank you for that. I wanted to ask some questions about the assistance provided to Vivian Alvarez Solon. When we asked questions last week of DIMIA, DIMIA indicated that FaCS was the lead agency for the assistance being provided to Ms Alvarez Solon. Is that the case?

Dr Harmer—The Department of Family and Community Services has the responsibility for making assessments about what assistance can be provided from the welfare system or more generally to individuals who require assistance. For example, in the Bali bombings and for the tsunami it was the Family and Community Services portfolio that recommended to government the nature of the assistance that should be available to individuals who were affected by those two incidents. In the case of Mrs Alvarez—Vivian Solon, I think she is now

referring to herself as—we were also asked to make an assessment, as far as we are able to do, of what sort of assistance we would recommend government provide to her to come back to Australia.

Senator McLUCAS—We did talk with officers from Centrelink, and they advised us that an officer of theirs has gone to the Philippines.

Dr Harmer—Yes.

Senator McLUCAS—But in estimates last week an officer of DIMIA said that the lead agency now is the Department of Family and Community Services.

Dr Harmer—Yes.

Senator McLUCAS—Can you explain how that all happens?

Dr Harmer—We are the lead agency that has responsibility for recommending to government what forms of assistance should be provided to Ms Alvarez currently in the Philippines and on her return here. We do not have primary responsibility for recommending, for example, compensation packages or anything like that. It is about assistance to make her as comfortable as we can, bring her back into the country and provide the sort of support that she will need when she gets back into the country. That is our role and we do have the responsibility for that.

Senator McLUCAS—So FaCS, to use your language, is making assessments?

Dr Harmer—Yes.

Senator McLUCAS—You made assessments when she was located in the Philippines?

Dr Harmer—Yes. I think we have probably relied in part on the discussions that the Centrelink social worker has had with her plus our knowledge of the situation she finds herself in and her family situation et cetera.

Senator McLUCAS—I am just trying to get the time frame right. Was FaCS charged with working with her prior to the Centrelink officer going there or are you now the lead agency?

Dr Harmer—I am not sure. One of my colleagues might know whether we were involved before. We were asked to get involved I think on 20 May.

Senator McLUCAS—Was the Centrelink officer already there—I cannot remember the time frame?

Dr Harmer—I do not know. The Centrelink officer flew to Manila on the 21st, I am advised.

Senator McLUCAS—Do you make the assessment of what sort of support she will require once she gets back into Australia?

Dr Harmer—Yes, we have recommended to government the sorts of support and assistance that she could be provided with when she comes back into Australia, such as accommodation, social work support, counselling, whatever.

Senator McLUCAS—What area of FaCS has carriage of this?

Dr Harmer—It is the Community Branch. They maintain the link with Centrelink around these sorts of matters and also do the assessments, for example, in disasters like the tsunami and Bali. They are very experienced, terrific people who have a lot of background in this.

Senator McLUCAS—I understand that, and I concur. This sort of case is a little bit different to the tsunami and the Bali bombings. Would you characterise it as being somewhat unusual that FaCS would have a role in an area that is essentially a DIMIA matter?

Dr Harmer—No, this is not DIMIA; this is ours. Once the government has decided that an Australian citizen in trouble overseas needs some support and assistance, particularly in coming back to Australia, it would be immediately Family and Community Services people who take on that role. That would be quite normal.

Senator McLUCAS—So you do this quite routinely?

Dr Harmer—Whenever asked. Most frequently, Australian citizens who get into trouble overseas are usually victims of some sort of disaster or whatever. That is more common, but we would do it when asked for other Australian citizens.

Senator Patterson interjecting—

Senator McLUCAS—I am making the distinction, Minister. Yes, I recognise that FaCS played an enormous role in supporting Australian victims of the tsunami and the Bali bombings. This is slightly different.

Dr Harmer—It is because of our knowledge of the various support programs available and the eligibility for these. We run many of them. It is for that reason. DIMIA does not run the sorts of programs that we do.

Senator McLUCAS—In this circumstance, the Centrelink officer was identified as an appropriate person to go to the Philippines. Was that decision taken by FaCS, or who made that decision?

Dr Harmer—It would have been taken by Centrelink, but I feel confident that it would have been taken in consultation with us. But we do not have social workers; they do.

Senator McLUCAS—Yes, that is where I was getting to. You do not have any social workers, so you would not—

Dr Harmer—We probably do have social workers employed, but they are not employed as social workers.

Senator McLUCAS—Yes. It would be quite normal, then—

Dr Harmer—Yes.

Senator McLUCAS—if an individual was identified as needing support, that FaCS would ask Centrelink to send an appropriate person?

Dr Harmer—Yes.

Senator McLUCAS—Does that happen quite regularly?

Dr Harmer—It certainly happens when Australian citizens are in trouble overseas for reasons like disaster, which is more common. But, if the government were interested in providing assistance to other Australian citizens overseas, we would be the agency asked to

formulate the appropriate assistance package. We would immediately consult with Centrelink, because most often it would be a Centrelink social worker whom we would regard as an important first point of contact.

Senator McLUCAS—So the government asks you to organise to send someone to provide assistance?

Dr Harmer—The government asks our advice, yes.

Senator MOORE—Is that normally Foreign Affairs?

Dr Harmer—It varies. It would normally be Foreign Affairs, yes.

Senator McLUCAS—In this case, was it Foreign Affairs?

Dr Harmer—I think probably it was; I cannot remember. It is most likely to have been Foreign Affairs, I would have thought, in this situation too. We can check that.

Senator McLUCAS—If it was not Foreign Affairs, could you provide us with that advice.

Dr Harmer—Yes.

Senator MOORE—Mr Harmer, we have some follow-up questions on media monitoring. Senator Evans had asked questions on this issue previously, so we have some follow-up questions on expenditure on media monitoring.

Dr Harmer—I am a blank, but hopefully someone behind me will know what it is. I just do not recall. Was it at the last estimates hearing?

Senator MOORE—Yes, it was the February estimates. Senator Evans had sent in a written question as well, so we had bit of a discussion about that in the February estimates. So I am sure it will not be a surprise. Ms Dempster, can you just refresh me about how your media-monitoring operations work within your department? Everyone does it in a slightly different way.

Ms Dempster—I have been in the job for a week, so I will tell you what I know and understand from that perspective.

Senator MOORE—You can tell us what they told you! That will be the way to go.

Ms Dempster—We have a contract with Media Monitors, who provide us with electronic versions of media clips each day and hard copy clips for staff on the weekend. They also provide media clips to both our ministers' offices.

Senator MOORE—And that whole process is all funded through your department?

Ms Dempster—Correct.

Senator MOORE—So it is mainly the clipping process that you get?

Ms Dempster—My understanding is that our contract is around the media clippings process, yes.

Senator MOORE—Senator Evans has asked questions about media monitoring by your department in the last financial year and we received those figures. Do you want me to run through those figures or do you have that answer in front of you?

Ms Dempster—I do not have that answer in front of me, sorry.

Senator MOORE—I will just run through them so that you can see where my questions are coming from. In 1999-2000 \$195,557 was spent; in 2000-01, \$386,598; in 2001-02, \$435,900; in 2002-03, \$496,861; and in 2003-04, \$583,093. I know it is difficult when you have only been in the job such a short time—maybe Dr Harmer will be able to help you out—but do you have any explanation as to why those figures have gone up so dramatically? There has been a virtual doubling between 1999-2000 and 2000-01.

Ms Dempster—One of the more recent things that Media Monitors have been doing for us is to provide the electronic system, which we have found remarkably useful in terms of availability and getting us out to an enormous number of staff.

Senator MOORE—So they come out on the email rather than just as printed documents.

Ms Dempster—Yes, it appears on people's desktops so the moment they are in the door they have access to them and they are not waiting for a service to photocopy them. Similarly we are saving an awful lot of paper. I do know that they had to prepare quite a different system in order for them to be able to provide that service to us and that there was a significant investment in the development of that system.

Senator MOORE—Was that in that 2001 period?

Ms Dempster—I will have to check the details of when that investment was made. I will be able to get that information for you today.

Senator MOORE—In the answer to Senator Evans questions there was no particular breakdown as to where the figures came from so it would be very useful to find that out.

Ms Dempster—We have another series of questions on notice to the minister on the House at the moment.

Senator MOORE—Yes, so they are all around the same issue. My questions relate to the doubling from 2000 to 2001, the increase to around the \$400,000 mark in the next year and then the big jump from 2002-03 to 2003-04. I am interested whether there is any explanation for that big increase in the change in format or whatever that could have led to that.

Dr Harmer—We will try to get you that information. I suspect that Ms Dempster's response about the nature of the way that we are doing it now is part of it. The increase in costs has probably been offset by a reduction in paper usage because we used to print them out and send them around whereas now we do not because they are available on the screen.

Senator MOORE—Dr Harmer, would you be doing any review of the balancing of those costs? When one output has gone up so dramatically I would imagine that somewhere through your internal audit processes you would be looking at whether that has been counterbalanced by something else.

Dr Harmer—I do not know for sure, but I imagine that we would have done a business case when we went to the new form which would have taken those things into account. I do not know whether we have done a review since, but that would be the sort of thing that management would be constantly looking at, yes.

Senator MOORE—If you have any data on that, can we have a look at it.

Dr Harmer—We may not have because it is relatively new.

Senator MOORE—How about your business case? Can we at least have a look at the dot points in the business case?

Dr Harmer—I do not know. That would have been before my time so I would have to take that on notice.

Senator MOORE—Fine. It is important to investigate these quite significant costs because they are big. Maths is not my strength, but it looks like \$11,000 a week is being spent on media monitoring. Ms Dempster has gone through the electronic format, the paper format and also the work for the two ministers' offices. Is that the full extent of the products that you get for the media monitoring contract?

Ms Dempster—That is my understanding, but I am happy to confirm that and inform you of any change to that position today.

Dr Harmer—There are a couple of things that would drive it. One would be any changes to the portfolio in areas of responsibility for the portfolio. The other thing that would change it is whether issues in the portfolio are becoming hotter in the sense that they are getting more media attention across the board. I suspect that, in the last couple of years, family issues, child-care issues and issues around that—particularly because the government has been very active in policy reform in many of these areas—have had more newspaper coverage and so Media Monitors have had a bigger range of material to provide. I suspect that is at least part of it.

Senator MOORE—And that would pick up any of the ministers' media releases and exposure in that way—that would come through your departmental process as well?

Ms Dempster—We have had a huge increase in Media Monitors as a result of the women's issues that we now cover across the department; and, similarly, with Indigenous issues since the transfer from ATSI. We pay for each clip. It is not unrealistic that things would have gone up, given the broader perspectives that we are taking in some instances. But we do not pay Media Monitors to give us the minister's media releases, because we get them direct.

Senator MOORE—Not the media releases, but if the minister's media release is picked up by a media story then that would automatically—

Dr Harmer—Yes.

Ms Dempster—They use key words.

Senator MOORE—And 'Patterson' is a key word.

Ms Dempster—Definitely. 'Minister Patterson' is a key term.

Senator MOORE—When you have a look at the questions I have asked about what has stimulated the change, I am interested in that response about you having picked up the responsibility for women's issues and Aboriginal issues. Is your media-monitoring contract the one that is stimulated by an issue or by a word? Do you have a contract that talks about issues to do with Aboriginal affairs and issues to do with women? Is that how it works?

Ms Dempster—Broadly speaking, we have set categories that we ask them to monitor for us. They can vary. For example, on a weekly basis, perhaps up until the last week or two, we

may not have been putting in the key words ‘Alvarez Solon’ but now we have been, and therefore we have been picking up all the stories that have been written around that case so we understand what is in the media. So the contract has to allow that flexibility. We have very broad categories that they do for us on an ongoing basis, like child care; but in terms of monitoring the environment and understanding our portfolio responsibilities, we will vary it on a daily basis.

Senator MOORE—Is your media contract a public document?

Ms Dempster—My initial instinct would be to say probably not, but I would have to check for you.

Senator MOORE—It would be useful to know what—

Ms Dempster—How much of the detail of the contract?

Senator MOORE—The key things that you are monitoring.

Ms Dempster—The key things that we monitor would be the categories. I would expect that we could provide those to you.

Senator MOORE—The other thing I would like to know is whether your whole contract is outsourced to a particular provider.

Ms Dempster—Okay.

Senator MOORE—I would also like to know the term of the contract—two or three years or however long it goes for, that kind of thing—and at what stage we are at now in the contract cycle. Did you get all that?

Ms Dempster—Yes. I have good staff sitting back there taking notes, so I am fine.

Senator MOORE—Are the only people who get your media monitoring your internal staff and your two ministerial offices?

Ms Dempster—The electorate offices also receive the service.

Dr Harmer—And parliamentary secretaries.

Ms Dempster—Yes. So it is the minister, the parliamentary secretary and the two—

Dr Harmer—And the staff.

Ms Dempster—And the staff of the ministers’ offices and the parliamentary secretaries’ offices.

Senator MOORE—So that is only access to your media monitoring services?

Ms Dempster—Yes.

Senator MOORE—That is it from me, but I suspect that you could still be needed if you look after advertising. Have you picked up that task as well?

Ms Dempster—The good news is that I do not think I have.

Senator McLUCAS—I want to ask more some questions about advertising.

Senator MOORE—Minister, can I ask you a question about the media monitoring. Is the only media monitoring that you get as a minister that which comes through your departments? Do you have any other form of media monitoring service?

Senator Patterson—No. I do have my staff looking through the newspapers for stuff that does not come through Media Monitors.

Senator MOORE—That is the hands-on stuff.

Senator Patterson—You may have said something that does not appear, and I would like to know, so my staff closely look at the newspapers.

Senator MOORE—So ‘Moore’ is a key word.

Senator Patterson—‘Moore’ is a key word.

Senator MOORE—But in terms of what comes through, the ministerial media monitoring is the one—

Senator Patterson—I am trying to think. No, that is not true—I do get the Senate clippings.

Senator MOORE—So it is just those two. Thank you.

Senator McLUCAS—Thank you for the answer to the question on notice about advertising, market research and consultants. The answer to that question shows a very significant jump in advertising between 1999-2000 and 2000-01—in fact, it has almost doubled from \$4.8 million to \$8.5 million. Is there an explanation for that big jump in purchased advertising?

Ms Chambers—The figures that we gave were from the annual reports. Some agencies were included in the annual reports for some years and not for others. There is a large jump there due to the fact that there are a few more agencies contained within the annual report for 2000-01. There are also various items that are covered in the advertising, which I can get the details on. There was extensive advertising, as I understand it, around HILDA, but I would prefer to take those dates and find out exactly what is in those.

Senator McLUCAS—In the notes to the answer, footnote 8 basically says that they include FaCS, CSA, CRS and SSAT, and footnote 10 that they probably do—which they probably do, given the structure of the department at the time.

Ms Chambers—Yes.

Senator McLUCAS—I would like to know, though, what would be the big cost that doubled the advertising between 1999-2000.

Ms Chambers—I can get you that very quickly.

Dr Harmer—We may even be able to get it to you during the day.

Senator McLUCAS—That would be good. I also want to know the purpose of the advertising that resulted in the doubling of the spend. From 2001-02 to 2002-03 the spend dropped from just over \$7 million to just over \$2 million. So there was a big drop in advertising from 2001-02 to 2002-03. I would like to get an indication of why that happened and what was so different about those two financial years?

Dr Harmer—It probably relates to peaks in program activity. We will get you a reconciliation of that. It is not unusual in my experience for advertising budgets to fluctuate. It is one of the things that does fluctuate according to the need rather than just following a normal trajectory. We will get you an answer to that.

Senator McLUCAS—My final question around the variation is: why would the advertising spend triple from \$2.2 million in 2002-03 to \$6.6 million in 2003-04?

Dr Harmer—We will get you a reconciliation.

Ms Chambers—We can get you full details on that. I have some thoughts in my head, but I want to actually check that those are the exact campaigns that are in that timing.

Senator McLUCAS—Thank you. I would also like to know the purpose of the advertising?

Ms Chambers—Yes.

Dr Harmer—Most often it would be due to policy initiatives or program changes which people need to be informed about. That would be the basis of it most often.

Senator McLUCAS—I understand that there would be a fairly standard, underlying spend, which is for ongoing purposes—

Dr Harmer—Yes, and then, when the government announces a new initiative that people need to know about, it would blip up, or, if we were conducting a survey which we wanted a high response rate for, which probably HILDA was, we would blip up again. There would be lots of reasons for that. We will get you the breakdown.

Ms Chambers—It is particularly if new policies come in around areas where a lot of people need to know about it, particularly around child-care benefit and CBS—those types of details.

Senator McLUCAS—If you could get those for us in a short time, that would be terrific. Dr Harmer, given the change in the structure of the department, did you have a feel for what you are projecting to be expenses in advertising for the slimline DFACS?

Dr Harmer—I am sure we have some estimates.

Ms Chambers—We are expecting that that will drop because the Department of Human Services are taking on a couple of larger campaigns that FaCS would have had carriage of prior to the changes. Again, I can get you some estimates, but they would not be entirely accurate. We would say that they would be quite considerably less than in the last years, because we have less responsibility in those areas.

Senator McLUCAS—If you could give us that as well, Ms Chambers, that would be useful. That is basically what you are predicting?

Dr Harmer—We will give you an indication. There is some sorting out still to be done with the new admin order arrangements. Some of the public information campaigns that would normally have been done by us may now be done by the Department of Human Services.

Senator McLUCAS—That is what we are trying to get a feel for—what is left in FaCS, essentially. I would like to ask some questions following up question on notice No. 110 about management retreats and conferences. Who is responsible for that?

Dr Harmer—We will have a go at it with the team that is here.

Senator MOORE—I will just jump in with one question before that. I have one question on web sites, and I would have thought that that was linked to this group before we move on to another one—it might save you coming back, Ms Chambers. I am interested in the costings of the maintenance and the creation of the web site. Do you have any figures on how much the web site costs?

Ms Chambers—Certainly. We cannot give you absolutely detailed costings because the FaCS web site is run on servers that other FaCS services are on as well. I can tell you that there are approximately six full-time officers employed to keep all the web sites up to date and operational. We also spend close to \$80,000 on licences and software to support those web sites.

Senator MOORE—That is about a standard cost for licensing.

Ms Chambers—I believe so. We are pretty happy with those costs.

Senator MOORE—I have a particular question about the minister's media releases. Whilst you can get the minister's media releases on the web site, I have been told that there is no alert service for the minister's media releases on it. Other departments tend to have alert services for their minister on the web site.

Ms Chambers—We do not at present. Media releases are routinely published.

Senator MOORE—I know that published speeches are, but I am talking about being able to scroll through and see all of the media releases. Is that an internal decision?

Ms Chambers—The media releases are always published. As for putting an alert out, I am uncertain as to why we have not got the alert system.

Senator Patterson—I will be asking why we do not have an alert system.

Senator MOORE—We are only here to help!

Dr Harmer—It will be something that we will look into.

Senator MOORE—A lot of web sites have that service.

Senator Patterson—I am not saying that we will necessarily have it, but I did know that others did and I will have a look at it.

Proceedings suspended from 11.02 am to 11.20 am

Senator KNOWLES—I call the meeting to order and invite Senator McLucas to continue.

Senator McLUCAS—Mr Harmer, following question No. 110 from last estimates, I have some questions about management retreats and conferences. You have given us a very big table about all the conferences that have been had since 2000-01. The ones that are of interest are the leadership and emotional intelligence retreats or conferences that seem to be held regularly. Can you explain the purpose of those conferences, who goes and what happens?

Mr Hunter—Those conferences related to a program of development activities that we undertook. Those activities were principally aimed at officers in our department at the EL2 level. The program went over a period of time and a large proportion of our officers at that level attended. The emotional intelligence title that appears there represents the kind of theme that was being presented to our EL2 officers throughout that course. It is a reference to a model of effective leadership which the providers of the course, who we engaged to do it, elaborated on during the course of those sessions for our EL2 staff.

Senator McLUCAS—Is that an ongoing contract with the provider of those courses?

Mr Hunter—I do not know whether the contract is still in place, but there was an ongoing contract. A single provider, I think, provided those courses over a period of time.

Senator MOORE—Who was that provider?

Mr Hunter—I would have to take that question on notice.

Ms Stawyskyj—Divan Megan and Paul Jones are the consultants that we use.

Senator McLUCAS—That is one contract that goes from 2002-03, from the indication of the—

Ms Stawyskyj—We have a standing panel offer on contractors that went out to market. That is usually for a three-year standing contract.

Senator McLUCAS—Mr Hunter, you said that EL2 and above staff members go?

Mr Hunter—It was EL1s and—

Ms Stawyskyj—Mostly it is EL2s but some EL1s also attended.

Senator McLUCAS—How many people would attend?

Ms Stawyskyj—The course maximum would be 20. It is a residential course, and a maximum of 20 can attend, so somewhere between 18 and 20 would attend.

Senator McLUCAS—Over what period of time are they held?

Ms Stawyskyj—I think they are held over two days.

Senator MOORE—Each officer has two days at once. So it is a two-day course.

Ms Stawyskyj—With 20 people.

Senator MOORE—Yes, so it is not one that you keep coming back to and having updates of.

Ms Stawyskyj—Not the same officers. There is one recall day. So it takes two days and then there is a recall day a number of months later, so it is three days in all.

Senator MOORE—A three-day course in total.

Ms Stawyskyj—Yes.

Senator McLUCAS—And that contract now is completed?

Ms Stawyskyj—No. We still have the capacity for that contract, as it was on a standing panel of contractors and we had it for a three-year period. We have not run a course recently, but it is still open to us to use that contractor.

Senator McLUCAS—I note that in those courses the total cost is identified but the disaggregation into accommodation and food and drinks is not given.

Ms Stawyskyj—It generally is a per person per head contract, and the two providers will organise within that the cost of the accommodation, and that includes food and drink. It is just a per head cost.

Senator McLUCAS—In the most recent one on 25 October last year, there is a disaggregation of drinks for \$346.

Ms Stawyskyj—Yes.

Senator McLUCAS—Why is that different?

Ms Stawyskyj—That is a one-day recall day, which was not an all-up package—and included in that was lunch.

Senator McLUCAS—I see. Pardon me. That is \$346 for lunch, which included beverages?

Ms Stawyskyj—Yes, it could have included beverages.

Senator McLUCAS—How do you make the decision about where they are held? Some of them are at Bungendore; some are at Hume Hill Station.

Ms Stawyskyj—The first component of that course was residential, and I have just been reminded that it is probably a three-day residential course, but I can confirm that for you. The recall, which is not a residential course, will be held locally. Hume Hill Station is quite close to Tuggeranong, and it is a venue that is suitable for that number of people.

Senator McLUCAS—The Carrington at Bungendore is where? I am not that good on the geography of this region.

Ms Stawyskyj—The Carrington is in Bungendore, yes.

Dr Harmer—That is probably half an hour away.

Senator McLUCAS—Do you expect now that any of the costs for those leadership and emotional intelligence courses will be able to be disaggregated into the cost of the course, the accommodation and the food and drinks in the future? I am interested that it is only the last one that has been disaggregated.

Dr Harmer—It depends sometimes on the nature of the contract. Sometimes we purchase a service which is inclusive on a per head basis; sometimes we pay separately for things. I suspect that is why we in some cases can disaggregate and in other cases we cannot.

Senator McLUCAS—It is the same contractor. That is the point I am getting to.

Dr Harmer—But maybe it was a different arrangement.

Ms Stawyskyj—For the three-day residential course, the contractors would include their fee, plus they would negotiate with the Carrington. On the recall day it would be something that we would arrange for the contractor and that is why it is more easily disaggregated.

Senator McLUCAS—I do not want to press the point, but on the second page there were three recall days at a total cost of \$23,400, which is not disaggregated, compared to one recall day on 25 October 2004, which is disaggregated. I am trying to understand why.

Dr Harmer—One more thing: there is the possibility of it relating to the contract, although, if it is the same contractor, that is not a variable. The other possibility is that it depends on the venue. Sometimes venues change the costs negotiated with the provider or the manager and sometimes, even within the one contract, best price is done on a package basis per head and sometimes it is not. It may be that. I know, having done many of these things over the years, that sometimes it suits—it is more efficient—to negotiate a per head price; sometimes it does not. I suspect that even within the same contractor that may well have been the case, if they are different venues.

Senator McLUCAS—They are the same venue.

Ms Stawyskyj—I cannot account for it. We will have a look at why one is disaggregated and not the other.

Senator McLUCAS—Thank you. Looking at the SES workshop that was held on 2 and 3 April 2003, in my print-out of the document—it is on the bottom of the second page of the answers—the total cost is shown as \$30,000 and then my document says \$10,809 includes (e). It might be just the print-out.

Mr Hunter—Which conference are you referring to?

Senator McLUCAS—The SES workshop at Old Parliament House, on 2 and 3 April 2003.

Mr Hunter—I have found it now.

Senator McLUCAS—In the print-out that I have of that answer, it is not clear what the food includes. The print-out just says ‘e’.

Mr Hunter—It is a cross reference that includes ‘e’, which means it includes drinks as well. The \$10,809 accounts for those two columns.

Senator McLUCAS—So \$30,000 was the total cost and \$10,000 was the food and beverage cost. How many people went to that workshop?

Mr Hunter—I would need to check that for you. Our SES numbers at that time I think were probably around 45 or 50, but I would need to check it for you.

Dr Harmer—Around about 50, I think.

Mr Hunter—It would depend on the number of staff from interstate who came as well.

Senator McLUCAS—That is at Old Parliament House, so it is obviously not live-in—so there is no accommodation cost in that?

Mr Hunter—No.

Senator McLUCAS—Please tell us the number of attendees. The cost of food and beverages is a third of the total cost—does that seem a bit high to you, Dr Harmer?

Dr Harmer—I do not know. I was not around at the time. I do not know. Perhaps it is an expensive venue for food and drink; I do not know. It was two days, as I understand it.

Ms Stawyskyj—It would have included morning teas and lunches as well as a dinner, I think, but we can check that.

Dr Harmer—If there was a dinner at that venue, I can understand; it would be understandable that there would be a high cost.

Senator McLUCAS—If you could disaggregate the cost of the beverages from the food for that particular conference, that would be good.

Dr Harmer—We will have a go.

Senator McLUCAS—That may not be possible.

Dr Harmer—I suspect that it is not possible because we will have paid—particularly if there was a dinner—for the full cost. But we will have a look. If we could have, we would have probably identified them, given there is a column for it here, but we will check.

Senator McLUCAS—There was an SES workshop held on 10 and 11 December in 2003, so that follows on some eight months later. That was held at the National Museum and the Federal Golf Club. The drinks could be disaggregated there. Could we have the number of people who attended that?

Mr Hunter—That will have been around 50.

Dr Harmer—Plus the people who were in the HR area who were helping support and manage the day. So it would have been 50 SES officers, plus perhaps up to five or six others who were involved in managing and planning and helping the consultant, I expect.

Senator McLUCAS—Can you tell me where the Federal Golf Club is?

Mr Hunter—It is in Canberra. It is in the suburb of Hughes.

Senator McLUCAS—I am trying to work out why you would have two venues in the same workshop—maybe one was for the dinner.

Dr Harmer—Sometimes when you are booking for a large number of people at a busy time, they simply cannot provide you with two days and you have to look for two different venues.

Mr Hunter—That is what happened.

Senator McLUCAS—I am not sure whether I have already asked this, Mr Hunter. For the leadership and emotional intelligence programs, how many people attended those?

Ms Stawyskyj—Each course would have had up to 20.

Senator McLUCAS—You did tell me that, thank you. That is all I needed on those. Would you be able to get the answers to those back?

Dr Harmer—For some possibly today. Yes, we will try.

Senator MOORE—I have one question on that initiative before you run away. There is only one element there for transport, which is in the last one—\$1,623. Is that just transport around locally? I would imagine some of the participants would have come from interstate, and there is no other listing for transport against any of them. I wonder whether that is kept separately.

Mr Hunter—We will need to check that in the aggregation of the costs around that one.

Senator MOORE—You would be bringing EL2s and above from interstate offices, I would imagine.

Mr Hunter—Certainly for the courses generally. I would only be speculating to suggest where those funds come from, so I will check that for you.

Senator MOORE—That would be lovely. Perhaps you can just review the document you have, because I am sure there is some transport in there that we have not seen.

Dr Harmer—If this is a convenient time, I have the answer to Senator McLucas's question about who asked FaCS to coordinate. I said I thought it would probably be DFAT. In this instance it was the Department of the Prime Minister and Cabinet that asked us to get involved in making some assessments in relation to Ms Alvarez.

Senator McLUCAS—So PM&C asked FaCS to provide support to Ms Alvarez.

Dr Harmer—To give them advice on what would be the appropriate assistance for Ms Alvarez, yes.

Senator McLUCAS—When was that contact made?

Dr Harmer—We would have been asked to become involved around the 20th and the Prime Minister wrote to Minister Patterson on the 23rd asking for us to oversee the project.

Senator McLUCAS—So the department was contacted by PM&C and then the Prime Minister wrote to the minister.

Dr Harmer—Yes, as the minister responsible for these sorts of things.

Senator McLUCAS—The request from PM&C was to provide support to Ms Alvarez?

Dr Harmer—It would have been for us to do what we normally do in situations where there is an Australian in trouble overseas and the government wants some advice about what would be the most appropriate package of assistance. That would always come to us—the same thing.

Senator McLUCAS—So PM&C was the originator of it this time.

Dr Harmer—Yes, this time. It varies. It could have been DFAT. PM&C and DFAT would be the two most likely agencies to ask us.

Senator McLUCAS—I know you have not been with the department for terribly long, but in your recollection or maybe in the recollection of others, has there been an occasion previously where Prime Minister and Cabinet has been the originator of that request, rather than DFAT?

Dr Harmer—I suspect—I do not know; we can ask my colleagues here—that for both Bali and the tsunami it may well have been PM&C rather than DFAT, given the number of people involved and the particular interest that the Prime Minister took in both of those.

Senator McLUCAS—The point we were discussing earlier though was that this was very different to those two events. This was an individual who needed support. In your experience or in the experience of other officers of the department, in one of those cases where an individual needs support, is it unusual for PM&C to be the instigator of the request, as opposed to DFAT?

Dr Harmer—I do not know the answer to that, but I think it would depend on the individual case. If it is something that, for example, the Department of Foreign Affairs and Trade becomes aware of, they would probably initiate the asking. At other times it would probably be from another department through PM&C. I do not know, but I would assume that DFAT would ask us directly, because they probably have a reasonably longstanding relationship with FaCS doing these things. Other departments might not know whose job it is and might go to PM&C and PM&C would transfer the request. But I am speculating.

Senator MOORE—On that point, the offer is to an individual who is in crisis, so that would be the standard process. Is that same offer to their families, in terms of giving them advice and assistance? Often it is an individual who is overseas somewhere in crisis—or a member of the family—as in the tsunami process. Does the request for assistance come back to the families in Australia who are stressed out by that as well?

Dr Harmer—It depends on the individual case and, in fact, it depends on an ongoing assessment of need.

Senator Patterson—That is on an ongoing basis, as Dr Harmer said. For example, with the tsunami, one of the things that came up was that families who are managing the estates of people who are either missing or killed are indicating financial difficulty in managing the estate—so there was a grant of \$5,000 for those people just announced a couple of days ago. There is a handful of people, but it is about looking at the ongoing needs of people when we are monitoring in that way.

Senator MOORE—So in that case it was the family, because the person—

Dr Harmer—Yes. Without going too far, I suspect that, in relation to Ms Alvarez, there will be some support also provided to the family there.

Senator Patterson—There is support, I think, to the brother. We take the cases as a whole. With the Bali cases, there were different issues. With the tsunami cases, there were other issues. With individuals, there are other issues. It is monitored on an ongoing basis to appropriately meet the needs of those people.

Senator McLUCAS—I want to ask questions about the COAG trial at Wadeye.

Dr Harmer—That would be in program 2.

Senator MOORE—I have one more general question in the overview. It is another HR question. It is just a mop-up question. At the last estimates it was just after the ministerial changes had been put in place and we were still bedding down the staffing issues. At that stage there were still a few people who were not sure where they were going to be. At this stage are all officers substantively placed? Are all original officers from FaCS who were caught up in the process now in a permanent position?

Dr Harmer—Yes.

Senator MOORE—Did any officers choose to leave the public service through this process?

Dr Harmer—I do not know whether that is the case. As you heard before, we have a 70 per cent turnover. During that period I have no doubt we will have lost some officers; DEWR will have as well. Whether it is attributable to that, who knows?

Senator MOORE—I know people come and go, but did anybody choose to leave their employment specifically as a result of the structural changes?

Dr Harmer—Not that I am aware of.

Senator MOORE—So there were no packages involved?

Dr Harmer—Certainly not that I know of.

Mr Hunter—There were none involved—certainly in our portfolio.

Senator McLUCAS—Dr Harmer, just for clarification about where to ask these questions, I have some questions that come out of the budget. The first one relates to accommodation bonds and the exemption from the assets test. What outcome does that fit into?

Dr Harmer—Probably in 3.1.

Senator McLUCAS—The withdrawal of the offer to the state and the Territory governments on the Commonwealth health—where does that fit?

Dr Harmer—That is in 3.1 as well.

Senator McLUCAS—Thank you. Let us move on to look at Wadeye and the COAG trials.

[11.43 am]

Dr Harmer—Have we moved on to outcome 2?

Senator McLUCAS—I hope so.

Senator KNOWLES—Thank you very much, Dr Harmer.

Senator McLUCAS—Could you provide the committee with details of the funds expended under the Wadeye trial to date, please?

Dr Harmer—We can. I suspect that we do not have them with us. We will provide you with those. The Wadeye trial site is an ongoing COAG trial site. In fact, I was there only a couple of weeks ago to meet with the community and the community leaders. We talked about a plan that they have within the community. We are working with the Northern Territory government on that. We will do what we can. Are you after the Commonwealth expenditure?

Senator McLUCAS—The Commonwealth's expenditure to date and a breakdown by activity, so we know what moneys have been expended and for what.

Dr Harmer—Yes.

Senator McLUCAS—What data do you have with you, Ms McKenzie, so we can start the discussion?

Ms McKenzie—I have some material. The Prime Minister went there on 6 April and announced \$2.7 million worth of funding—\$234,000 allocated for the school to help with the larger number of students now attending, \$2 million to establish a new broadband link to the community and \$546,000 over four years for intensive support playgroups. Prior to that, the Australian government funded a swimming pool in Wadeye about a year ago, and there was a

significant increase in health services, including a doctor for Wadeye. I do not have particular figures for that. The Australian government also established a fledging construction industry by funding a concrete factory and I do not have figures for that, but we can get you those figures.

Senator Patterson—That health funding came out of the health department. One of the reasons for that happening—this is as part of the COAG trials—is that the aim was to have a whole-of-government approach. I visited there and the issue of health came up. I took with me Helen Evans, who was then a senior health officer within the department, because I thought we needed to have Health looking at the health issue. As a result of that visit, Health was able to fund a doctor and two health workers. I have been in discussion with the relevant person in the department up there to ensure that we get some creative solution to the issue of providing a doctor. It might require some creative solutions such as those that apply in the Kimberley, where two doctors fly in for three weeks each. There are some ways in which you can do it to give them some sort of continuity. So we have the FaCS figures. I am sure we would have all the money because we were responsible for the COAG site. But that site most probably has been visited by more ministers and more senior public servants than the Wadeye people have ever seen in their lifetime.

There are some tremendous outcomes there—a reduction in scabies, a reduction in abuse, a reduction in crimes involving physical injury and an increase in the number of children going to school. There are some very positive outcomes in Wadeye. Together, members of that community have done a huge amount to build a factory and become involved in building their own homes.

Senator McLUCAS—Is that reduction in crime and abuse documented?

Senator Patterson—Somewhere. We have the figures for the scabies reduction; the number of kids going to school has gone up.

Senator McLUCAS—I understand that FaCS is the lead agency in terms of Wadeye.

Senator Patterson—Yes.

Senator McLUCAS—So you are collecting all of that data in your department?

Dr Harmer—We have the coordination role, but I am not sure that we have at our fingertips all the spending that has gone in there from other portfolios, particularly from mainstream funds, which is just a matter of course. We will do our best.

Senator Patterson—The community itself has been gathering data.

Ms McKenzie—It is important to recognise that the COAG trial site is also an initiative of the Northern Territory government. The Commonwealth, the Northern Territory government and the Thamarrurr work together. We collect different parts of that information and then we talk about where to go from there. It is a joint exercise.

Senator McLUCAS—I am interested in the application of funds by the Commonwealth. Ms McKenzie, when you were listing the amounts that have been expended, you mentioned the figure \$564,000. What was that for?

Ms McKenzie—That was over four years for intensive support playgroups.

Senator McLUCAS—Is the \$234,000 for the school upgrade being paid out of FaCS?

Ms McKenzie—I am unsure about that, but I think it is probably unlikely.

Dr Harmer—I think almost certainly—we will just check—there would be education, science and training money.

Senator Patterson—And there would be Northern Territory money in there too.

Senator McLUCAS—And the broadband?

Dr Harmer—The broadband would be communications money, I would suspect.

Senator McLUCAS—There is the \$546,000 or just over \$½ million over four years. That playgroup money will come out of FaCS, I dare say.

Dr Harmer—Yes.

Senator McLUCAS—How is that money being spent?

Dr Harmer—Can we take that under outcome 4? It will be under Families and Children. We will make sure that the people who appear for that outcome are able to answer that question.

Senator McLUCAS—Thank you.

Senator MOORE—So the money for intensive playgroups will appear in the budget line in Families. I think it would, but I just want to double-check.

Dr Harmer—It may not be separately identified, but it will be included in one element of the Families' budget.

Senator MOORE—Is there any reason why it would not be specially identified?

Dr Harmer—There may be an allocation where there is discretion in the spending of that particular appropriation and, in terms of priorities, it has been allocated to this site. It would not show up separately in the appropriation.

Senator MOORE—But that would be shown clearly within your accounting for the full cost of the trial.

Dr Harmer—We would be able to account for where it goes, yes.

Senator McLUCAS—Have any interpreter services been used during the trial and, therefore, paid for by FaCS?

Dr Harmer—I know that interpreter services are being provided. At the moment I think they are being provided through the Thamarrurr Council, which are being partly paid for, I suspect, or is partly volunteer work. I am not sure which company is doing it, but what often happens—and it happens in the Cape—is that big organisations looking to promote their community sense of responsibility provide some assistance. Boston Consulting, Westpac and a couple of others operate in the Cape along these lines. Others operate in the Northern Territory, including the Thamarrurr Council. In fact, a couple of weeks ago, I met the guy who is providing these services. He speaks the main language of the local people and is able to interpret to make communication easier. He was present at the meeting I was at.

Senator McLUCAS—Are these services being funded by FaCS or by the council?

Dr Harmer—I do not know. I suspect by the council. At the moment, it is either by contribution from the parent company or by the council.

Senator McLUCAS—I am very aware of the philanthropic work of Boston Consulting and whatever in Cape York. Is the same model being used at Wadeye?

Dr Harmer—It is starting to develop in other areas. Companies are beginning to make a philanthropic contribution in these sorts of areas, yes. I am not sure of the details of how the interpreting is being paid for in Wadeye. At the moment it is not being paid for by FaCS.

Senator McLUCAS—The answer to a question on notice in February this year referred to OIPC advising that three consultants had been engaged to undertake pilot projects in different regions, focusing on communication methods and materials—I do not have that answer with me at the moment—for communicating with Indigenous communities. That answer came from the Office of Indigenous Policy Coordination. I am trying to link that information back to the interpreter services. Are you aware of that work?

Dr Harmer—I am not aware—Ms McKenzie might be—of anything coming out of OIPC at the moment in relation to communications in Wadeye, but I may be wrong.

Senator McLUCAS—Has the department engaged any consultants in connection with the Wadeye trial?

Ms McKenzie—I cannot be sure of all the consultants that we have engaged, but I do know that we have used CAEPR, the Centre for Aboriginal Economic Policy Research, to do some research at the Wadeye trial site. I can certainly get you a list of any other consultants that we have engaged.

Senator McLUCAS—For what purpose was CAEPR engaged?

Ms McKenzie—It was an agreement between the Northern Territory government, the Thamarrurr and the Commonwealth initially to do a baseline study on the Wadeye community. We also did a follow-up study that looked at the opportunity cost of no further action in Wadeye.

Senator McLUCAS—When was that done?

Ms McKenzie—That was completed over the last couple of years and was made public at the beginning of this year—I think about March.

Senator McLUCAS—Both reports?

Ms McKenzie—No. The earlier report was done several years ago; I think it was done in 2003.

Senator McLUCAS—Was that consultancy funded by DFACS?

Ms McKenzie—Yes, the idea of getting the consultants to do it was a jointly agreed idea between the Northern Territory government, Thamarrurr and the Commonwealth but FaCS funded.

Senator McLUCAS—If other consultancies were purchased as a part of the trial, could you provide that information to us—the cost of them and the purpose of the consultancy?

Dr Harmer—I do not think there were very many, if any, others, but we will check.

Senator MOORE—Ms McKenzie, how many DFACS staff are currently working on the trial? Is it a specialist project for people in your section? Are any FaCS staff working on site?

Ms McKenzie—No. With regard to people on the Wadeye issues, we currently have a Northern Territory office that is situated in Darwin and one of our officers is outposted from that office to the Darwin office of the OIPC. She and a person from the OIPC monitor the issues that are happening in Wadeye. They then advise us, and we consider the policy issues involved in Canberra. But there are not staff who are specifically dedicated to just doing Wadeye.

Senator MOORE—But the outposted staff member in Darwin is with OIPC. Is that in what used to be the ATSIC office? Is one of the co-located staff in the one-stop shop?

Ms McKenzie—Yes.

Senator MOORE—I have lost the terminology; that was two weeks ago. Whatever has taken its place—

Dr Harmer—It is called the Indigenous Coordination Centre.

Senator MOORE—That is right. So your staff member is outposted to the Indigenous Coordination Centre.

Ms McKenzie—Yes.

Senator MOORE—Does FaCS have any other staff working in Indigenous coordination centres across the country.

Ms McKenzie—Yes. We have about 100.

Senator MOORE—I just wanted to find out how many. At the last estimates you were not sure.

Dr Harmer—We have about 100. We probably have more staff in ICCs than any other department, I think, because of the nature of the program.

Senator MOORE—So they are formally outposted now?

Dr Harmer—Yes.

Senator MOORE—Can we get a list of where?

Ms McKenzie—Yes.

Senator MOORE—That would be lovely.

Senator McLUCAS—I will start with some questions about the Supported Accommodation Assistance Program.

CHAIR—Senator Bartlett also has some questions on outcome 2. Senator Moore and Senator McLucas just need a little more time to gather some information on outcome 2, so when Senator Bartlett arrives we might then go to him for questioning.

Senator McLUCAS—Could you just take us to the budget papers on the SAAP? I will be frank: I am having some difficulty in working out how much money is allocated to SAAP and where it appears in the budget; hence my reluctance to charge ahead at the moment. Could

you take us to the right page of the PBS and then maybe just walk me through those allocations please.

Ms Carroll—If you go to page 100 in the PBS, there are two items that relate to the Supported Accommodation Assistance Program. There is an item under Appropriation Bill (No. 1) called ‘Supported Accommodation Assistance Program—national priorities’, and you will see an amount there for 2005-06 of \$22 million. Then, under Appropriation Bill (No. 2), for the item ‘Supported Accommodation Assistance Program’, you will see an amount of \$158 million. I need to explain these figures to you.

Senator McLUCAS—Good.

Ms Carroll—The figures are based on the offer that was made to state and territory ministers by Minister Patterson in December last year. Those are the amounts that are put forward in the portfolio budget statements. This offer separated out some of the funding to be provided for strategic initiatives—an innovation fund. The funds for that at the moment are appropriated through bill No. 1 under the ‘Supported Accommodation Assistance Program—national priorities’. However, there is a bit of a mistake in there. It is not a mistake in the amounts. The innovation fund from the SAAP and the National Homelessness Strategy funding have been combined under that amount of \$22 million. That is going to be rectified, and those two items will be separated out from those amounts. So, to get the total amount that has been committed to SAAP for 2005-06, you need to combine the \$20 million, because the \$2.397 million is approximately the amount for the National Homelessness Strategy—

Senator McLUCAS—So \$2.397 million is the homelessness money?

Ms Carroll—So it is around \$20 million there and then the \$158 million in the—

Senator McLUCAS—Can I go back, please, Ms Carroll? How much of the \$22 million is the innovative pool money?

Ms Carroll—Around \$20 million.

Senator McLUCAS—Thank you. Sorry, I interrupted; please continue.

Ms Carroll—So that innovation money is still part of SAAP, and that is then combined with the \$158 million under Appropriation Bill (No. 2).

Senator McLUCAS—Which is down from \$174 million in this current year?

Ms Carroll—The reason that there is a seeming decrease there is that you need to add the two amounts together to get the total amount of funding to SAAP.

Senator McLUCAS—Could you give us a brief explanation of what is delivered through the Appropriation Bill (No. 2) SAAP moneys?

Ms Carroll—That is the money that is provided directly to the state and territory governments for their ongoing program funds. In the original offer that was made to state and territory governments, they were asked to increase their program funds to ensure that the total amount of funding going into SAAP for ongoing program funds was kept the same, and then there was the additional innovation funding that was on top of that.

Senator McLUCAS—So the states and territories were asked to increase their funds to SAAP ongoing programs.

Ms Carroll—That is right.

Senator McLUCAS—By what amount?

Ms Carroll—By approximately that \$20 million.

Senator McLUCAS—Sorry, I am not following you now.

Senator MOORE—By the \$20 million in one year.

Ms Carroll—Yes. There was \$106 million over the five years of the proposed SAAP 5 agreement that states and territories were asked to increase their contributions by.

Senator MOORE—Which is vaguely the \$20 million a year over that period of time.

Ms Carroll—Yes.

Senator Patterson—Just for your information, over the series of agreements the states have put in 40 per cent and the Commonwealth has put in 60 per cent.

Senator McLUCAS—I think that varies from state to state.

Senator Patterson—It does vary from state to state. But, except for New South Wales, that is pretty much the case. Queensland would have to be lagging behind. Is that right?

Dr Harmer—And South Australia.

Senator Patterson—South Australia and Queensland, but New South Wales has not been in that situation.

Senator McLUCAS—It would be useful to the committee to have the different state ratios. Would you have that with you, Ms Carroll?

Ms Carroll—Yes. We can provide that. Do you want me to read it out?

Senator McLUCAS—Yes, please.

Senator MOORE—Is this under SAAP 4 or under the offers of SAAP 5?

Senator Patterson—SAAP 4.

Senator MOORE—Are you going to read out what is in existence under SAAP 4?

Ms Carroll—Yes. For New South Wales, the New South Wales government provides around 51 per cent of the funding and the Australian government provides around 49 per cent. For Victoria, the Australian government provides 60.3 per cent and the state government provides 39.7 per cent. For Queensland, they are similar ratios—60.4 per cent provided by the Australian government and 39.6 per cent provided by the state government. For Western Australia, the Australian government provides around 59 per cent of the funding and the state government provides 41 per cent. For South Australia, the Australian government provides 62 per cent and the state government provides around 38 per cent. For Tasmania, the Australian government provides about 59.5 per cent and the state government provides 40.5 per cent. For the Northern Territory, the Australian government provides almost 62 per cent and the territory government provides 38 per cent. For the ACT, the Australian government provides around 55 per cent and the territory government provides about 45 per cent.

Senator Patterson—It should also be noted that in the housing agreement we have a crisis accommodation program where we provide money that is not matched by the state, which is

the bricks and mortar for some of these services. If you just look at the SAAP per se, it does not take into account the other assistance we give with capital funding.

Senator McLUCAS—So, through the Commonwealth housing agreement, there is some quarantined moneys. Is that what you are saying?

Senator Patterson—There is a crisis accommodation program which is not matched by the states.

Senator MOORE—Is that a federal government project only?

Senator Patterson—No, we have SAAP clients in it.

Senator MOORE—It would have SAAP clients, but it is actually seen as a federal government program?

Senator Patterson—But not matched by the states.

Senator McLUCAS—Can I come back to the innovative pool. Can you give the committee an understanding of the genesis of taking \$20 million out of the original SAAP agreements and keeping it? Is it a program being run by the Commonwealth?

Senator Patterson—It is a policy decision. The SAAP review indicated that there needed to be some reforms within the delivery of SAAPs. Twenty-five per cent of SAAP people return for SAAP services, so there was a need to look, in particular, at transition out of SAAP services to reduce the likelihood of people returning. If we pass the money over to the states we have no leverage at all to ensure that we get some changes. Some of the ministers are more responsive and are pressing their organisations to respond more to the SAAP review in terms of having programs that actually reduce the likelihood of people coming back into SAAP. I will give you one example.

There is a service in New South Wales that used to have crisis accommodation for people. It is now rebuilding that service with units of eight. Instead of people having breakfast, lunch and dinner, sitting round doing things in between time and going out with no extra skills after having been there for three to six months, that service will now get people to work within their group of eight. They will be required to do budgeting and to put some money in from their pensions. You are nodding your head, Senator McLucas, but this is a very big change and some of the ministers have not cottoned on to it. I am not going to hurry, because it is very important.

Senator McLUCAS—I am not trying to encourage you to hurry.

Senator Patterson—Let me tell you that this is a very big change. There is one minister in one of the states who is very proactive in trying to bring about a change in some of the services. What is happening is that these people will learn budgeting. They will learn about activities of daily living and about preparing their meals so that when they go out they are more likely to be able to live in a group house. Some of our rooming houses have disappeared, so these people may go out into sharing situations where, if they have not got those skills, things will not work. This is about ensuring that those people go out with the life skills to be able to move out of crisis accommodation and go on to live in more permanent accommodation. That is what the review said, and that is why we want to have some

innovative programs to encourage some innovation within the sector and we want to demonstrate programs that work.

There is another program in Queensland where they are working with mothers with adolescent boys. They find it very difficult to place them in crisis accommodation. They have programs which assist them off the black rent list. They are the sorts of programs that we believe are important for reducing the likelihood of going back, for giving them more permanent accommodation and for increasing the likelihood that they are going to end up in employment and out of the vicious cycle that some of them are in.

Senator McLUCAS—I am trying to get at how this innovation pool started.

Senator Patterson—It came about because we had increased the money and we believed that some of the money ought to be there for us to be able to drive some innovation, which is happening more in some states than others.

Senator McLUCAS—So the Commonwealth is driving the application of that \$20 million and the programs you are talking about have been funded out of that innovation pool?

Senator Patterson—No. They are examples of programs that have been done by people who have been innovative in the SAAPs, but they have not been spread across all services. We had no say, when the review came out. If we just hand the money over to SAAPs then, other than by writing into the agreements what we want done, we have no way of working with the states and saying, ‘Here are some examples that are working in other places. Why don’t you see if you can use those examples?’ For example, we have the Indigenous Family Violence Strategy in another part of the portfolio.

I have talked to two ministers now about whether we can put that together with areas where we have SAAP services and we have Indigenous people coming back. When we have them in the crisis centre, maybe we should be using our family violence program to work with the families that they have come from before they go to the centre. It gives me some scope to also say, ‘What other parts of our programs can come together?’ I have said to the state ministers, ‘You might have a youth or mentoring program for some of the young people who have been witnesses to these violent situations.’ I want to see much more creative use of a whole-of-government approach to this, and we will not have that without some money in the innovation fund.

Senator McLUCAS—The innovation fund is about to begin. How will the Commonwealth administer that fund?

Ms Carroll—The proposal for administration of that fund was to use some of the funds in the first couple of years to, as the minister was saying, take on board the best practice that is already happening out there within the SAAP sector. Perhaps we will do some evaluation of those models and provide some way to communicate those models to the rest of the SAAP sector but we may also pilot and test some of those models and other models that may exist across other parts of the sector.

For example, something might work very well in inner Sydney, but will it work the same way in a regional centre or do we need to modify the model slightly for it to work in a regional centre? Then, in the last few years of the agreement, the money would be rolled back

to the states and territories to implement those programs across the broader sector. That was the original proposal that was provided.

Senator MOORE—Within the five-year cycle?

Ms Carroll—Yes.

Senator MOORE—I am struggling to work out exactly how the money has increased when you do the additions and subtractions. The other issue is the concern about piloting. I know that you have to test things out, but it interests me that, in the housing area, one or two year's money sometimes can be more dangerous than getting nothing at all. Getting any money is good, but we hear from the people in the community that pilots build up expectations and when there is no recurrent funding it creates an even greater sense of depression.

Senator Patterson—I see these not so much as pilots but as examples, as models. Once it has been demonstrated that the models have been successful they can then be, as we have just been told, implemented in the later years in the trial. The National Homelessness Strategy program has \$10 million in its budget which, in a way, augments some of the SAAP work. We have some work being done in one of the programs within that with four services in Victoria. They came to me and said, 'We want to try to deliver services to meet the individual's needs rather than individuals running around to all services.' Some of them had Job Network programs, some had SAAP places and some had PSP places. I cannot remember the other things they had in it.

We thought at the time that it was an easy thing to do and they thought it was easy to do, but it has proved to be a little more difficult. They put in a very creative and detailed evaluation, which the state government has funded—to give credit where credit is due. Rather than people saying, 'I've got SAAP places and you're not going to have them', and somebody saying, 'I've got Job Network places and you're not going to have them', they have been giving up places—the places go with the person—so a service can deliver PSP, Job Network and SAAP provision. They are looking at whether people in a joined-up service do better in the long term than people in an unjoined-up service. They are doing very detailed study.

That is the sort of work that we want to be able to demonstrate—not just a pilot study—to say, 'This works. This is the sort of thing we should be doing in SAAP services.' Also, are there state programs that can be joined into that to make it more effective? The review shows very clearly that all of us need to do better in making sure that people were less likely to end up back in a crisis service.

Senator MOORE—In your example, weren't those services already being funded by the Victorian government?

Senator Patterson—They were being funded by a range of measures: Job Network, PSP, SAAP and JPET. Sometimes these clients were running around to three different agencies to get help from the state and Commonwealth. They wanted to come and say, 'Is there a better way of doing this?' They are looking to see if they can do that in a way that means people do not end up victims of falling between the cracks because they cannot get a joined-up service.

Senator MOORE—Using that Victorian example, if one of those services that will now be supported under the innovative pool arrangement was already receiving money under the Victorian SAAP process—the Victorian government was already funding it—how would that work?

Senator Patterson—You would look at it and say, ‘Is this SAAP service showing a new way of doing business to reduce the likelihood of it?’ As Ms Carroll was telling you, we would then need to evaluate it—we are not all feeling good about it and it has no effect at all. We can demonstrate to people in Western Australia, in a remote community or in a regional area that these things seem to work better. It might be about how you deal with mothers with an adolescent son or with younger people. They are at different points in their life cycle and so different things happen. If you are a young person, you could be accessing a whole range of things. If you are a mother with an adolescent son and other children, services might not be as available to you. We would be looking at different groups of people. A SAAP service could possibly be integrated with other things to produce better outcomes.

Senator MOORE—So the rationale of this process is that that degree of sharing and innovation was not being completed under the previous process. The only way, from the federal government’s perspective, was to quarantine moneys out of the SAAP funding to allow these things to be tried.

Senator Patterson—It gives us much more leeway rather than just writing something into an agreement and then having no power to do it. The state most probably does not have the same authority to bring Commonwealth programs together as we would in a model. We are in a much better position to bring JPET and PSP into a model than a state would be if they were trying to drive that.

Mr Knapp—It is also an opportunity to bring a national approach as well rather than just having an idea that might be working well in one state. It is an opportunity to make sure these innovative ideas are tried right across the nation rather than just running in one state and not necessarily being shared effectively.

Senator Patterson—There are really some very good programs and models in the SAAP services. There are some that address not only the issue of crisis accommodation but also how you reduce the likelihood of those people coming back into that crisis accommodation. Some organisations have moved a long way and some others still need to move a bit further.

Senator MOORE—What is the current status of the negotiations with the states?

Senator Patterson—I hope in the very next short while, the next couple of days, to actually give a renewed offer. The states asked me to get the budget money ahead of the budget, which I did in December. They asked me to attend a meeting early in the new year, which I did with some compromises in the response I made to them. I noticed that there was not too much compromise on the part of any of the states, but anyway in good faith I went to the meeting with some compromises. I have worked further on that and I have met with a number of the ministers individually—not all of them; not all of them asked to meet me. The ones who asked to meet me I have met with in their home states.

I have to say that some of them I have a very cooperative relationship with, as I did in Health. Others I do not have such a cooperative relationship with, as I did in Health. I really

like working with ministers who are outcome driven—and there are some who are irrespective of their political persuasion. I have met with the ministers who have asked me to meet with them and I would hope that in the next couple of days I will be making a renewed offer taking into account a number of the issues they have raised. Again I have not seen a whole lot of movement on the other side.

Senator McLUCAS—We were talking a bit about the administration of the innovative pool—I think that is the right language to use—and the minister has given us an indication that it will be where there are interesting proposals that need to be tested. How would an organisation access that money?

Ms Carroll—The proposal would be that there would obviously be some way to coordinate the information that we have. The decisions have not been made yet because, as the minister just said, there have obviously been some negotiations going on but certainly we will be looking at how we actually gather that information. We will possibly run some sort of tender process so that people can apply for some of that funding. The funding would then be able to be provided around specific outcomes. The details of that will be finalised when the negotiations are finalised with the state and territory governments.

Senator McLUCAS—So as part of the SAAP negotiations the negotiations will include an agreement as to how that \$20 billion will be accessed?

Ms Carroll—The minister referred to the fact that state and territory ministers asked for the consideration of a number of things in the negotiations. One of those things that they asked about was the governance and the way the investment and innovation pool would operate.

Senator McLUCAS—And that is currently under negotiation?

Ms Carroll—Yes.

Senator McLUCAS—Is it the intention at the moment that that money would be tendered for or is it a little more open as to how that money can be applied for?

Senator Patterson—I imagine it might be, for example, if Minister X came to me and indicated that they had some ideas about combining state programs—for instance, it might be some youth program with our family violence program—to focus on a particular issue. That is the sort of thing where we may call for a joint tender and say, ‘Here’s a program; we want to try and combine these things.’ The YP4 program in Victoria came to us and I thought, ‘Hallelujah, I’ve got four diverse organisations wanting to get across the columns of funding to actually deliver programs to individuals.’ Usually people say they have PSP or SAAP and they are not going to give them up, but YP4 were prepared to work together with what we have to deliver a service that is much more beneficial to the individual.

Senator MOORE—That is the same example you used before—

Senator Patterson—But they came with a proposal. Rarely do you see someone who is prepared to give up something to actually make it work for the individual. Usually people come with their bits of the program and they want to hang on to them. I believe from discussions I have had with some of the state ministers that there will be some things that we can do on a state-federal basis with them also using leverage to introduce some programs out

of their portfolios. It could be education, for example. It might be something else where they come and say, 'If we could do this together, I think we can actually get more outcome with the dollars we are putting in, and we should tender for a group to do this.' That is the sort of thing I would imagine—it could be a joint thing that we are doing.

Senator McLUCAS—Do you imagine that this money will all be expended through an innovations tendering process? It seems it is all very early days and we do not really know how it is going to happen.

Senator Patterson—I want to discuss it with the ministers as well. The state ministers will have some involvement with this. Some are very responsive to what we are trying with what they are trying to do, which is improve the services in SAAP and reduce the number of people who are coming back. That is a prime objective.

Senator McLUCAS—I recognise that and acknowledge that is your objective. It is the administration of \$20 million that I am trying to get to—how this is going to be rolled out starting in a month.

Senator Patterson—When we have some people signing up to the agreement we will be able to give you more details about it.

Senator McLUCAS—Do you expect that \$20 million will be spent in 2005-06? I am just worried about what is happening in terms of putting it into place.

Senator Patterson—I do not think you need to worry about spending; just get your colleagues to sign up so we can get on with delivering what will be some creative programs.

Senator McLUCAS—We have some more questions on this, but I feel a bit embarrassed that we called Senator Bartlett up.

Senator Patterson—He is all right; he is just recovering from his football yesterday. He kicked three goals.

CHAIR—Senator Humphries has a question on this as well.

Senator Patterson—Did you kick any goals yesterday, Senator Humphries?

Senator HUMPHRIES—No, I did not. I hope to do so in estimates this week.

Senator Patterson—Senator Bartlett played an important role in the football. I was a bit biased when I was doing the goalkeeping, but that is beside the point.

Senator HUMPHRIES—I did not want to risk hitting you, so I didn't try to kick goals.

Senator BARNETT—He did very well.

Senator HUMPHRIES—Thank you, Senator. The minister or Ms Carroll said before that the only state to contribute more than 50 per cent to SAAP funding at the moment is New South Wales with 51 per cent. Under the new arrangements, does that mean that New South Wales will be able to ratchet theirs down to 50 per cent along with all the other states if they sign up to this agreement?

Senator Patterson—No, we have not ratcheted ours down when we have been paying 60 per cent on average to the states 40 per cent.

Senator MOORE—We have gone through those figures for SAAP 4, and my mind is still clunking through them. The budget papers do not explain that process. Is that an agreed position? In the many discussions you have had with the states, do the states—with the exception of the South Wales, which seems to be on par—agree with that interpretation of a 60-40 split?

Senator Patterson—Some states would say that they have SAAP-like services.

Senator MOORE—Yes, that is the term I have heard—the SAAP-like services.

Senator Patterson—And I have said that, if you want to start doing that, we can add in our National Homeless Strategy of another \$10 million or our bricks and mortar crisis funding. These are SAAP services and it has been agreed over a long period—over four agreements, I think.

Ms Carroll—That is right.

Senator MOORE—So they used to agree that they were not SAAP, but now they think they are SAAP-like—is that right?

Senator Patterson—Some of them argue that they have introduced some SAAP services.

Senator MOORE—And at this stage that interpretation is not accepted by you?

Senator Patterson—I am about to indicate that I have attempted to accommodate the states to a point. Mind you, I have not seen any accommodation from the states of the Commonwealth's point of view. I will be writing to the ministers in the next couple of days, or in the next week or so, with a renewed offer.

Senator BARTLETT—I want to clarify a few figures in the portfolio budget statements for this outcome. The figures for the Community Housing Infrastructure Program seem to have had an increase of about \$80 million for the next financial year compared to the current one. What is behind that? I know an extra measure has been announced about the continuation of healthy Indigenous housing, but that seems to me to only account for about \$25 million. Does that healthy indigenous housing continuation come under the CHIP? Can you give me a bit more detail about why that fairly substantial leap is there and where it has come from?

Mr Knapp—The main difference between the two years reflects the movement of funds responsibility for the CHIP from the DIMIA portfolio across to FaCS. Because the actual transfer of funds happened part way through the financial year, some of the funds show up under the DIMIA PBS for 2004-05 and the remainder show up under our expenditure for 2004-05. For 2005-06, the full amount will be appearing, so the \$80 million variation just reflects that split between the two portfolios.

Senator BARTLETT—What about the continuation of the healthy Indigenous housing program, which is about \$25 million a year? Does that fit into the CHIP amount?

Mr Knapp—No, that is in addition to the CHIP amount. It is a separate program. It shows up in the appropriation, but it is a separate activity, called the healthy Indigenous housing program, of around \$24 million or \$25 million per annum.

Senator BARTLETT—The mid-term review that is proposed for Indigenous housing in the *Building a better future* paper is being overseen by your section, as I understand it.

Mr Knapp—That is correct.

Senator BARTLETT—I note that the paper says the review is going to run from July to December this year. Can you give me an outline of how that is going to work and who is going to be involved.

Mr Knapp—Currently a tender is being conducted to find an organisation to undertake the review. I think the evaluation process is yet to be completed.

Ms Casey—The evaluation of the tenders was conducted last week, and I understand there will be a paper presented to Mr Knapp this week for sign off on the successful tenderer for the review.

Senator BARTLETT—So it will be an independent organisation that will conduct the review?

Ms Casey—Yes, it will be.

Senator BARTLETT—You are just resourcing it and making sure they do it properly.

Mr Knapp—We are doing the task on behalf of the Standing Committee on Indigenous Housing, which is a Commonwealth-state committee within the housing minister's group. It is being conducted as a joint Commonwealth-state review, but we have taken on the task of running the administration of the evaluation.

Ms Casey—However, there is a steering committee of SCIH members who will work with us on that evaluation.

Senator BARTLETT—Are you able to give us an indication or a commitment at this stage that that review will be made public?

Ms Casey—My understanding is that the review, once it has been finalised, will go to the housing ministers for consideration.

Dr Harmer—It is quite likely to be public but it would be a matter for ministers once they consider it.

Senator BARTLETT—That is the state and territory ministers as well.

Dr Harmer—State and territory ministers as well as the Commonwealth minister.

Senator BARTLETT—Is the policy services and program management section able to detail for me the total number of staff in that section?

Ms Casey—In the housing infrastructure branch?

Senator BARTLETT—Yes. I do not know whether I am getting my titles right. I am going from page 116 of the PBS, which talks about policy services and program management. I am particularly interested in the subsection there that talks about quality assurance and research and evaluation. These are assessment levels. But with regard to the particular area that is mentioned there, is that a self-contained section?

Ms Casey—That would be part of the functions of the branch—to do the program management and look at the policy services. Part of my branch has responsibility for doing that.

Senator BARTLETT—You are not really able to separate that out as a separate group of staff?

Mr Knapp—It is the policy service program management activities relating to housing. That also includes Ms Carroll's branch activities as well. It is not specifically to do with Indigenous housing, I understand.

Senator BARTLETT—I was not thinking just of Indigenous housing. Is that a quantifiable group of people that perform that role or is that something that is part of the—

Mr Knapp—It is part of the general day-to-day activities of the two housing branches—the Housing Support Branch and the Indigenous Housing and Infrastructure Branch.

Dr Harmer—The allocation of policy resources would vary from time to time between policy advising and evaluation et cetera. It would be very difficult, given that a number of staff in these areas involve themselves in quality assurance and evaluation as well as policy advice. Very few people in policy areas can be earmarked to just one particular function within that policy advising role. I think that is true across—

Mr Knapp—That is true.

Senator BARTLETT—With regard to the Household Organisational Management Expenses Advice Program, which is continuing on, are you able to give the latest details on how many people have been assisted through that program?

Ms Carroll—Currently we do not have data for this financial year as yet, but we have final data for the predecessor to the HOME advice program—the family homelessness prevention pilots—which operated in the same way. The final valuation indicated that about 98 per cent of the families had remained in their own homes and that, over the period to June 2004, about 550 families had been assisted under the family homelessness prevention pilots.

Senator BARTLETT—That is the figure that the 98 per cent applies to, is it?

Ms Carroll—Yes.

Senator BARTLETT—Are you able to give me any general statements about the trends this year? Is it around the same proportion of people?

Ms Carroll—It is about the same proportion of people. If anything, we would have had an increase in the number of people assisted. We certainly have been working with the agencies involved to look at how they can assist a greater number of clients.

Senator BARTLETT—How is the expenditure under the National Housing Priorities and National Housing Research section—not the SAAP priorities—divvied it up? Is it via annual grants?

Ms Carroll—The National Housing Priorities funding is primarily paid out to two groups: the Community Housing Forum and another community housing group. They are annual grants that are provided to both of those organisations to assist communities in the development and provision of community housing. CHFA is a peak body for community housing and the Community Housing Forum is a body that works more at the individual agency level. Most of that funding is provided to those two organisations.

Senator BARTLETT—So the \$379,000 is already earmarked?

Ms Carroll—That is right.

Senator BARTLETT—Does the same apply with the \$420,000 for National Housing Research? Is that earmarked for AHURI for next year?

Ms Carroll—The funds for AHURI are provided in two ways: one is via the administered funds that you see there and the other funding that has been provided this year is also through departmental funds. They received a total of \$1.5 million from the department. Of that, \$420,000 is the funds that you see there.

Senator BARTLETT—The other \$1 million or so is a one-off?

Ms Carroll—That is provided through departmental funds, that is right.

Senator BARTLETT—Will the \$420,000 that is ongoing continue to be provided to AHURI?

Ms Carroll—Yes.

Senator BARTLETT—Is that a contract that is in place for a set period of time?

Ms Carroll—Yes, the AHURI contract, which is a contract with the Australian government and all of the state and territory governments, is a contract that is in place until the end of the Commonwealth-State Housing Agreement in 2008. Commonwealth government funding is committed to the end of this calendar year.

Senator BARTLETT—This calendar year?

Ms Carroll—Yes, 2005. It is to be reviewed during 2005.

Senator BARTLETT—But it will be about \$420,000 and you will pay it in the first half of the financial year?

Ms Carroll—It is ongoing, yes.

Senator BARTLETT—The Senate recently tried to get reports of performance by the various state governments under the Commonwealth-State Housing Agreement tabled. The government has declined to table those at this stage subject to approval from the states. Do you know what I am talking about?

Ms Carroll—Yes, I do. We are still in the process of discussing with the states an agreement to provide those. A summary report is completed through the Housing Assistance Act annual report, which is tabled each year. Information from those bilateral reports is combined to create the Housing Assistance Act annual report. However, we know you have requested that each of the bilateral reports be provided. The minister will need to request that from those individual state and territory ministers.

Senator BARTLETT—At the moment the federal minister is seeking the agreement of the state and territory governments to table those full reports rather than a summary omnibus thing?

Ms Carroll—That is right.

Senator BARTLETT—Going back to page 116, policy services and program management, I see you are getting a 100 per cent client satisfaction rating from the minister and parliamentary secretary and their officers.

Ms Carroll—That is an estimate.

Senator BARTLETT—Do you have any indication of how you determine whether or not you are meeting that target? Does that get reported in your annual report?

Ms Carroll—I believe that would be reported in the annual report.

Senator BARTLETT—Did you meet the target in the last annual report? I am sorry; I do not recall looking for it this time.

Dr Harmer—I do not think it can be interpreted as a target, but we will report on it.

Senator BARTLETT—With the overall role of this outcome, does any part of your role involve providing policy advice on housing issues, or is that what you pay AHURI for?

Mr Knapp—We provide policy advice to government.

Senator BARTLETT—Have you been asked to provide policy advice about affordable housing issues and about responses to the Productivity Commission report on affordable housing in the last year?

Ms Carroll—As part of our regular advice to the minister and to government, we provide advice around a whole range of issues. The issue of affordable housing is one of the issues that have been followed through by the housing ministers conference, and we provide advice to the minister in those circumstances.

Senator BARTLETT—Did you provide specific follow-up advice following the tabling of the Productivity Commission's final report into affordable housing?

Ms Carroll—Yes.

Dr Harmer—Yes.

Senator BARTLETT—Who would that normally go to?

Dr Harmer—The minister?

Ms Carroll—Just the minister.

Senator BARTLETT—Not to the Treasurer as well?

Ms Carroll—No, just to our minister.

Senator BARTLETT—I noticed reports that consideration was given by the government to either dumping or modifying negative gearing because of housing affordability issues. Obviously Treasury and other portfolios have a role in that as well. Were you asked for advice on the role of negative gearing in housing affordability?

Dr Harmer—We have been able to answer all your questions so far because you have not asked questions about the nature of our advice. We cannot answer questions about what we advise the government.

Senator BARTLETT—I do not want to ask whether or not you advised that negative gearing should be modified—although, if you want to tell me, feel free. I just want to know whether you were asked to provide advice about negative gearing.

Dr Harmer—No.

Senator BARTLETT—I have a final question on the current operation of the CSHA. In its existing manifestation, with the various conditions et cetera that the state and territory governments have to meet that are contained within the agreement, are there any indications at the moment that any of those requirements are not being met?

Ms Carroll—The minister has just recently written to all state and territory ministers to indicate that they have all just met the conditions in the 2003-04 year of the Commonwealth-State Housing Agreement, so all the conditions are currently being met.

Senator BARTLETT—I want to clarify my lack of understanding of something. Does the control of incorrect payment and fraud in the rent assistance program come under your responsibility?

Ms Carroll—In terms of rent assistance, yes. Policy relating to activities looking at any kind of fraud or whatever within rent assistance sits within the FaCS portfolio.

Senator BARTLETT—So you are not responsible for the paying out of rent assistance attached to various payments; you just have that auxiliary role of assessing fraud?

Ms Carroll—We are responsible for the policy around rent assistance. The actual payment of rent assistance is obviously associated with the income support payment that it is paid with. As we have the policy role around rent assistance, the other role that FaCS has is looking at any compliance measures that might also be associated with rent assistance.

Senator BARTLETT—So you provide policy advice on how to control incorrect payments and fraud but you would not actually carry out the detection of it.

Ms Carroll—Yes.

Senator BARTLETT—I note that the service delivery indicator on page 117 also mentions an indicator of percentage of reviews and appeals where the original decision is changed. Can I clarify what that is about. Is that reviews and appeals for people who have their rent assistance changed or cut?

Ms Carroll—That is correct.

Senator BARTLETT—The estimate in the right hand column is another one of those goals or targets—is that right?

Ms Carroll—Yes.

Mr Knapp—That estimate would be of the number of changes of our expectations on the basis of historical and other trends where the original decision would be changed. It is not a target as such; it is more an estimate of the likely outcomes from those processes.

Senator BARTLETT—What does ARO stand for?

Mr Knapp—It is the review officer within Centrelink.

Senator BARTLETT—So a rough estimate is about 50 per cent of appeals to the AAT would be overturned. Is that what that means?

Dr Harmer—That is 50 per cent of those who make it through to the AAT.

Mr Knapp—They go through those other processes first—the review officer within Centrelink and then the SSAT.

Dr Harmer—It would be a relatively small number who got through that.

Senator BARTLETT—So, 40 per cent with the internal review officer within FaCS and 35 per cent—

Mr Knapp—Not within FaCS; within Centrelink.

Senator BARTLETT—Yes, sorry.

Mr Knapp—But you are correct, yes.

Senator BARTLETT—From what you say about that being based on historical figures and an estimate of what is expected, that does strike me as a reasonably high overturn rate for people whose payments are being modified or cut to then have that decision found to be incorrect, which I guess is what the bottom line is when someone's appeal is successful. Is it an area of concern that there is that level of appeal success at tribunal? Does that indicate a problem with the quality of the decision making process?

Dr Harmer—It would be a concern if the numbers were large, but I suspect the numbers are quite small.

Ms Carroll—The numbers are quite small, and often these appeals show up legislative anomalies that may exist. A process is then able to be gone through to correct those things.

Senator BARTLETT—Are you able to provide me with that data, or should I go to some other department and some other committee? I am looking for the numbers of people you are talking about

Dr Harmer—Would you like the number and proportion of those who appeal their rent assistance calculations?

Senator BARTLETT—Yes.

Dr Harmer—Okay, we will get that from Centrelink. It is a question that would normally go to Centrelink but we can probably get you the answer.

Senator BARTLETT—I do have a couple of follow-up questions, but I will wait until I get that data—they are not urgent.

Proceedings suspended from 12.55 pm to 2.04 pm

CHAIR—We will resume on outcome 2, continuing with output group 2.1, Practical support and sharing responsibility.

Dr Harmer—I need to correct something. I have not got the numbers yet, but the figures given this morning for the costs of media monitoring and the provision of services to senior departmental people and ministers' offices is wrong. We think what has happened is that a couple of numbers have been added together which should not have been. I have my people working on it and we will be back with the right figures very shortly.

Senator Patterson—It is running on the wire, so I would like that corrected until we get that right. I have asked the department to do it ASAP. We should not be giving estimates wrong numbers. I apologise for that. I am, as you can imagine, not very happy.

CHAIR—Thank you, Senator Patterson and Dr Harmer.

Senator McLUCAS—Dr Harmer, are you saying that the figures given in question 113 from last estimates are not correct?

Dr Harmer—Yes. The tables were compiled and there were some wrong additions in the tables. We are correcting it right now. This is for Media Monitors. The figures are wrong in the table and we will correct them as soon as we can. I think there is something like a \$200,000 error in the table—it is lower by about \$200,000.

Senator MOORE—So it is lower and not higher?

Dr Harmer—It is lower—as I understand it.

Senator McLUCAS—What else was included in that?

Dr Harmer—It was a subtotal added in twice, I think. They were just adding up numbers.

Senator McLUCAS—So it is not another expense that has been added in?

Dr Harmer—No.

Senator McLUCAS—It is just an error?

Dr Harmer—It is just an addition error.

Senator MOORE—Ms Carroll, I have been poring over the SAAP stuff and I just need to get some clarification. I know that we may be going over stuff that we have done before, but in my own mind I want to clarify exactly what the increased funding is in the new program—the allocated SAAP funding in SAAP 4 and also in the proposal for SAAP 5. As you well know, there has been furious debate in the community about what figures mean what—and I am sure you will come in on this, Minister. I need to have a standard list of figures with the same amounts so at least we know what we are arguing over. Can you tell me what the total funding was on SAAP funding in the last period of SAAP 4? Are we talking about an increase or a decrease in funding in the proposal? That is the core issue—is there an increase or decrease in funding in SAAP 5?

Ms Carroll—The total funding for SAAP 4 from the Australia government was \$833 million. The total funding committed for SAAP 5 is \$932 million. They are just Australia government figures.

Senator MOORE—They are the announcements—okay. Within the \$932 million, is there the quarantined amount for the innovative fund?

Ms Carroll—There is the \$106 million that has been identified—yes, that is correct.

Senator MOORE—The argument rages as to whether the \$106 million—and it is not your argument; it is the general argument about the policy, which is the minister's prerogative—should be in there or not in terms of being calculated in the allocated funding. However, what I am trying to find out is whether there was an increase on CPI, an increase on demand or an increase on need—what was the background to these figures?

Ms Carroll—I am not quite sure that I understand your question, but the \$833 million that was committed for SAAP 4 included a GST component of \$75 million. That component was maintained and the funds have been committed for SAAP 5.

Senator Patterson—That was a one-off payment in SAAP 4. I fought hard to keep that money, so in fact it is new money because it was a one-off payment.

Senator MOORE—When did that money come in?

Ms Carroll—It was at the beginning of the SAAP 4 agreement.

Senator MOORE—There was one-off funding of \$75 million at the beginning of that agreement?

Ms Carroll—Yes.

Senator MOORE—And the expectation of the community and everybody was that it was a one-off—is that right, Minister?

Senator Patterson—Yes.

Ms Carroll—Yes, the \$75 million flowed out through the life of SAAP 4 so the total over five years included that \$75 million.

Senator MOORE—And that was included in the \$833 million total.

Dr Harmer—The new money for SAAP 5 from the Commonwealth was about \$175 million. That includes the \$75 million, which was a one-off payment but which the minister has managed to keep for SAAP 5, plus the \$100 million extra, which represents indexation.

Senator MOORE—Minister, in the various public statements I have seen you make encouraging people into this program I have not seen you arguing about the \$75 million.

Senator Patterson—I have talked about that. It is \$175 million but I have indicated a number of times that \$75 million of that was a one-off payment. I was able to convince the people who needed to be convinced that I should have that money despite it being in the first instance in SAAP 4 a one-off payment.

Senator MOORE—Can you tell me what the national data collection agency is when you are talking about homelessness in SAAP.

Ms Carroll—It is the Australian Institute of Health and Welfare.

Senator MOORE—So that is another organisation that is a government agency?

Ms Carroll—Yes, it is contracted to provide that data collection service.

Senator MOORE—In some of the public statements, and as part of your job you would have read them, there have been claims that the national data collection agency figures on SAAP funding are not the same as those which are in the budget. Have you seen those claims?

Ms Carroll—I think what they are referring to is that within the Australian Institute of Health and Welfare figures some state and territory governments have included some of their state only funded SAAP services, which you referred earlier to as SAAP-like services.

Senator MOORE—SAAP-like is the term that is used, isn't it?

Ms Carroll—Yes. So they are able to participate in that data collection. The reason for that is simply to try to collect as much data as we possibly can on people who are using SAAP services or the SAAP-like services. So the difference in figures occurs where those other figures from those other agencies have been included.

Senator MOORE—So the basis of what is included in that particular data collection is determined by what the states give. So if the states say, ‘This is how much money I’ve spent on SAAP funding,’ then that is what is recorded and there are no judgments made about that.

Ms Carroll—They always identify it separately as to whether it is part of the SAAP agreement or whether it is individually funded by the state or territory. However some of the AIHW reporting does report both of those figures.

Senator MOORE—It is just that some of the data that has been made public and some of the tables that have been published actually show, particularly for the ACT and Victoria, quite a significant discrepancy between what they claim is SAAP funded—not SAAP-like but SAAP funded programs—in their states and what the minister has defined as SAAP funded programs.

Ms Carroll—I would have to clarify that.

Senator MOORE—Senator McLucas has an article by David Wright-Howie that talks about the national data collection agency and prints a graph showing the reported NDCA SAAP funding compared with estimates of recognised SAAP funding for each state and territory in 2003-04. That article was published earlier this year. Are you aware of that information?

Ms Carroll—As I indicated, my understanding is that what he would be referring to is the inclusion of the state-only funded SAAP services with the broader services.

Dr Harmer—It is quite likely that the researcher has a definition of SAAP which does not necessarily correlate with the appropriation definition of SAAP from the Commonwealth.

Senator MOORE—So this is the researcher from the Australian Institute of Health and Welfare?

Dr Harmer—Yes, it is quite possible that they are operating on the basis of support for homeless youth, women and men provided by the Commonwealth and the state, which is slightly different from that being spent under the SAAP agreement. The difference is that some states have programs that provide very similar assistance to SAAP programs, but they are not spent under the SAAP agreement. They are the sorts of programs that Victoria, particularly, are arguing should be included in the Commonwealth consideration, even though they are not prepared to have them brought in as part of the SAAP agreement and therefore spent under the forward SAAP agreement. Is that right?

Ms Carroll—Yes. The *Report on Government Services*, for example, includes the services that are part of the SAAP agreement and, for some states and territories—as you say, for Victoria and the ACT—

Senator MOORE—They are actually very close. They are not identical to what is in the government figures, but just for those two it leaps out that there are significant differences. I understand that they are the same differences, Minister, to which you referred earlier when you said that some states were more accommodating than others in the debate. Are they the same ones? ACT and Victoria are the ones—

Senator Patterson—No.

Ms Carroll—Queensland.

Senator MOORE—Queensland, as well. Any of the above?

Senator Patterson—Some ministers have been more responsive and cooperative and want to speak to me to get outcomes. I am not going to give examples of who was and who was not in. Those ministers know who they are. We have a good working relationship, and I am sure we will achieve some good outcomes. I welcome every minister to be in the same situation. I am a very cooperative minister who wants to drive outcomes—I am very outcome driven.

Senator MOORE—Dr Harmer, you indicated in your response about the researcher from the Australian Institute of Health and Welfare—

Dr Harmer—It is possible that what that research is doing has definition of what the various state programs do and is counting them as SAAP type programs.

Senator MOORE—Which department does the AIHW report to?

Dr Harmer—Health.

Senator MOORE—So when they are doing these reports—and I am sure that it is compulsory reading—

Dr Harmer—You could ask Kim.

Senator MOORE—I will ask Health. But I am sure it would be compulsory reading in the unit on SAAP funding to read these things.

Dr Harmer—I would be very surprised if we did not have the figures about what is being spent in each state under SAAP very carefully identified.

Senator MOORE—I suppose Ms Carroll and Mr Knapp are both in your area. Is research, such as that which is done by the Data Collection Agency, something that regularly comes across to you as a matter of course, as part of your working tools?

Ms Carroll—Certainly. We have that information.

Senator Patterson—AIHW asked them for SAAP services. Some states would put in SAAP-like services.

Dr Harmer—That is the most likely explanation.

Senator MOORE—It would seem possible, and that would continue the discussion which is still open from the states about what should be included and what should not. I am interested that, if this particular data is public, there have not been discussions between you and them about where this came from. I do apologise; I do not have the date of this publication.

Ms Carroll—March.

Senator MOORE—Actually, I do have it. It is from *Parity News*, volume 18, issue 2, March 2005.

Ms Carroll—As I said, I do not have that article at hand, but it would seem, without having had a look at it, that the data would be from the *Report on Government Services*, which clearly lists and identifies the services that are funded under the SAAP 4 agreement and

SAAP-like services that states and territories fund separately. They are provided as separate line items in the *Report on Government Services*.

Senator MOORE—In terms of the increased allocation that the government, through your agency, has determined in the budget, on what kind of increase in homelessness is that based? Is that part of the determining factor in the numbers of homeless in the community?

Ms Carroll—Certainly that is one of the things that is taken into account, but as the minister said earlier, the national evaluation of SAAP 4 went significantly into looking at what the issues are. Then there are also decisions for government.

Senator MOORE—Yes, it would be just one of the many considerations in the increase in homelessness. There is certainly the debate in the community about the perception that there is growing homelessness and the need for an injection of funds into that area of SAAP.

Dr Harmer—One of the reasons the minister has been very keen to respond to the review of SAAP with a particular allocation for innovation is that it is very difficult just to keep up with the growth in those sorts of things without some innovation and more efficient ways of doing things. So we are looking to promote more efficient ways of providing assistance to the homeless, which is what the innovation fund is about.

Senator MOORE—Minister, what happens if the states do not sign up?

Senator Patterson—Since you have asked me that question, let me start by saying that there is one state in particular that has run what I think is an atrocious fear campaign telling services that they will lose their money. I will ensure that services continue to receive their money. But I am of the opinion that I have modified the offer to the point where the majority, if not all, of the states will sign up.

Senator MOORE—As the agreement is based on states and the Commonwealth agreeing to move forward, I want to clarify what you said. You are going to be announcing a modified offer and you expect to have an agreement with most states from the discussions that you have had.

Senator Patterson—I think it is a reasonable offer. I have accommodated the states a number of times now—once by getting the money outside budget, which is not easy. You may not have had the chance to find out, but it is not easy to do that.

Senator MOORE—That is the extra \$75,000?

Senator Patterson—I got the money before the end of the year so that we could start negotiations. I then went to a meeting at their request because I thought we would have some offers that we could move backwards and forwards. There was no movement at all. I made some compromises at that meeting. I have made some further compromises, which will be in the correspondence to them, and I am not prepared to go any further. I have not seen one skerrick of movement from the states.

Senator MOORE—Is the offer dependent on the states agreeing?

Senator Patterson—The states would be well advised to sign up.

Senator MOORE—At a previous estimates session with the then minister, Minister Vanstone, the agreement at that stage was all-in or all-out.

Senator Patterson—They will continue to get their funding, but they need to sign up.

Senator MOORE—So the SAAP services themselves should not be afraid that they will not get their money?

Senator Patterson—No. There has been an appalling campaign run in one state, which was using these people as pawns. The other states have not done that, but there has been a campaign in one state. They will see I have actually been a little bit more than conciliatory in my offer, when they get it. Given what was done, I would most probably prefer not to be, but I am not going to punish the services because ministers bother to go out and campaign. I think I have been accommodating and flexible. I have compromised. I have had to go back and seek approval from the other senior ministers because it was a slight change. I have done all of that, now I expect the states to go back to their treasurers, do the same as I have done and ensure that we have an appropriate funding level, fifty-fifty, from the states.

Senator MOORE—The area of support for homeless is a very well organised community area. What has been the response from the community groups. I know that you have been doing lots of work in—

Senator Patterson—One of my staff has been meeting with all of them. They believe that the states should come up to the plate. Many of them have indicated that they believe the states should match us fifty-fifty. If they did, we would see a significant increase in the funding. They also believe that we should respond to the SAAP review to try and improve the outcomes.

Senator MOORE—What is the community understanding of terms like ‘SAAP’ and ‘SAAP-like’?

Senator Patterson—The communities that run SAAP services know about SAAP and SAAP-like services.

Senator MOORE—So there is no confusion in their minds.

Senator Patterson—I think they are very clear about what is a SAAP service and what is a SAAP-like service. We have plenty of SAAP-like services—the Home Advice Program is one. I told the ministers that, if they wanted to start adding in extra stuff, we would add in extra stuff like the National Homelessness Prevention Strategy. We too could start putting millions into SAAP-like services that are actually about homelessness, but they are not SAAP services.

Senator MOORE—Minister, you have said that there is an understanding in the community that there is a discussion going on, because there has been significant lobbying across all states, not just one; but can you help me out with the definition of what a SAAP service is? Maybe Ms Carroll could help me out on that. I am still unclear in my own mind. I know it is services for supported accommodation, but what determines what is a SAAP service as opposed to a SAAP-like service?

Ms Carroll—SAAP services are those services that fit within the SAAP act and have been jointly agreed to be part of the SAAP agreement. Therefore, they are jointly funded services.

Senator MOORE—So within the negotiations those services are named so you know exactly whether you are a SAAP service and you have your name down on a list somewhere.

Ms Carroll—Certainly those services have a clear understanding, because they are funded under joint Commonwealth-state funding.

Senator MOORE—So, for a service that claims to be SAAP-like, there would be no doubts in the minds of the people running that service and being serviced by that service that they are not part of the SAAP agreement.

Ms Carroll—I believe that most of those services would have a clear understanding of where their funding comes from.

Senator MOORE—Right. Certainly the feedback we are getting on some of the community stuff is that there is an anger that they are not getting money. It has almost reached the stage where they are saying, ‘We don’t care who is funding us, as long as we get our money.’ That is across the board. Most of these organisations are incorporated community organisations, from what I have seen on different lists, and so the people who are on the boards would have a clear understanding about where their money comes from, how much it is, over what period and that kind of thing.

Ms Carroll—That is right. They would have a contract from the relevant state or territory government that would indicate those things.

Senator MOORE—Do they have to sign that contract?

Ms Carroll—I would believe so.

Senator MOORE—And are those contracts monitored by the states? They do not have to sign a contract with the federal government?

Ms Carroll—That is right; they are monitored by the states.

Senator MOORE—Are they visited by people from your office from time to time, just to see how they are going? Is it part of your function to do a monitoring process?

Ms Carroll—The monitoring occurs through bilateral reporting. The states and territories have to report on an annual basis. As well, there is an officials group, called the coordination and development group, that meets on a regular basis to do broader monitoring. Certainly the Australian government is able at any point to go and speak to a particular state or territory about issues or concerns they might have within their state or territory.

Senator MOORE—Can you remind me who is on the officials group. I have asked this question before.

Ms Carroll—It is made up of representatives from every state and territory government, and it is chaired by the Australian government.

Senator MOORE—Who is the Australian government chair at the moment—a representative from FaCS?

Ms Carroll—I am.

Senator MOORE—So you chair that meeting. That degree of officialdom would be another guarantee of understanding and communication.

Ms Carroll—That is right.

Senator MOORE—At those officials groups, are there discussions about getting something—I use the example of a current service which is funded by the state but not in the SAAP agreement—to be a SAAP funded organisation?

Ms Carroll—To date, mostly the states and territories have not been trying to move their state-only funded services into the SAAP agreement. There have been some occurrences where they have, but there are guidelines within the SAAP act about how that would occur and the way they would need to go about that. But that is not one of the principal things that states and territories have tried to do to date.

Senator MOORE—So to date they have not done that? It just seems that, as we are moving into the SAAP 5 agreement, the issue has become quite sensitive. When the definitions were read about the state-federal breakdown, some states questioned whether, in fact, that is an accurate reflection of the services they are funding.

Ms Carroll—They are presenting that as they move into the negotiations for SAAP 5.

Senator MOORE—But in the meetings you have attended over the last two years it has not been a major agenda item?

Ms Carroll—Not prior to the current negotiations.

Senator MOORE—I have seen figures thrown around on how much, in total, the increased government funding is. Has a figure been mentioned as to what percentage increase there has been in SAAP funding?

Ms Carroll—We have not indicated a percentage. We have not been working on that.

Senator MOORE—One of the things that has also been said at community meetings is that the increase in funding for homelessness has been less than the CPI increase. So at this stage the department have not put out a figure saying, ‘We’ve increased that funding by X per cent?’

Ms Carroll—No, not at the moment.

Senator MOORE—I have a couple of questions about some issues that have received a lot of public interest. I know that Senator Bartlett asked a couple of specific questions before on the National Homelessness Strategy and I would like to follow up on that. I know the minister has said that she could actually put that into the SAAP funding, but at this stage it is not. That is right, isn’t it? The National Homelessness Strategy is clearly outside of that.

Ms Carroll—Yes.

Senator MOORE—So the extension of funding for the National Homelessness Strategy falls under the SAAP national priorities allocation. Is that right?

Ms Carroll—That is right.

Senator MOORE—And an announcement has been made that the National Homelessness Strategy is to be extended for a further four years. That is the expectation, isn’t it?

Ms Carroll—That is correct.

Senator MOORE—When is that National Homelessness Strategy due to start?

Ms Carroll—In 2005-06.

Senator MOORE—So that would be in calendar year 2005 to start in July 2005?

Ms Carroll—No, it is financial year 2005.

Senator MOORE—And the idea is that there will be projects underneath that homelessness strategy encouraging innovative ideas which will be tried to see how they work. Is that right?

Ms Carroll—They will be similar in terms of their innovation. However, one of the things that the National Homelessness Strategy has the potential to do is to look at services that are not specifically SAAP only services. So it has the capacity to look at the areas which are breaking down which mean that people end up needing to use a homelessness service—for example, it can look at linking into programs about mental health, public housing and Job Network, as the minister mentioned earlier. Those are the kinds of related services—another area is family violence. If these services are not able to link up and do their job in an efficient way then people can end up falling through the cracks and needing to use a SAAP service. So part of the National Homelessness Strategy is to move out and look at things more broadly than just SAAP.

Senator MOORE—And that could include SAAP-like services?

Ms Carroll—That is right, but what we are really looking at is different kinds of services altogether not just crisis services. We are looking at services that might particularly target early intervention. We know that a large number of SAAP clients have mental health problems, for example. So we might look at how we can work with the health system to improve linkages between systems there—perhaps between Centrelink and Health—so that people do not end up having to use a SAAP service. Another area would be the juvenile justice system. How can we ensure that a lot of these other systems work in a more integrated way so that people do not end up in a SAAP service?

Senator MOORE—And part of the goal is early intervention to ensure that you catch something early so that it does not become entrenched and chronic.

Ms Carroll—Yes, there is a primary focus on early intervention.

Senator MOORE—The budget measure on page 64 talks about the funding over the four years from 2005 onwards. There are two headings of ‘administered’ and ‘departmental.’ Can you help me out with what comes under what there? So for 2005-06 there is a total of \$2.3 million for the whole expenditure for that 12 months. What comes under departmental? That would be the resources put into maintaining the program within your area—not just you but within the whole process—wouldn’t it?

Ms Carroll—Yes, that is correct.

Senator MOORE—So the actual program funding would go out to pilot programs or to ongoing things that you are funding.

Ms Carroll—To research; yes, that is right. There are basically three elements to the National Homelessness Strategy. The first element is the complex demonstration projects, which you have been talking about. They look at ways to fund either research or pilot particular models to look at what might be effective strategies. There is another strand that is actually about communication. One of the things that emerged when the previous National

Homelessness Strategy was reviewed was that the dissemination of information was not as effective as possible to share knowledge. So there is a communication stream to look at the best ways to communicate with the sector about what might be good models—not just the SAAP sector but broader sectors that are related to people becoming homeless. The Commonwealth Advisory Committee on Homelessness is also funded.

Senator MOORE—Does that meet annually now?

Ms Carroll—It meets two or three times a year.

Senator MOORE—So the actual costings of getting that group together and so on would be under the administered budget?

Ms Carroll—Yes.

Senator MOORE—Any particular group or any particular activity that is funded there would feel fairly certain for a four-year period that their research activities, or whatever, would be okay?

Ms Carroll—Yes.

Senator MOORE—It is that old issue of recurrent funding. So at this stage it is a four-year program only. But there is nothing systemically to stop an effective program that is working through that funding from making the transfer to the SAAP stream?

Ms Carroll—It would really depend; as I said, a lot of these may not be actually crisis services.

Senator MOORE—It would be project by project?

Ms Carroll—Yes.

Senator MOORE—But there is nothing systematic, if you were actually funded under the National Homelessness Strategy at the moment, to stop you from planning to try to become eligible?

Ms Carroll—It would be one way that they perhaps could seek funding in future years, but there would also be other ways that they could seek ongoing funding.

Senator MOORE—What kinds of ways?

Ms Carroll—For example, there might be state government funding programs that they could seek funding through.

Senator MOORE—That would be SAAP-like?

Ms Carroll—As I said, a lot of this is not specifically targeted at the crisis.

Senator MOORE—But a lot of it is linked across; from what I have seen there is that element—it would not be called homelessness otherwise.

Ms Carroll—Yes, it is the linkages.

Senator MOORE—It is the same kind of process. You do not have to be funded in the first year; your activities can be funded at any time during those four years?

Ms Carroll—That is right.

Senator MOORE—To whom do you apply for funding for that?

Ms Carroll—It would be to the Australian government. There would be a tender process.

Senator MOORE—They are announced at key times all the way through. You can't just apply at any time; there would be a formal tender process?

Ms Carroll—Some of those details have not been finalised. Under the current National Homelessness Strategy, people are able to put in an application at any point. However, they are obviously reviewed at certain points.

Senator MOORE—How are the assessment measures and benchmarking for the particular programs under the National Homelessness Strategy done?

Ms Carroll—Those things would be worked out at the same time as the priorities and the tender documentation are worked out. A lot of that is under development at the moment.

Senator MOORE—The last strategy concludes in June this year?

Ms Carroll—Yes, at the end of June.

Senator MOORE—Can we get a list of the projects that were carried out and funded under that process, their costs and their outcomes? You do assess them on an outcome basis, don't you? The assessment process looks at what outcomes have been achieved by a particular program?

Ms Carroll—Some of the projects that were funded were perhaps communication documentation, so there are different kinds of outcomes that are achieved. Certainly we are able to provide you with a list of projects.

Senator MOORE—That would be good—how much they cost, some evaluation, some outcomes base. Is that public or is that only for the industry?

Ms Carroll—It is put on our web site. As any of those projects are finalised, their final reports are put on the FaCS web site, so they are all available publicly.

Senator MOORE—Another question that has been asked at community meetings is: what is the key difference between projects that would be funded under this program as opposed to the Innovative Pool program in SAAP 5? I know they are linked and all those things, but what would your answer to that question be?

Ms Carroll—The key difference is that the SAAP program has a focus on crisis accommodation and the National Homelessness Strategy has as its primary focus on related programs and early intervention so that people do not end up needing the crisis accommodation. There are linkages, but there is a difference.

Senator MOORE—There are some programs that I can think of that could almost cross over. It would be just by the nature of how they are set up, and there is nothing systemically to stop that, is there?

Ms Carroll—No.

Senator MOORE—Is there a clear understanding within the sector of the differences between these different funding streams?

Ms Carroll—That is something we need to work on and develop. Clearly the National Homelessness Strategy has only just received funding for the next four years.

Senator MOORE—But it has been going for the previous four years.

Ms Carroll—Yes, but it has a larger amount of funding for the next four years, and the finalisation of the new SAAP 5 agreement is obviously still under consideration. Once all those things have been finalised we will be able to communicate that very clearly with the sector.

Senator MOORE—You mentioned on a couple of occasions that the communication aspect is one thing that needs continuing investigation. Has there been success out of some of the projects which will give you some insight into how to communicate with these agencies and groups in the future?

Ms Carroll—Certainly some of the current National Homelessness Strategy projects have had communication elements. However, they are mostly targeted at communicating with clients rather than communicating learnings between themselves.

Senator MOORE—I believe that a communication strategy will be conducted as part of the extension of the homelessness process. That is really key in learning from what they have achieved up to this stage. How much of the allocation that we have worked through here will be going to that? Has that been determined yet?

Ms Carroll—Those amounts have not been finally determined.

Senator MOORE—We do not know the format yet because you are still working on it?

Ms Carroll—Yes.

Senator MOORE—Is it going to be a communication strategy that kicks off early, because we are getting very close to the end of this year now?

Ms Carroll—Yes.

Senator MOORE—When are you anticipating that the steps of the communication project will start?

Ms Carroll—Certainly it would be something that we would be looking at ensuring was up and going by the end of this calendar year. We will be determining the best way to do that communication in the first six months to make sure something then flows out.

Senator MOORE—Does that mean it is difficult for people to get money in the first six months?

Ms Carroll—That specifically is for the communication stream; for the project stream, that funding will be made available very quickly. We are in the process of working up what the first rounds of funding might be associated with.

Senator MOORE—What is the particular strategy of the communication stream if it is not to tell people about the project and get them to apply?

Senator MOORE—What we are really looking at is disseminating the learnings from the projects. There is obviously communication associated with letting people know they can

apply for funding, but the communication stream in itself is targeted at sharing the learnings as the projects are finalised.

Senator MOORE—That is kind of celebration of success stuff?

Ms Carroll—Yes, and making sure that people in the sector can pick up that information and utilise it in their own agencies.

Senator MOORE—Is a similar communication stream going to be working through the Innovative Pool arrangement as well?

Ms Carroll—That has not been determined at this stage.

Senator MOORE—My understanding of what the minister said earlier is that the whole intent of the Innovative Pool is to find things that work which are different and then share them amongst the industry. You would think there would be some kind of similar approach.

Ms Carroll—There certainly will be a sharing of that information. It may not be in the same kind of way. For example, even within the SAAP 4 agreement some of the discussions have been going on around whether we need to look at a clearinghouse type model for the sector. There have been discussions within the SAAP agreement about how we can communicate what is happening anyway.

Senator MOORE—Is there any form of clearinghouse arrangement at the moment?

Ms Carroll—No, not specifically for SAAP and homelessness.

Senator MOORE—It is really through agency meetings and that kind of thing that people will learn what is working and what is not?

Ms Carroll—Yes.

Senator MOORE—It is part of your communication strategy to see whether you can build on that.

Ms Carroll—That is right.

Senator MOORE—What kind of auditing of the strategy will you be doing? Is the auditing of communication part of the whole program?

Ms Carroll—Certainly that will be part of the regular reviews that occur throughout the program.

Senator MOORE—Does your department have a policy of outsourcing that kind of work or do you have the capacity internally to do that auditing?

Ms Carroll—It would really depend on the specific nature of the audit at that point.

Senator MOORE—Does the department have the capacity to self-audit?

Ms Carroll—In some circumstances we are able to do internal reviews, but in other circumstances it might be seen as more effective to actually outsource it.

Senator MOORE—At this stage—I know it is very early in terms of the second stage—what is the anticipated first public dissemination of information through the web site or through agencies about what is happening in the whole process?

Ms Carroll—We really have not got to that at this point.

Senator MOORE—Did you have regular reports on how the first Homelessness Strategy was going?

Ms Carroll—With the first Homelessness Strategy, there was really just the utilisation of the FaCS web site as the communication tool to enable information to be put up on the web site.

Senator MOORE—So it was not six monthly; people would look at the web site and information might or might not be there.

Ms Carroll—Yes. They could apply; the information was there.

Senator MOORE—Another part of the strategy is the Commonwealth Advisory Committee on Homelessness. Can you tell me who is on this committee currently?

Ms Carroll—Yes.

Senator MOORE—I know that it is on the web site, but I am asking the question anyway.

Ms Carroll—The current members are: Mary Wooldridge, chair; I am an ex officio member; Tony Nicholson, the Brotherhood of St Laurence; Patricia Brahim, general manager of the Aboriginal council in Tenant Creek; Jack Quinane, executive officer of the Australian Federation of Homeless Organisations; Jeremy Gilchrist, Coordinator, Southern Area Brain Injury Service, Goulburn; Jennifer Wallis, Director, Canefields Clubhouse, Beenleigh, Queensland; Gerry Moore, Chief Executive Officer, South East Aboriginal Legal Service, New South Wales; Robyn Martin, lecturer, Department of Social Work Social Policy, Curtin University; and the Reverend Chris Jones, Chief Executive Officer, Anglicare, Tasmania.

Senator MOORE—What is that council's term? When was it appointed and for how long will it remain operational?

Ms Carroll—The current chair was appointed in January this year. I think the committee has two more years to run; it is appointed for three years.

Senator MOORE—It vaguely runs for the term of the parliament.

Ms Carroll—They were appointed for approximately three years.

Senator MOORE—Are both the SAAP agreement and the Homelessness Strategy four-year plans?

Ms Carroll—The SAAP agreement is for five years.

Senator MOORE—And the Homelessness Strategy is a four-year plan.

Ms Carroll—The National Homelessness Strategy is four years.

Senator MOORE—And the advisory committee is for three years.

Ms Carroll—It then has the potential to be renewed.

Senator MOORE—Since being appointed, how many times has this committee met?

Ms Carroll—I think it is about three, but I would have to confirm that exactly.

Senator MOORE—Please take that question on notice, because that information is not on the web site.

Ms Carroll—Yes.

Senator MOORE—What is the expectation of the committee's meeting schedule?

Ms Carroll—The minister has provided the committee with areas for it to focus on, so it meets around providing advice back to the minister on those particular areas of focus. At present, they are looking at Indigenous homelessness.

Senator MOORE—Is that committee scheduled to meet every three or six months?

Ms Carroll—It meets at the most appropriate times for the work it is doing.

Senator MOORE—Is there a quorum for a committee of that size? I am just interested. These advisory committees are significantly large and getting people together is sometimes difficult. I have asked this question of a couple of the committees.

Ms Carroll—I would have to get back to you.

Senator Patterson—I do not think there is a quorum. These people are doing this—

Senator MOORE—Voluntarily.

Senator Patterson—Members of the committee get a small per diem payment. They do not vote on things. We would like them to be there as often as possible. It is a mixture of people, as you have heard. I changed it to try to get a couple of younger people on. I arranged for one of my staff to attend each meeting, because I thought it was important for them to understand how important I felt the committee was. I have met with them for a significant part of one meeting already. My staff member who has attended all meetings reports back to me—and that has not always been the case. But I think it is important to hear back from those who are on the ground, doing things.

Senator MOORE—Has that committee given any feedback on the SAAP funding arrangements?

Ms Carroll—The committee has provided some feedback. It has a subcommittee that has provided some advice through to the minister's adviser and the department.

Senator MOORE—Minister, is this information just for you or is it publicly available?

Senator Patterson—It comes via the committee to me. As a minister, you can decide not to have any advisory committees. But I think it is important to have contact with people who are working in the field—and, in this case, it is a range of people. Mary Wooldridge has been very involved with youth.

Senator MOORE—All those on that committee are highly regarded.

Senator Patterson—They can feed back information that otherwise I would not get or I would take longer to get, so I value their input.

Senator MOORE—Minister, in terms of your relationship with such a committee, when they feed advice through to you, being experienced people they would realise it is advisory only. If for whatever reason you do not take that advice, do you then feed back to them why you did not take it?

Senator Patterson—Sometimes it is oral. They talk about it at a meeting. It is not always formal in the sense of written advice. They may write a letter asking about an issue and I

would respond to it. I am thinking of the way the Disability Advisory Council works. The advice comes in various forms. It may come just in consultation with the department rather than, again, in a written form.

Senator MOORE—Has this particular advisory committee made any statement about SAAP funding being either increased or decreased?

Senator Patterson—I do not recall.

Senator MOORE—There is community discussion about whether the SAAP 5 is an increase or a decrease, depending on how it is interpreted. I am interested to know whether the advisory committee has a view on that.

Senator Patterson—I have asked it to concentrate on specific areas. I think it is very difficult for an advisory committee to know its role. Advisory committees have not always worked because they do not have a clear set of objectives. I have asked the committee to advise me on a couple of issues, but I do not recall its members having made comments about SAAP.

Senator MOORE—Are you prepared to tell us what your priority issues are for the advisory committee?

Senator Patterson—You have just been told.

Senator MOORE—That was it?

Senator Patterson—That was one of them, yes.

Senator MOORE—They are issues such as Indigenous homelessness.

Senator Patterson—They set down a range of items, which we talk about with them. They thought that, as they had done one, they would move on to another. That was a discussion we had about not trying to get across the whole of homelessness because their time is limited.

Ms Carroll—Over their term, they will work through three issues. The first is, as I said, Indigenous homelessness. There is mental health and substance abuse and the links to homelessness. The other is structural ageing and the impact it might have on homeless services.

Senator MOORE—I think that one for the advisory committee is domestic violence and linkages with SAAP. I suppose that each of the three you have just mentioned in terms of homelessness could be linked into that as well. Are you aware of comments by Dr Donna Chung, who is said to be a special consultant to the federal government on domestic violence issues? On 21 March, on the ABC's *7.30 report*, she said:

It's a hard grind and if women aren't able to find accommodation, they'll often return to the violent partner just to have a roof over their heads, as well as the heads of their kids.

Is your area aware of that statement, Ms Carroll?

Ms Carroll—Not specifically.

Senator MOORE—I imagine that would come up with the media monitoring we heard about before.

Ms Carroll—Yes.

Senator Patterson—I mentioned previously discussions I had with a couple of ministers about my concern that the Indigenous domestic violence program not be rolled out in isolation. I thought that was important. I have forgotten the figures—I will not do figures in my head—but a very high proportion of Indigenous women are in SAAP because of violence. I think it is something like 80 per cent in city areas and 60 per cent in rural areas. Are they the figures?

Ms Carroll—Of Indigenous women?

Senator Patterson—Who are in SAAP because of violence.

Ms Carroll—Yes, something like that.

Senator Patterson—One of the major causes for SAAP services being used by Indigenous women is violence. I just felt we could not have that program being negotiated with the states and sometimes with different departments, which did not come together with the SAAP.

Senator MOORE—No, but there are automatic links; there have to be.

Senator Patterson—Do not think it happens automatically. It needs to be driven.

Senator MOORE—I would imagine that the place to do the driving would be Family and Community Services.

Senator Patterson—That is why we have the innovation fund: so we can do that. If we did not have the innovation fund, we would be in no position to drive those relationships. You have struck exactly the problem I have as minister. If I hand over all the money to the states, then I can only implore them to demonstrate how we can put those together. By having some innovation funding, I can put some of those programs together, see if it works and then demonstrate and say, 'This gets us better outcomes.' In the next agreement, we should be looking at making sure these programs are put together—or, hopefully, before the end of the next agreement; perhaps in the third, fourth and fifth years of the agreement.

Senator MOORE—So you would see the work of the innovation pool and also the work that Ms Carroll talked about on the priorities of the National Homelessness Strategy as focusing, in some ways, on the issues of Indigenous violence?

Senator Patterson—Yes.

Senator MOORE—That would be your intent. It is my understanding that the government intends to run the Australia Says No campaign again.

Senator Patterson—Yes.

Senator MOORE—So we have the process going on within the SAAP arrangements and also the various advisory groups and so on looking at it. Are the services in existence at the moment going to cope with any extra demand generated by the campaign?

Senator Patterson—I think we should do this when OSW comes on because it really fits within that part of the department.

Dr Harmer—We are now moving into program areas that will be on tomorrow.

Senator MOORE—This is focusing specifically on the homelessness aspect. Once again, it is about how you silo domestic violence and homelessness. I am happy to ask the questions tomorrow under the domestic violence heading.

Dr Harmer—Ms Carroll will know a lot about the SAAP and a little around the edges, but other people coming tomorrow from the office of women will know more about that campaign, what is intended, the resources et cetera.

Senator MOORE—And this kind of thing would be coordinated through them?

Dr Harmer—Yes.

Senator MOORE—So the homelessness aspect of that would be linked into the office of women?

Dr Harmer—Yes.

Senator MOORE—Okay. We will come back to that. I have a question about children and homelessness. I will ask the question and then you may determine that it fits into the child-care section. There is a statement by the Australian Federation of Homelessness Organisations. You listed all those people on that committee. Is there someone from the Australian Federation of Homelessness Organisations on the national homelessness committee? I know that is a very difficult question.

Ms Carroll—Jack Quinane.

Senator MOORE—He is the president—

Ms Carroll—He is the executive officer of the Australian Federation of Homelessness Organisations.

Senator MOORE—They put out a media release, which I am sure Mr Quinane had seen, on 8 March, International Women's Day. It said:

In 2005, 1 in every 75 Australian children under 12 will access a homeless assistance service in the company of a parent or parents. Yet every day 200 children and their families are turned away from our national homeless service system that is stretched beyond capacity.

Was that particular statement made to the government?

Ms Carroll—Not specifically. I think the statement is referring to what we would refer to as unmet demand data, and that is people who present on any one given day—adults and children—who are unable to be assisted at that point.

Senator MOORE—Is that the kind of data you look at in your area?

Ms Carroll—Yes.

Senator MOORE—Is that statement that 200 children and their families are turned away from our national homeless service system the kind of data that you have in your area?

Ms Carroll—Yes.

Senator MOORE—So that is the kind of unmet demand. Do you keep stats on unmet demand?

Ms Carroll—Yes, there is a collection done on unmet demand.

Senator MOORE—Can we have the current unmet demand stats?

Ms Carroll—Yes. The statistics show that on any one day about 21,000 people are provided with assistance. Of these, around 11,000 are provided with accommodation assistance. On average, there are around 300 requests for immediate accommodation that could not be met.

Senator MOORE—Are ‘immediate’ and ‘crisis’ the same?

Ms Carroll—‘Immediate’ means that they needed assistance on that day. They may have been referred to another service. The way the data is collected is that the services have to check whether they are able to assist the person or whether they refer them on. So a number of those people would have been referred on. About 21,000 were assisted and about 300 were not able to be assisted.

Senator MOORE—On each day?

Ms Carroll—Yes.

Senator MOORE—How do you collect that data?

Ms Carroll—That is in a special data collection that the services fill in over a one- or two-week period.

Senator MOORE—Is that a snapshot arrangement?

Ms Carroll—Yes.

Senator MOORE—Is that directly to you or through AIHW?

Ms Carroll—It goes back through AIHW and then we are provided with the information.

Senator MOORE—AIHW is the central data collection point you draw from.

Ms Carroll—That is right. They are a data repository.

Senator MOORE—Is that stat taken at a special time every year, so people know it is coming up, or do you spot check that?

Ms Carroll—A decision is made about the best time to do that data collection, but I think it is a similar time each year.

Senator MOORE—Who owns that decision?

Ms Carroll—That is a joint decision by the body that I referred to as SAAP CAD, the coordination and development group, because it is a joint data collection between the Australian government and the state and territory governments.

Senator MOORE—And the figures you just gave me were the results of the last data collection.

Ms Carroll—Yes, they were for 2002-03.

Senator MOORE—How often are those surveys done?

Ms Carroll—I think it is just once a year

Senator MOORE—But every year?

Ms Carroll—I would have to check.

Senator MOORE—It is just interesting that the last one that is public and that you shared was for 2002-03, which is a couple of years ago now.

Ms Carroll—I would have to confirm that.

Senator MOORE—I would like the information on that; that would be good. Is housing affordability your area, Ms Carroll?

Ms Carroll—Yes.

Senator MOORE—During the last round of estimates the issue of housing affordability was discussed, with FaCS telling us that there was a policy research working group working on a paper on developing an affordable housing framework. I take it that group is still in existence. Can you tell us what stage they are at?

Ms Carroll—Yes, that paper is still being worked on. There is a joint ministers' meeting of housing, planning and local government ministers scheduled for 4 August this year. That framework will be considered at that joint meeting.

Senator MOORE—Is that one minister per state? With the way the states operate and carve up their portfolios, sometimes those—

Ms Carroll—In some states that will be three ministers.

Senator MOORE—I was just thinking that. I am from Queensland and I think it would be at least two from there. Do they all come and have a chair?

Ms Carroll—Yes, the proposal is that it is a joint meeting.

Senator MOORE—Minister, how many from the federal level?

Senator Patterson—Me.

Senator MOORE—And your parliamentary secretary?

Ms Carroll—And Minister Lloyd. That is it.

Senator MOORE—Is it still the expectation of this working group that a multilateral agreement will come out?

Ms Carroll—The framework will be put to ministers for consideration.

Senator MOORE—Are you aware of research by an organisation called Demographia that suggests housing affordability in Australia is now at critical levels, with Sydney less affordable than New York or San Francisco and Melbourne less affordable than Los Angeles? Has that information come across your desk?

Ms Carroll—A broad range of information on housing affordability—

Senator MOORE—I wonder whether Demographia is covered by Media Monitors. It is obviously a publication of some kind. Is this particular working group that is operating at the moment the only active consideration of housing affordability within the department or in wider range within the government?

Ms Carroll—The department is doing work that works towards that framework.

Senator MOORE—So that is project work?

Ms Carroll—Yes.

Senator MOORE—Is that through your area?

Ms Carroll—Yes.

Dr Harmer—Treasury certainly would be looking at those sorts of things as well, I would think.

Senator MOORE—And perhaps the Productivity Commission as well.

Dr Harmer—And the industry department, looking at the building industry.

Senator MOORE—But within your area, Mr Harmer, it is focused within various projects and it is mainly research modelling, that kind of thing?

Ms Carroll—Certainly there is a lot of research and looking at what might be the biggest impacts in terms of housing affordability for different client groups—that kind of thing.

Senator MOORE—Is this the right place to talk about rent assistance?

Ms Carroll—Yes.

Senator MOORE—Can you provide details of the appropriation for Commonwealth rent assistance for the past two years as well as for the forward estimates?

Ms Carroll—Were you after the expenditure for 2002-03?

Senator MOORE—Yes.

Ms Carroll—The expenditure for 2002-03 was \$1.85 billion. The expenditure for 2003-04 was \$1.95 billion. The projected expenditure for the current financial year is \$2.05 billion. The projected expenditure for 2005-06 is \$2.12 billion.

Senator MOORE—And you actually provide the budget for that and the research but it is paid out through Centrelink?

Ms Carroll—It is paid out through the primary payment that is associated with the rent assistance. So if someone gets their rent assistance with the Newstart allowance it is paid out with Newstart. If they get their rent assistance with family payments, it is paid out through family payments.

Senator MOORE—In terms of the budget ownership it is through your area?

Ms Carroll—In the budget you will not find a line item for rent assistance.

Senator MOORE—Yes, we have looked.

Ms Carroll—It is appropriated with the primary payment. We have the policy responsibility and the expenditure is reported on in our annual report.

Senator MOORE—That is interesting: in your annual report you can find the line 'rent assistance' and find the budget, but in the appropriations it is not with you.

Ms Carroll—That is right.

Senator MOORE—Is there anything else like that in your agency? Dr Harmer, are you aware of anything else like that? Can you give that some thought? It is the only one I can

think of. You can take it on notice. It is unusual in terms of tracing expenditure and allocation, and it is an increasing allocation; it is up over the \$2 billion mark now.

Mr Knapp—Telephone allowance, pharmaceutical, in all the various allowances that come off individual payments.

Senator MOORE—We will be talking about that under 3.31, I think. Those things are like that. Those kinds of entitlements are linked to some other form of entitlement, but the budget comes down to you?

Dr Harmer—Yes, it does, but the originating payment is with either DEST or DEWR.

Senator MOORE—And they are responsible for checking on whether it has been appropriately received as well?

Dr Harmer—Centrelink, primarily.

Senator MOORE—On page 100 under output group 2.1 departmental appropriations have been aggregated. Can you provide a breakdown of departmental appropriations per program for 2005-06? It would be something you would have to do internally, wouldn't it?

Dr Harmer—Yes, it would.

Senator MOORE—Can we get that?

Dr Harmer—We will have a look at whether we can do that easily, Senator.

Senator MOORE—I would understand that within your budget, Dr Harmer, you would have to, across your agency. It would be good for us to know exactly which departmental appropriations are in which area.

Dr Harmer—Are you talking about administered or departmental?

Senator MOORE—I am looking at programs with departmental appropriations.

Mr Knapp—So it is salaries and administrative?

Senator MOORE—Yes.

Dr Harmer—We can possibly do an attribution, but it is not always easy. For example, Ms Carroll's branch deals with rent assistance, Commonwealth-State housing agreements and Supported Accommodation Assistance, and, while it is possible to identify individual staff members who are working specifically on those, some of the staff I suspect work across those and we need to make some judgments about that. I do not know whether we break down our allocation—Tim?

Mr Youngberry—Not in the programs.

Senator MOORE—Welcome, Mr Youngberry, I was wondering whether you would come up.

Dr Harmer—He is our last resort on the financial figures!

Senator MOORE—As soon as it was on finance, I could see him rushing forward. Mr Youngberry, the departmental allocation is wide and all lumped together. It would be useful to get some idea, within your agency, of how much goes to the particular programs. Is that possible?

Mr Youngberry—It is not possible at this point in time. It would be a fairly intensive data collection exercise to actually get people to attribute their work effort to individual programs. What we have done at the moment is use management estimates to allocate the dollars into each of the output groups. To actually go down a further level of detail might be useful in the long term, but we certainly do not have the systems or mechanisms to collect that data at the moment.

Senator MOORE—Is that what we have now or have you done another refinement?

Mr Youngberry—We have management estimates against each output group in this document.

Senator MOORE—Mr Youngberry, we might think about it and we will get back in contact with you with a question on notice, if there is something else we want to talk about. We will not hold you up today.

Dr Harmer—We will do our best to help, but Mr Youngberry is saying that we have made an assessment that it is unnecessarily complicated and not terribly meaningful, frankly, to go down below the subprogram level—

Mr Youngberry—Below the output group.

Dr Harmer—or the output group for allocating resources, particularly in this area. As I said before, Ms Carroll's branch is running across a range of programs and the resources are probably allocated depending on where the heat is. For the moment I am sure that the SAAP has been taking quite a lot of her resources because it is in a renegotiation process. Once we start renegotiating the Commonwealth-State Housing Agreement I suspect that she will use some of those resources there et cetera. So it is not terribly meaningful below what we have done now.

Senator MOORE—We will go back and see whether there is anything we need to come back to you about. Ms Carroll, have you told me how many people are in your unit? Have I asked you that?

Ms Carroll—No.

Senator MOORE—How many people are in your unit, Ms Carroll?

Ms Carroll—Around 45.

Senator MOORE—Are those people all in Canberra?

Ms Carroll—Yes.

Senator MOORE—What happens in the regional offices? Do they have people who work on this stuff and feed it back to you at different times?

Ms Carroll—Each of our FaCS state and territory offices have some people who are allocated to housing work, but they might do that as well as other things. They just have a broad monitoring role.

Senator MOORE—They work to their state administration and not directly to you?

Ms Carroll—Yes.

Senator MOORE—Ms Carroll, have you heard the statistic that SAAP needs 15 per cent more funding to meet current unmet demand? You told me that you have figures within your unit about unmet demand taken by the snapshot. Have you heard the statement that you need 15 per cent more funding to meet demand?

Ms Carroll—Yes.

Senator MOORE—Is that from the community?

Ms Carroll—There are a couple of sources of that information. One of them was the national evaluation, which looked at unmet demand as one of its issues and gave some estimates about what additional funding could be provided to do different things. Then there are broader estimates that organisations like the Australian Federation of Homelessness Organisations put forward.

Senator MOORE—Is that figure of 15 per cent one that the department considers useful?

Ms Carroll—Certainly it is something that we take into consideration. But, as I think Dr Harmer said before, we are also looking at the way services operate. When you have 25 per cent of the client group coming back in within a 12-month period, is there a better way to reduce that unmet demand?

Senator MOORE—Going back to my previous questions about domestic violence, which I will put to the Office for Women tomorrow: when this particular program was being considered, were you involved in the discussions around the decision to put the ‘Australia says no’ campaign back on the agenda? Were you involved in providing information about support shelters that are available in the community at the moment?

Ms Carroll—We were not directly involved; however, the data around SAAP is publicly available and available within our organisation. Around 20 per cent of SAAP services are specifically targeted for women who are escaping domestic violence.

Senator MOORE—Can you run those figures by me one more time—was it about 20 per cent?

Ms Carroll—Around 20 per cent of people seeking assistance are escaping domestic violence.

Senator MOORE—In the existing services.

Ms Carroll—That is right.

Senator MOORE—Within that there is also the allegation that there is significant unmet demand, particularly in that area. Even though it is across the board, there is unmet demand with people escaping domestic violence.

Ms Carroll—There is a broad statement. About 22 per cent of all services are targeted at women who are escaping domestic violence.

Senator MOORE—So, about 20 per cent—

Ms Carroll—About 20 per cent of people seeking assistance are seeking it because of domestic violence and about 22 per cent of services—

Senator MOORE—Of existing services?

Ms Carroll—Yes.

Senator MOORE—Are those quarantined? Are they the ones that are particularly for shelter type arrangements?

Ms Carroll—They are targeted at women escaping domestic violence.

Senator MOORE—The other issue there would be access. In other words, the 22 per cent of services that are available may not meet the needs of the 20 per cent of people who are seeking those, in terms of availability, location and that kind of thing. I want to get back to my thought process with a particular government project being determined to educate and promote a campaign. Was there any consideration within your area of discussion about linking extra services that could feed into the domestic violence campaign, boosting the 22 per cent of available services to a higher level, knowing that there was going to be another campaign operating?

Ms Carroll—There were no specific discussions.

Senator MOORE—Or requests?

Ms Carroll—No. However, one of the key things is that only about 25 per cent of people more broadly use SAAP services at all. A lot of people who are becoming homeless, for whatever reasons, actually go to friends and family or find assistance in other ways rather than accessing SAAP services. So it is just one way that people are provided with some assistance.

Senator MOORE—And there is no existing FaCS working group, including housing, on the issue of domestic violence? There is no advisory committee within your organisation that is looking at those issues or that include housing in the strategies that are developed?

Ms Carroll—Not currently.

Senator MOORE—You are called in as required to give information?

Ms Carroll—Yes.

Senator MOORE—Have you been called in? When I asked you earlier you said that your information is widely available.

Ms Carroll—We provide information as requested. We will provide information on different things and have discussions around particular topics.

Mr Knapp—There is a lot of interaction on a whole range of issues within a department like ours at all times. That is one of the advantages of being able to work together on these issues.

Senator MOORE—Were you aware that the ‘say no’ program was getting kicked off again? Was that something that was publicised within the department?

Ms Carroll—There had been some discussions.

Senator MOORE—Do you keep the data on what percentage of SAAP clients across the board are women?

Ms Carroll—Yes.

Senator MOORE—Is that done by a survey or by regular feedback from the SAAP funded services?

Ms Carroll—That is part of the regular data collection.

Senator MOORE—So the two-week period does this as well?

Ms Carroll—No, the two-week period is specifically for unmet demand data. There is a broader regular data collection. When a client comes to a SAAP service they fill in a data collection form. They are provided on a regular basis to the data collection agency and are collated annually. This information on the profile of clients et cetera comes from that collection.

Senator MOORE—Okay, and what are the figures?

Ms Carroll—About 58 per cent of all SAAP clients are women.

Senator MOORE—Did your previous answer about the number of SAAP clients who are there escaping domestic violence come from the same form?

Ms Carroll—Yes. They have to fill in a checkbox on the main reason for seeking assistance.

Senator MOORE—When the minister comes back, maybe tomorrow under domestic violence, I will ask her a question about her comments about the numbers. How about families, Ms Carroll? What about children? That form actually lists family members, too, doesn't it? How many children are presenting at SAAP services?

Ms Carroll—I do not have a specific figure for children—there are two different definitions of children.

Senator MOORE—Of course.

Ms Carroll—There is what we classify as 'accompanied children', which means that they come with a parent or an adult. It is often where the parent, either from domestic violence or other reasons, needs to use a SAAP service. There is also what we classify as 'unaccompanied children'. They are 16-year-olds or 17-year-olds who are presenting at a SAAP service on their own.

Senator MOORE—A 16- or 17-year-old person coming to any form of SAAP service is still considered a child for data collection purposes?

Ms Carroll—Yes, we would classify them as an unaccompanied child.

Senator MOORE—What about somebody who was 10 who turns up—are they still an unaccompanied child?

Ms Carroll—If they were 10 and they turned up without an adult they would be referred on to the appropriate state children's services agency.

Senator MOORE—So it would only be someone who would be considered independent? Yet, under your collection, they are also a child—that is interesting.

Ms Carroll—A young person.

Senator MOORE—Can you get me data on how many children accompanied by an adult have presented at services?

Ms Carroll—I do not have it with me, but I can get that for you.

Senator MOORE—If you could take that on notice, that would be good. Thank you, Ms Carroll—and Mr Knapp, of course. If I think of anything else we will put it on notice. I deeply appreciate all your time on that. It was a long one.

Dr Harmer—I mentioned before that we were looking at correcting the record on our answer to question 113 on Media Monitors. I now have a corrected answer. The figure we gave you for expenditure for 2003-04 was \$583,000.

Senator McLUCAS—I have a figure of \$583,000, yes.

Dr Harmer—The correct figure, because of some double counting in the figuring that went into that calculation, is \$347,043. It has gone down quite substantially from 2002-03. The reason it has gone down is that we have a new provider and we now use electronic delivery of press clippings rather than paper clippings. That has saved us considerable funds. We have considerably reduced the expenditure on Media Monitors from a peak of \$496,000 in 2002-03 to \$347,043 in 2003-04. I will give you the rest. There are some other answers that we have taken on notice as well. You asked what stage of the contract we were up to with Media Monitors. We commenced the contract in March 2004. It is due to expire on 30 June 2005.

Senator MOORE—With whom is the contract, Dr Harmer?

Dr Harmer—I am sorry; I do not have that here.

Senator MOORE—It was a composite question.

Dr Harmer—With Media Monitors.

Senator MOORE—With a company called Media Monitors?

Dr Harmer—Yes. We were also asked whether there were any other media monitoring costs besides the clippings. The media monitoring costs provided to the committee include the provision of email press clippings each morning, the monitoring of electronic media—radio and television—and the ad hoc purchase of transcripts, audio and video tapes.

Senator McLucas, you asked how many staff FaCS has within Indigenous coordination centres, ICCs, and where these staff are located. There are 99 in ICCs and we will give you the table of where they are located. You also asked what key subjects are being monitored. We will give you the key words, which are basically our programs to help the Media Monitors people collect the figures.

Senator MOORE—Was that all the questions outstanding for Media Monitors?

Dr Harmer—There were a couple of others but that is—

Senator MOORE—I thought you might have knocked them all off. I was very impressed.

Dr Harmer—We are trying to give you a quick turnaround.

Senator McLUCAS—I want to ask a couple more questions on the issue of access to the health care card and the pensioner concession card, which we did talk about earlier. I have had an opportunity to listen in next door.

Dr Harmer—Can we come to that in outcome 3.1, which is when my people with that responsibility will be here.

Senator McLUCAS—That is where I thought we were heading.

Dr Harmer—Have we finished with outcome 2?

CHAIR—Thank you to the officers from outcome 2. We will move to outcome 3.

Senator McLUCAS—Mr Kalisch, I have a couple of questions that you may be able to give us some assistance with. The value of a pensioner concession card is often discussed. Has FaCS done any research on what the value to a recipient of the pensioner concession card is? Of course, that will vary enormously according to the person's participation in the community. Has anyone done any research on the value of that card?

Mr Kalisch—I will leave that to Mr Dolan.

Mr Dolan—The pensioner concession card provides access to a range of concessions to a person who holds a card. There are a range of pharmaceutical and Medicare concessions and concessions are also offered by state and territory governments, such as cheaper car registration and utilities concessions. The complete value of the card will depend on the value of the concessions that a cardholder accesses and will vary from cardholder to cardholder. So there is a range of concessions. Would you like me to go further than that?

Senator McLUCAS—I accept that it will depend on the person's access to the community, knowledge of whether or not a concession is available under the concession card and all those sorts of things. But I thought the department may have done some research looking at the average value of that card to a holder of the card. Has that sort of work been done?

Mr Dolan—The main cost to the Commonwealth in respect of the pensioner concession card would be access to health concessions and Medicare concessions. Those lie within the responsibility of the Department of Health and Ageing because they are the concessions that that department runs. The concession cards that we run give people access to those concessions, such as cheaper pharmaceutical and medical services.

Senator McLUCAS—I understand that. I am trying to understand whether or not your department has done any research about the value of that card to a cardholder, given that it will vary from nothing to quite substantial.

Mr Dolan—For issues like costing purposes there are certain assumptions around the average value of medical concessions per card. On that sort of thing you get an estimate of the average value of pharmaceutical and medical concessions per cardholder. But that is an issue that is provided by the Department of Health and Ageing as it administers those concessions.

Mr Kalisch—Going back quite a number of years, I seem to recall that the old Department of Social Security did some research amongst age pensioners about the value that they put on the pensioner concession card.

Senator McLUCAS—That is what I am getting to.

Mr Kalisch—Certainly that research demonstrated at that time—it was quite a few years ago—that the implicit value they placed on the card was double the true value. The value they perceived from the card was twice what they actually received in monetary benefit. They thought that the card was much more valuable than it was.

Senator McLUCAS—Yes. That is where I am heading with the question. Has that work been updated?

Mr Kalisch—I am not aware of it being updated.

Senator McLUCAS—Can you recall what the real value of the card was when that work was done?

Mr Kalisch—No, I cannot. I just remember that two to one proportion.

Senator McLUCAS—When was it as a guesstimate?

Mr Kalisch—As a guess, somewhere in the early to mid-nineties.

Senator McLUCAS—So it is more than 10 years old now. On the issue of cards, the pensioner education supplement I recognise used to be a FaCS program but isn't now?

Mr Kalisch—No. It is now a DEWR program because it largely attaches to an ancillary benefit for people who are recipients of parenting payment and disability support pension.

Senator McLUCAS—I will leave it there. Can we move on to the item in the budget on the detection and prevention of the incorrect aged care payments being given to people who have a pension from overseas?

Senator Patterson—I want to clarify the question. They are not getting incorrect payments from overseas—

Senator McLUCAS—No, it is the balancing of the payment from the overseas based pension with the Australian pension. There is a budget measure in the budget.

Senator Patterson—As IT improves, rather than relying on customers to make a correction, with cooperation of various governments we are able to get data that gives us up-to-date correct information about people's income from their overseas pensions. That will evolve as IT improves and as other countries have improved data and IT to transfer that data to us.

Senator McLUCAS—Yes, I am aware of that.

Senator Patterson—That should reduce the problem of people not putting in changes on a regular basis and the difficulty of currency changes.

Senator McLUCAS—Can I get an understanding of the timetable for the introduction of that measure? I understand there are a range of national groups that are affected.

Senator Patterson—I put out a pack of explanatory notes on the budget. It is in the section 'Age Pension—Detection and Prevention of Incorrect Payments Arising from Overseas Income'. Have you seen that?

Senator McLUCAS—I have.

Senator Patterson—I would have thought you would have closely studied anything I put out, Senator McLucas.

Senator McLUCAS—Absolutely.

Senator Patterson—Word for word.

Senator McLUCAS—I understand Italy is coming online first.

Mr Hartland—That is right. We are looking to Italy first, followed by Germany, Malta, Ireland and Spain.

Senator Patterson—We will give you budget package. It is all in there.

Senator McLUCAS—I understand the measure covers 135,000 people.

Mr Hartland—By the end of 2008, we expect that about 135,000 age pension customers will have their rates automatically updated when their overseas incomes change.

Senator McLUCAS—By the end of 2008?

Mr Hartland—Yes. The measure phases in as the different countries are brought online.

Senator McLUCAS—What are the considerations while those countries come online?

Mr Hartland—They are mainly practicalities such as forming the data links with the different countries and getting the agreements and the protocols in place.

Senator McLUCAS—Obviously agreements exist with those countries that are identified in the minister's press release.

Mr Hartland—That is right.

Senator McLUCAS—The Netherlands is identified in the press release from the minister, but I understand there is some—

Mr Hartland—There was a pilot with the Netherlands a couple of budgets ago to see whether we could make such an exchange of data work.

Senator McLUCAS—Has that been successful?

Mr Hartland—Yes, it has.

Senator McLUCAS—Where does the Netherlands sit in the timetable for introducing the measure?

Mr Hartland—My understanding is that, by the end of this year, most of the pensioners receiving income from the Netherlands will be on the system. I will have to check the precise dates.

Senator McLUCAS—How many people who are currently on the Australian age pension and who are also receiving an overseas pension are therefore not covered? I understand this is a roll out. We have done it with a number of other countries up to now. How many people are now receiving the Australian age pension and receive pensions or income support from other countries that are not included to this point in time?

Mr Hartland—We would have to look to see how many people are receiving a pension from all of the countries that are not in that group that I mentioned. I do not know the numbers off the top of my head.

Senator McLUCAS—I do not expect you to carry that around in your head, to be frank.

Mr Hartland—I am glad to hear that.

Dr Harmer—Can we have a go at getting it for you if we can? However, it might be a complex and time-consuming task.

Mr Hartland—It could be a bit complex. While we would probably know those who told us that they are getting an overseas pension, we would not have looked at how many people are getting one but have not declared that to us.

Senator McLUCAS—That is the answer—that we do not know because we have not asked people whether they are receiving a pension from another country. Is that correct?

Mr Hartland—We would not know whether someone had not declared a pension from any country that I have not mentioned. I do not think we would know—because we have not been able to check yet—whether they are receiving an overseas pension. I think it is worth taking on notice and having a quick look to see whether we have that information.

Dr Harmer—We will have a look and see if we have it. We will know of many—they would have told us because they had applied—but some might not have told us and we would not necessarily have checked.

Senator McLUCAS—I think you know the intent of what I am asking.

Dr Harmer—Yes.

Senator McLUCAS—I turn now to the issue of retrospectivity. What is going to apply in terms of backdating the various arrangements?

Mr Hartland—In one sense, the measure is not retrospective. What we will be doing is getting data from those countries, when this measure is up and running, of people's current rate. We will not be getting as a sort of block of data the rates that were paid to people in the past. So in one sense it is a measure that looks at their rate going forward. However, if we do get data from countries about people's current rate and a discrepancy emerges, then, if it were a large discrepancy, we would look back to see how long they had been paid the wrong rate. So we are anticipating that some debts will be raised.

Senator McLUCAS—I understand your point about the current rate. How will you look for a discrepancy? How will that occur?

Mr Hartland—We will get information about what the person is currently receiving from, say, Malta and we will look to see whether that accords with what is recorded on the Centrelink system and therefore the amount they are being paid by Centrelink. A discrepancy may emerge in putting those two bits of information together. If they have underdeclared their income from an overseas country, they will be receiving too much by way of pension from the Australian government.

Senator McLUCAS—You were talking about what would happen if the discrepancy was large. How do you measure 'large' in your business?

Mr Hartland—I think the answer is that we have not fully looked at that. But if it was a discrepancy that looked like it was going to be less than \$50, and therefore an amount that we would normally waive, then we would not look back. It would certainly need to be a discrepancy we thought was going to result in a debt greater than the amounts that we waive.

Senator McLUCAS—The budget says that this is a savings measure of \$62 million over four years. How did you come to that figure?

Mr Hartland—When we do the saving measures we look at a number of sources of information. We look at what our random samples tell us about the nature of customer's rates at the moment and we look to our experience with previous series of similar measures. So the pilot that we did with the Netherlands was one element that we used to make some estimates about the likely results of this measure and the random sample surveys were another.

Senator McLUCAS—Are the savings basically worked out on the application of the correct rate from the date of implementation forward or do they include any monies that FaCS sees as being able to be recouped due to overpayments of a retrospective nature?

Mr Hartland—It includes both. I tend not to think about overpayments of a retrospective nature. It includes some debts that we anticipate raising and recovering. It has to be said that the debts are small in number and of a moderately small amount.

Senator McLUCAS—So the saving is made up of future savings and debts.

Mr Hartland—Yes

Senator McLUCAS—Can you tell me the separation for the forward estimates of how much FaCS is predicting to be future savings and how much is going to be recouped from debts?

Mr Hartland—I can give you a figure for the number of customers we anticipate will have a debt and the average value of the debts—although I did not actually divide it up into types of payment. We estimate that of the 135,000 customers who will be having their rate adjusted on an ongoing basis about 12 per cent will have a debt. We think the average value of that debt will be about \$780. It has to be said that that is a very low amount for a review. In total the compliance program in Centrelink raises debts much higher than that.

Senator McLUCAS—How far back do you intend pursuing customers for overpayments, if we can use that language?

Mr Hartland—There is no limit as to how far back we can look. In developing these costings, we have not put it formally and said, 'We'll go back only a certain number of years.' It would depend on the circumstances of each case, and it would depend, in part, on the practicalities of obtaining information from the countries overseas that we would be relying upon. Some of them may not be able to give us information going back a number of years. But if someone has not told us about a relevant bit of their circumstances, we are not limited to how far back we can look, but I think there would be some practical limitations around that measure.

Senator Patterson—People are reminded constantly that they need to advise Centrelink of any change.

Senator McLUCAS—You have read my brief, Minister.

Senator Patterson—Have I? They are reminded constantly, and if they have a pension from overseas they are reminded to advise of any changes.

Senator McLUCAS—My question is: how are they reminded?

Senator Patterson—They are asked: why are you signing out what we should have been told about?

Senator McLUCAS—I am aware of that, Minister. We are talking about people who do not, in many cases, have English as their first language and who have some difficulties understanding advices from all sorts of department, FaCS included. I am now going to ask how people are advised that they have to advise of overseas pension payments and when they are required to do so. I take the minister's point all the time, but let us look at it a bit more.

Mr Hartland—There is certainly advice that they claim and Centrelink regularly tell them about their obligations through *Age Pension News for Seniors*. I do not have with me the material that is given out in different languages by Centrelink, but there is certainly a very significant communications element of what Centrelink does. That is a long-winded way of saying that if you want more precision I would have to take it on notice.

Mr Dolan—When people apply for their pension, they are spoken to in their own language and the obligation to inform Centrelink of any changes in their circumstances, including changes in their overseas income, would be clearly indicated. The obligations, as with every other Centrelink customer, are set out at the time they claim.

Senator McLUCAS—It has been raised with me—and, I am sure, with you—that what an Australian person thinks of as a pension has a different meaning in many other countries. Britain and Australia, for example, are both English-speaking nations, and there is a lot of cultural difference around the word 'pension'. A lot of people think a pension is superannuation paid back from other countries. It is difficult, in many cases, to be absolutely clear in a cultural sense what the payment is. It has been put to me that there are non-disclosures essentially because people do not understand what the word 'pension' may mean.

Mr Dolan—The age pensioner's income is means tested, so the person, when applying for an age pension, would have to provide details of their income and assets et cetera. It is made very clear at that point that the amount of payment they receive is dependent on their financial circumstances, which would mark it out from, say, overseas pension systems, where it is based on past contributions. So, up front, you have to pass the means testing arrangements, and it is a very strong, clear signal that the payment you receive is based upon your financial and other circumstances at the time. Of course, as I indicated, there is a reminder from Centrelink to report any changes in those circumstances, because it will affect the payment being received. So I acknowledge the point that the age pension is a different payment from payments made in other countries. Nevertheless, there are particular points in the claiming process of the age pension that would make clear the basis upon which the payment is made.

Senator McLUCAS—I understand that, Mr Dolan, absolutely.

Mr Kalisch—In that environment, the understanding around a pension does not really matter. All we ask them for is what income they receive from overseas, from any and all sources.

Senator McLUCAS—I am sure you have had people talk to you as I have had constituents talk to me about their view that the payment they receive from their originating country is an entitlement that does not affect anything. That is a perception that is held honestly by those individuals. If we are going to go back potentially a very long way in time, I think we need to be very clear about when we advised people, in filling out the application form for the Australian age pension, about what their income might or might not be. There is a need for clear and unequivocal and culturally and linguistically appropriate advice about when they have to declare their income from another country.

Mr Hartland—It is worth saying a couple of things at this point. I think there are lots of people who are caught in the compliance system who did have a moderately honest belief—or a completely honest belief—that they were not required to—

Senator McLUCAS—I think you are honest or you are not, Mr Hartland.

Mr Hartland—I think the group of people who are into us deliberately and dishonestly is quite small.

Senator McLUCAS—Yes, I agree.

Mr Hartland—So there are a lot of people who had a belief that they were not required to notify. It is not just this group who might have a belief that they were entitled to what they were receiving. Having said that, I think we need to go back to one thing that the minister mentioned. This is actually an attempt by us to move the system more towards a debt prevention aspect, because we will be automatically updating people's rates, depending on information that we get directly from overseas. So it will remove an impost on them to try to get that right all the time when their rates are indexed or changed through events that originate in the host country. It will help people who have trouble understanding. We have also put into this some capacity to run an education campaign throughout the measure, because we do believe that this is a complex measure to communicate to people. That is partly because there will be a group of countries that will have an automatic uploading facility, then there will be another group of countries that we do not have that ability with. So we do understand the need to communicate the intent of this measure and how it will affect people in a culturally appropriate way.

Senator McLUCAS—That work is being done now, Mr Hartland?

Mr Hartland—No, at this stage of the budget we have not been able to do much with it. But when we went to government with this measure we asked for and received some funding to conduct an education campaign.

Senator McLUCAS—How much was that?

Mr Hartland—Two million dollars a year.

Senator MOORE—Mr Hartland, have you considered using call centres?

Mr Hartland—Typically in the education work that we have done with Centrelink there is usually a call to action that involves people calling a call centre. Centrelink do have very good multicultural call centre in Liverpool, which I think Mr Dolan was alluding to when talking about communicating to people in their own language at claim.

Senator McLUCAS—At point of claim?

Mr Hartland—Yes.

Senator MOORE—With the recent welfare reform process, Centrelink call centres are going to be doing a proactive process—calling out. It is not a particularly large group of clients in terms of having it controlled, so has any thought been given in the education program to using the multicultural call centre—which is very good?

Mr Hartland—That is not a bad suggestion. I am not sure whether our thinking has matured enough to be that precise. One of the options would be the call centres, yes.

Senator McLUCAS—Mr Hartland, when the repayments for the Dutch trial were identified, there was a maximum fortnightly payment that was used to recoup debt of, I understand, \$25 a fortnight. What is the plan for debt recoupment for this next cohort of people?

Mr Hartland—As I said, the debts that we are anticipating from this measure are quite small, much smaller than those in the Dutch trial. So at this point we do not see a need for special arrangements, noting that any Centrelink customer with a debt can ring up and ask for their financial circumstances to be considered. That is something we would want to watch. As I said, we are not anticipating that debts would be as large as they were for the Dutch community.

Senator McLUCAS—The average debt is \$780. You are proposing 12 per cent of that cohort of 135,000 people. I have not done the sums yet to work out how many people that is. Why do you predict it is going to be smaller than the Dutch trial?

Mr Hartland—It is 16,200. There are two reasons—a black and a white reason, if you like. One is that the random samples that we do are telling us that that is what the level of payment incorrectness is out there. The other is that we think there were some special factors affecting the Dutch community, because a large section of that community had a belief that they were not required to notify changes in their income. There have been discussions around how that occurred. We do not think that that is the case at this point with the communities that we are looking to go to.

Senator McLUCAS—Is that because of a cultural difference between the Dutch and other groups?

Mr Hartland—No.

Senator McLUCAS—What do you put that down to?

Mr Hartland—I believe there were some consultations in the late nineties—

Senator Patterson—With the Dutch.

Mr Hartland—where the two parties had a different understanding as to what was said.

Senator Patterson—There were some seminars run in Dutch, and there is a difference of opinion about what people were told. They were given information by the then Department of Social Security—I think this was back in 1993—and there is a dispute about the information that was given. It was not the previous government giving the incorrect information; it was the people who came out from, I think, Dutch social security and ran seminars. People claim that they were given this information.

The correct information was given by the Department of Social Security and it was in *Age Pension News* a number of times, clearly stating that you had to update income information. I had a personal experience of this, as I attended a social security office with somebody who had an overseas pension at about the same time. They were very clearly told by the officer sitting behind the desk in a country social security office that any changes in an overseas pension needed to be reported. So it is quite interesting that I had a personal contact with somebody whom I took to a social security office and they were told that very clearly—as I would expect that everyone else was told. But it is claimed that the information in these seminars may have said something different. It goes back to the previous government's time, but my opinion is that people were given information through *Age Pension News* and through social security officers relaying to them the policy that any change in income, whatever the source of that income, needed to be clearly reported in a timely fashion to the then Department of Social Security, now Centrelink.

Senator McLUCAS—Mr Hartland, you said that \$780—and we are talking about the average here—is not terribly much money to be recouped in one payment.

Mr Hartland—No, I did not say that. I said that a debt of \$780 was not a large debt to be raised during a compliance review. When we look across at the performance of our different compliance reviews, we find a number of areas where the debts raised are much larger. There is no expectation if you raise a debt of that magnitude that you would recoup it in one payment.

Senator McLUCAS—What would the repayment schedule for a debt of \$780 be?

Mr Hartland—There is a standard repayments schedule which, in a way, is the starting point for negotiation. I am going to be taxing my memory to give it to you now. A figure of 14 per cent springs to mind. As I said, if someone finds that that repayment rate would put them into financial hardship, they can negotiate another rate with Centrelink.

Senator McLUCAS—Given your figuring, \$780 is the average debt that is going to be raised. That obviously ranges from \$0 to something. What is the largest debt that your modelling suggested?

Mr Hartland—Our modelling is not that precise. We have not modelled around a range of debts or thought about the minimum or maximum debts. We have just used a simple average.

Senator McLUCAS—How do you average something when you do not know what the top and the bottom are?

Dr Harmer—It is an estimate. We would have put some information together to get an estimate, and there is an additional confidence level in these estimates because they are trawled over with a fine toothcomb by the department of finance when they are making

assessments. When we claim that we are going to save a certain amount, we show them our calculations and the figures we use. The department of finance come in and go over them. The figure does not get in the budget unless the department and the department of finance agree that the estimate is reasonable.

Mr Hartland—In the process Dr Harmer is talking about, we might start with the basis from our experience with a compliance review or our random sample surveys but we might say, ‘We know we’re never going to get that sort of level with this type of review, so we’ll knock it down by 10 per cent.’ You start making judgments to get to what you believe is the right figure. While we would know the ranges for the originating compliance review and the originating sample review, it would be meaningless to try to talk about ranges once we have started exercising those sorts of judgments.

Senator McLUCAS—If an age pension recipient is of the view that they were not advised—if they do not feel as though they knew they should have been declaring this income—what appeal processes do they have?

Mr Hartland—Anybody who has a decision made that they disagree with can go through the stages of appeal that are set out in the act.

Senator McLUCAS—That is the avenue you would advise them to pursue?

Mr Hartland—That is the only avenue to appeal a decision. Presumably the specific provisions that they would be looking for would be around administrative error.

Senator McLUCAS—Not cultural difference.

Mr Hartland—No.

Senator McLUCAS—As you say, Mr Hartland, most of these people are not intentionally trying to double dip. I think there is an honest misunderstanding by many people of the entitlement they have from their originating country and the Australian entitlement, along with the difficulties of exchange rates and all the rest that this measure will hopefully fix up in the end.

Mr Hartland—Yes, and those sorts of difficulties are one reason why we want to move this sort of dealing with changes in circumstances to an automatic footing so that we can minimise the chances for people to get a debt into the future.

Senator Patterson—It will also be fairer for those people who are telling us they are getting a pension from overseas.

Senator McLUCAS—That is right. You might even have identified some underpayments through that process.

Mr Kalisch—Yes.

Mr Hartland—We find with all our compliance reviews that we do end up paying some people more.

Senator McLUCAS—And we will pay these people more, of course.

Mr Hartland—If that is the case, yes.

Dr Harmer—There is an issue also of consistency. For the Dutch we will be going back in time, and it would be inconsistent to not apply the same sort of process for the Italians and Germans et cetera.

Senator Patterson—But we may find that those groups have greater compliance, because they did not have seminars run for them.

Senator McLUCAS—Are the countries identified in the minister's press release—Italy, Germany, Malta, Ireland and Spain, along with the Netherlands—the only countries that we currently have an arrangement like this with?

Mr Hartland—Yes.

Senator McLUCAS—What is our arrangement with Britain?

Senator Patterson—They are not indexed.

Senator McLUCAS—That is where I have had most complaints, to be frank.

Senator Patterson—They are not indexed. That is a great bone of contention and has been with ministers of previous governments and our government. About the only change you would get would be the currency change, because once they come here their pension is frozen. It is a contributory scheme—

Senator McLUCAS—But there is still the exchange rate issue, and the reportage straight up is an issue.

Mr Kalisch—The exchange rate is just formulated into the process. It is not something they need to report on.

Senator McLUCAS—That is automated in our process?

Mr Kalisch—Yes, it is in our process now.

Senator Patterson—It wasn't in 1993.

Senator McLUCAS—It did not used to be.

Senator Patterson—No.

Mr Hartland—This measure works with our formal agreements with overseas countries. They form a sort of head of power to exchange data. We do not have such an agreement with the UK, in part because of the reasons that Senator Patterson was alluding to.

Senator McLUCAS—Do you expect to roll out this program with other countries in the future?

Mr Hartland—Yes. As we form social security agreements, we will look to see whether we can automate the updating of any exchange of information that may be required.

Senator McLUCAS—When do you expect the next batch, so to speak?

Mr Hartland—I am sorry; you would have to ask our international people that. I am not privy to the negotiations.

Senator MOORE—Mr Hartland, what stage is the systems upgrade at? I would imagine that it would take some systems amendments to make this operational. What is the current state of play with making the system right?

Mr Hartland—I do not have direct information. We have only just received funding in the budget for it, so I do not imagine it is hugely advanced. But we are committing to having a clean-up of the records some time in the next financial year. It is not going to be a hugely long build time, but it would be a matter of six months, I would imagine. Again that is a longwinded way of saying I had better take that on notice.

Senator MOORE—Would you mind taking that on notice and just letting us know—and I know it is not your system; it is someone else's—where the testing is at and what the administrative costs will be. Once you get that right, I think it will then flow on. But getting that right will be the crucial bit.

Mr Hartland—Yes. We do have a lot of experience with large exchange of data so we are not anticipating—

Senator MOORE—Absolutely—good and bad. Thank you; that would be good.

Senator McLUCAS—That is all on that issue. Also in the budget, there was advice of the withdrawal of the offer to the state and territory governments about the Commonwealth's seniors health card concessions and about the state seniors card holders, to do with the national reciprocal transport concession offer. Can we just do them one at a time. When did the negotiations with the states around the seniors health card concessions begin?

Mr Dolan—You are referring to the Commonwealth seniors health card concessions agreement?

Senator McLUCAS—Yes. In the budget paper it is identified as a saving measure because the offer has now been withdrawn.

Mr Dolan—Yes. It was in the 2001 budget, and so preliminary negotiations were held during 2001. Do you want me to go through the history of where we are up to?

Senator McLUCAS—Yes, please. I think that would be relevant.

Mr Dolan—They began in 2002. Offers went out in early 2002.

Senator McLUCAS—Could you just be clear on that? You said that it was an announcement in 2001.

Mr Dolan—In the 2001 budget, I think.

Senator McLUCAS—Yes, and there were negotiations when in 2001?

Mr Dolan—In early 2002 the Commonwealth made funding offers to the state governments.

Senator McLUCAS—So there were no formal negotiations prior to the budget.

Mr Dolan—Preliminary negotiations were held during 2001 but the formal funding offers were made in early 2002.

Senator McLUCAS—What was the nature of those earlier negotiations in 2001?

Mr Dolan—The Commonwealth minister at the time wrote to the state governments and indicated the nature of the terms of the policy and the amount of money each state government that took up the Commonwealth's offer would receive.

Senator McLUCAS—So it is probably extrapolating to call them ‘negotiations’. It was advice to the states.

Mr Dolan—It was part of the negotiation process. The letters that went out were part of a process of discussion with the states. Back in March 2004, Minister Patterson wrote again to the state and territory ministers to put the offer a second time. So there were two attempts to put the offer to the states and territory governments on the issue.

Senator McLUCAS—In the 2002 formal offer, what funds were offered to each of the states?

Mr Dolan—The funds that were in the budget statements. The portfolio budget statements at the time listed the total funding on the table, which was \$65 million in 2002, divided up among the states.

Senator McLUCAS—On what basis was it divided up?

Mr Dolan—The policy was around extending the core concessions that the states currently provide to pensioner concession cardholders, providing those concessions to Commonwealth seniors health cardholders. Those core concessions were in respect of motor vehicle registration, utilities, rates and public transport. The cost of providing those concessions was estimated based on the number of cardholders in each state. The funding offers for each state were calculated on the basis of estimated costs that would be incurred in extending those concessions to CSHC holders in those states.

Senator Patterson—Had they not provided for themselves, they would have been on a pension and therefore receiving all of these concessions from the states. I was surprised because the value varies considerably across the states from about \$400 to about \$900. It was quite a variation. I was not aware that they were so varied across the states. It was believed that if these people were on the pension they would be getting this. They have provided for themselves. We thought it was generous to offer 60 per cent of the funding to the states 40 per cent, but there was little interest from the states. In fact, Victoria, New South Wales, ACT and Tasmania said we should fund the whole measure.

Senator McLUCAS—They were unaware of the 60-40 split when the announcement was made in the budget.

Senator Patterson—No.

Mr Dolan—The basis of the funding offer, the 60-40 split, was made very clear to the state governments in letters both in 2002 and 2004.

Senator McLUCAS—But this was after the announcement in the 2001 budget.

Mr Dolan—Exactly. The offers that were made to the state governments following the announcement in the budget made clear the basis upon which the money was being offered to the states.

Senator Patterson—If those people had not provided for themselves they would be receiving these benefits totally from the states.

Senator McLUCAS—That is not the point I am discussing.

Senator Patterson—And that is the argument that self-funded retirees will put to you over and over—that many of them have similar incomes to other people, have been frugal, are self-funded retirees and are not able to get any concessions.

Senator McLUCAS—It is about the process by which we got to the 2002 offer, which was \$64 million divided amongst the states. Was that offer increased in March 2004?

Mr Dolan—Yes, it was adjusted for changes in the number of cardholders and that sort of thing. It was essentially the same basis, but with adjustments for the customer base.

Senator Patterson—I wrote to the minister when that happened.

Senator McLUCAS—What assessment processes did FaCS undertake to ascertain the cost to the states?

Mr Dolan—As I indicated earlier, there was a process for estimating the costs of the concessions. As the minister has just said, the value of concessions varies from state to state. An estimate was made of the cost of extending concessions to CSHC holders in each state based upon an estimated value of the concessions. That was obtained from information available on concessions to pensioner cardholders.

Senator McLUCAS—When the states advised that they were not prepared to take up the 2002 offer, what was the reason given?

Mr Dolan—There were a variety of reasons given, depending upon the states. The position varied across the states. The reality was that the vast majority of the states did not want to take up the Commonwealth's offer.

Senator McLUCAS—Mr Dolan, could you run through those reasons for the committee?

Mr Dolan—Do you want to go state-by-state?

Senator McLUCAS—Yes. If you have that data, that would be good.

Mr Dolan—No. Some states wanted the Commonwealth to fully fund the concessions. It varied. Some states did not agree to address the policy.

Senator Patterson—The main objection from Victoria, the ACT and Tasmania was that they said, 'You should be paying the whole lot.'

Senator McLUCAS—What was the advice from the New South Wales government?

Senator Patterson—'You should be paying the whole lot.'

Senator McLUCAS—That is not my understanding. Mr Dolan might know.

Senator Patterson—That is the advice I have, that the states said that we should fund the entire measure, and those are the states I have been given. I will read to you the letter from the minister:

It nevertheless remains the position of the New South Wales government that this proposal should be fully funded by the Commonwealth, particularly since it relates to income support for older Australians.

Senator McLUCAS—Is that the totality of the reasons why New South Wales decided not to take up an offer?

Senator Patterson—They said that it was substantially less than the cost to New South Wales and that we should pay for the whole lot.

Senator McLUCAS—What did New South Wales ascertain the costs to be?

Senator Patterson—I do not think they gave me the cost. This letter was to the Prime Minister. They were putting a proposition:

The Commonwealth's goal will be met by establishing a separate category of concession card for seniors with assets less than 15 per cent above the eligibility of the pensioner concession card. Additional costs of state concession for this group can be fully met by the \$35.42 million offered by Senator Patterson.

He did not actually then cost how much it cost us to means test that.

Senator McLUCAS—The advice that I have is that New South Wales had done a calculation of the true cost of extending concessions to the seniors cardholder at \$80 million and the offer that was made in 2002 nationally from the Commonwealth was \$64 million.

Mr Dolan—Senator, you are referring to one particular state?

Senator McLUCAS—Yes; the advice that I have is that New South Wales calculated the cost of this measure to the state of New South Wales as being \$80 million. The total allocation from the Commonwealth for all states and territories was \$64 million. Either the calculations are wrong, because even 60-40 that does not add up—

Dr Harmer—During negotiations I was not here. I do not think New South Wales ever put that to us in discussions or correspondence.

Mr Dolan—Senator, responses from the states overwhelmingly did not take up the Commonwealth's offer. Therefore that was the context in which things developed—that is, the states not taking up the offer, rejecting the offer.

Senator McLUCAS—Are you saying, Mr Dolan, that no states said it was not enough to cover the actual cost, even on a 60-40 basis?

Mr Dolan—New South Wales did dispute the costing but overwhelmingly the states as a whole did not take up the Commonwealth's offer. So that is the nature of the process. Then in 2004 the offer was put to them again in terms of the money that the Commonwealth was putting on the table.

Senator McLUCAS—Did the nature of the offer in 2004 change substantially, other than the CPI adjustment, I daresay, from the 2002 offer?

Mr Dolan—No, it did not change substantially, Senator; that is right.

Senator McLUCAS—It just had an indexation?

Mr Dolan—That would have been right—an adjustment of customer numbers, changes in CSHC holders.

Senator McLUCAS—And that was all. So the principle that it was underfunded, certainly in the view of New South Wales, in the 2002 offer was not addressed?

Mr Dolan—Senator, when you say it was underfunded, the process that we had for estimating the cost of extending concessions to CSHC holders was on the basis of the information available in respect of the average levels of benefits.

Senator McLUCAS—Can we go to the transport reciprocity for seniors cardholders, the second measure.

Senator Patterson—I want to put a bit of flavour on this. The original transport reciprocity offer was announced by the Prime Minister in the 2001 election. The measure was included in the 2002-03 budget when Minister Vanstone wrote to the states with the original offer on 17 May 2002. I am advised that New South Wales did not respond to this letter at all. Then I wrote with a revised offer on 6 February 2004. New South Wales acknowledged the correspondence, advising that the community services minister and transport minister were consulting and that a response would be provided in due course. I am advised that nothing was ever received. I wrote again on 8 June 2004 suggesting a working group. New South Wales did not reply until 8 August. They replied to the Prime Minister in a letter dated 22 June 2004. By this time the consideration had been given to the senior minister's review. The other thing that is very interesting is that if the states were serious about this we would have seen something in their forward estimates. We have got this in our forward estimates. No state had it in their forward estimates.

Senator McLUCAS—It is easy to put it in your forward estimates if you do not intend to spend it, and that is my point. If you put something in a budget without even talking to someone who has to pay 40 per cent of it, it is my view that this is a strong indication that the government do not intend to deliver. Then if you subsequently find out that it is underfunded to an enormous tune, I think that is a very clear message to the states that this is a stunt and the government do not actually intend to pursue this.

Mr Dolan—The two rounds of offers were made to state governments in 2002 and in 2004. Throughout the entire period the estimated cost of extending the concession to CS shareholders remained in the budget forward estimates.

Senator McLUCAS—Yes, I am aware of that. But the original announcement was made in the 2001 budget in the lead-up to the 2001 election. There was no negotiation with the states prior to that announcement that this was going to occur. There was no agreement from the states. As we know, the states have declined an offer of a program that they believe, firstly, is not fair on them and, secondly, is not assessed to the level of expense that they think they would have to fund. My point is more to the minister: the program, in my view, was designed to fail, was never intended to actually deliver concessions to Commonwealth seniors cardholders that are currently offered by the states, because it was just never funded to the level it should have been.

Senator Patterson—We will have to agree to disagree on that. Our commitment was such that we actually then decided to assist self-funded retirees directly, since we had had very little, if any, cooperation from the states. You say we do things just as stunts. There are a number of things where we have had money and asked the states to match it. They are not stunts. This was not asking the states to match it; it was asking the states to make a contribution. As I said very clearly, these people, if they were on a pension, would be entitled

to these benefits. Many of them have been very frugal all their lives and have made provision for their retirement, and then have found that they are not being treated in a similar way to pensioners. I think they have got a reasonable argument. What we have done is gone part way to assisting them.

Senator McLUCAS—It is not an argument about their financial situation; it is an argument about the intention of a government who does not negotiate prior to making an announcement.

Senator Patterson—That is hypothetical, and you are making assumptions about our motives. I find that quite distasteful. We put forward a genuine offer, which was basically almost ignored by the states.

Senator McLUCAS—The reciprocal transport concessions offer was a different issue completely. What were the negotiations around that between the states and the Commonwealth?

Mr Kalisch—Perhaps it is worth while to actually start the conversation a little bit earlier, because this was something that the states were negotiating and discussing between themselves for quite a number of years, all recognising the desirability of having some sort of reciprocal arrangement where the person in New South Wales could travel in Victoria or up to Queensland and actually get concessional rail or bus travel. They have been discussing this for years and years, without any of them willing to come to the party and say, ‘We will let someone else from another state travel in our state at a concessional rate.’ The Commonwealth has been sitting around these Commonwealth-state ministerial councils watching the states have these regular discussions without making any progress. Basically, the Commonwealth decided to try to contribute to an outcome, a solution.

Senator Patterson—We modified that offer to enable them to restrict it to certain routes to try and assist smaller states that felt that they would have more people coming to their state. That was one modification. We thought that might particularly assist Tasmania so that they could stipulate some sort of route between Launceston and Hobart, or whatever, that was most frequently travelled by tourists—understanding that they would have more people going to Tasmania than Tasmania would have coming to another state. There were some modifications around that to try and assist them. It is difficult. If every state was of a similar size and we were talking about similar numbers of people then it would not be such an issue. The fact that the states have different distances, are of different sizes and have different numbers of people who would benefit from this means that they are reluctant to take it on board.

Senator McLUCAS—So the proposal is that a state would accommodate the costs of that person travelling in their own state—it is not a cost back to the originator state.

Mr Dolan—The initial proposal was that, for example, if a seniors card holder was a resident of New South Wales but travelling in Victoria then they would be able to access concessional fares on Victorian public transport. In the second offer that was made to the states some more flexibility was offered to state governments in that they would be able to, as the minister said, target and define a more limited range of concessions to suit the money on the table. That is how the offer was changed to give that flexibility. A lot of the states indicated that in order for that to work you would have to have all states in the scheme

because it would be rather difficult to run a public transport system and have, say, someone from this state having access to out-of-state concessions but not someone from that state. So it would be a very difficult scheme to run from the state perspective and from an administration perspective unless all the states were in.

Senator Patterson—Or all the states were the same size and had the same population of older people. I do not think we can actually achieve that unless we redo the boundaries! It is a very complex issue because of that.

Senator McLUCAS—The brief that I have is that there are still discussions continuing even though it has been identified in the budget as being withdrawn. What was the purpose of the money that the Commonwealth was offering to do that rebalancing?

Mr Dolan—The money would be paid to the state governments that came to the agreement to compensate them for the cost of providing concessional fares to seniors card holders from outside of their state.

Senator Patterson—When they said that it was not enough, we said, ‘Why don’t you modify it so that interstate travellers can have it on limited public transport routes?’ We did try and actually meet them some of the way—as is my wont. People do not always come that distance with you.

Senator McLUCAS—What advice do you have about the actual cost across the nation of the program?

Mr Dolan—The budget papers show that about \$6.2 million to \$6.5 million a year would have been the cost to the Commonwealth for funding the states had they all come to the party. That is in the portfolio budget statement at page 65.

Senator McLUCAS—What is the breakdown of that for each of the states?

Mr Dolan—I do not have that with me.

Senator McLUCAS—Is it possible for you to get that?

Mr Dolan—Yes, we can get that for you.

Senator McLUCAS—What is the status of this offer at this point in time?

Mr Dolan—The offer has been withdrawn so now it is up to the state governments themselves. If they wish to put into place a reciprocal states seniors card transport reciprocity arrangement then they can resume negotiations amongst themselves, as they were doing some years before. This is primarily a state government issue. It is a state seniors card. It covers the concessions they provide to their own cardholders. They can now resume those negotiations if they wish to do so.

Senator McLUCAS—There is no intention currently by the Commonwealth to continue the discussion about the transport reciprocity.

Mr Dolan—Certainly the offer has been withdrawn—the offer in the budget papers—that offer of money has been withdrawn.

Senator McLUCAS—Going back to the PBS at 3.1, under special appropriations, there are two measures that I would not mind some background to: the first is the aged persons

savings bonus—I do not think it will break the department; it is not a big item. Could you give me some background to that measure?

Mr Dolan—The aged person's saving bonus and the self-funded retiree supplementary bonuses you could best describe as carryovers from the tax reform changes of June 2000 when special bonuses were provided to compensate for tax changes to self-funded retirees. I think there has been some late provision there for late claims and late payments. That is my understanding. It is just residual sorts of payments being taken into account. By 2005-06, those payments are expected to have ceased.

Senator McLUCAS—That is the program where people were funded to stay in the work force?

Mr Dolan—No, that is a Pension Bonus Scheme. These are savings bonuses. I have to test my memory a little. With tax reform, there were changes to tax regimes, there was the GST and there were changes to pension rates. For people who are not quite recipients of either, this is a compensation designed for them. Here we are talking about just some residual payments under those schemes.

Senator McLUCAS—So that is essentially the end of those programs.

Mr Dolan—It is the end of those payments, yes.

Senator McLUCAS—The utilities allowance: can you explain the changes in those final estimates 2004-05 in the budget estimate for that line?

Mr Dolan—The utilities allowance, the 2004-05 estimate reflects one payment of utilities allowance, whereas for 2005-06 it is the two payments in the year. One is virtually half the other.

Senator McLUCAS—That is all I have for 3.1.

[4.35 pm]**CHAIR**—We will move to output 3.2, Support for people with disabilities. Thank you very much to those officers who appeared for 3.1.

Senator McLUCAS—I have general questions on page 123 of the budget papers. Employment assistance and other services, including expenditure under the Disability Services Act: what items exist in that general line item?

Mr Barson—It is a broadband appropriation that covers funding for employment assistance services. The parts that are now with FaCS are business services—

Senator McLUCAS—That is employment assistance?

Mr Barson—Employment assistance.

Senator McLUCAS—Does that include business services?

Mr Barson—The part that remains with FaCS is business services.

Senator McLUCAS—So under 2004-05, what else did it have in it?

Mr Barson—It had open employment assistance services. For 2004-05, it included open employment assistance. It included a range of employer incentives, including wage subsidies, workplace modifications, supported wage system and disability recruitment coordination. All

of those programs are now with the Department of Employment and Workplace Relations. It included advocacy services, some respite services—

Senator McLUCAS—So disability advocacy in terms of employment?

Mr Barson—No, disability advocacy services.

Senator McLUCAS—Generally?

Mr Barson—Yes.

Senator McLUCAS—But they have stayed with FaCS?

Mr Barson—They have stayed with FaCS. Then there is respite services for carers of young people with disabilities. A small program there stayed with FaCS. Print disability stayed with FaCS. The disability information and captioning services stayed with FaCS. Postal concessions for the blind stayed with FaCS. The abuse and neglect hotline stayed with FaCS. Other activities stayed with FaCS, such as the Commonwealth disability strategy conference funding, some quality assurance mechanisms et cetera.

Senator McLUCAS—Is it possible to provide the committee—I have written it down but I dare say I have made an error—with a table that shows what items were in the 2004-05 budget, what was in the budget for 2005-06, including the costs for each so that we can track them through to other departments as required?

Mr Barson—Yes. The part there in particular is the parts of the program that moved to the Department of Employment and Workplace Relations. In the 2004-05 estimates and in the appropriation that was provided for that year, the split with the department of employment happened as at 30 November 2004. So there was a certain amount of money that had been spent up until that time on various programs. That expenditure remains within FaCS. The remaining unspent money for those purposes that was transferred to the department of employment transferred to that department. Next year is a clean year and the appropriation starts cleanly. Yes, we can provide you with that split.

Senator McLUCAS—I appreciate that comment. Is it possible, then, to identify the moneys allocated in FaCS up until 1 November for each of those programs? I recognise that you do not have the data on what happens to them after they leave FaCS.

Mr Barson—It is quite easy to tell you the amount of money that had been appropriated for the year, the amount that had been spent on various activities and the amount that had been transferred to the department of employment, if that is your main interest. It is possible to go into the detail of a lot of programs that stayed within FaCS, but if I understand your question correctly you are primarily interested in the transfers to other agencies?

Senator McLUCAS—That is right.

Mr Barson—We will give you something that will show you the split of programs between the two agencies and the amount of moneys that had been spent up until that stage and then transferred to the department of employment.

Senator McLUCAS—Thanks for that. In terms of the business services component, of the final estimates for 2004-05, how much of the \$316 million—I am working off page 123—was for business services?

Ms Winzar—In 2004-05, the total amount expended on business services for employment assistance would be around \$140 million.

Senator McLUCAS—And out of the \$233 million budget estimates for 2005-06, how much is business services?

Ms Winzar—It will be of a similar order. I think the forecast figure is something like \$141 million at this point.

Senator McLUCAS—We had quite a long discussion about business services at the last estimates. Going to the issue of business services, we talked about the number that was ongoing. Do you have that data in front of you about how many business services are continuing? To be frank, what I am asking is: have you had any closures since last estimates?

Ms Winzar—Yes, we have.

Senator McLUCAS—Where are they?

Ms Winzar—A service in Gippsland closed two or three weeks ago.

Senator McLUCAS—What were the reasons for that closure?

Ms Winzar—The reason for that closure was that the organisation had found itself \$1.1 million in debt and had insufficient funds to pay its creditors. It included a tax bill of somewhere in excess of \$300,000.

Senator McLUCAS—They got into \$1.1 million debt very quickly. Where was the department up to with the business planning process with that particular operator?

Ms Winzar—That organisation had significant financial difficulty from about 2000. That was the first time we sent in a financial adviser to have a look at the books of that organisation. They had asked us to do that because they were having liquidity problems. We did some work with them then. We did some subsequent work with them around further financial difficulties in, I think, 2001 and again in 2002. On two occasions, we received notification from the tax office to garnishee some of the funding to that organisation to pay outstanding tax bills. Notwithstanding that, the organisation did not amend their ways and failed to make further provision for tax liabilities.

We have been in fairly constant contact with them over the last five years. Their most recent financial assessment was, from memory, February this year. In July 2004 we approved a cash injection for them, a portion of which they spent on buying equipment. What they did not do was proceed with filling the position of business manager to help them work their way through their problems. So, notwithstanding some fairly close contact over a fairly long period of time and repeated financial bail-outs, it got to the point where the board of management really had no other option but to agree to put in an administrator.

Senator McLUCAS—So they are not trading?

Ms Winzar—They are not trading. The individuals concerned are in the process of being moved to other services in the Gippsland area.

Senator McLUCAS—Gippsland is fairly rural. Is that viable, Ms Winzar? Is it a reasonable thing to expect people to move, potentially, to the next town?

Ms Winzar—The service concerned operated outlets across, I think, four different towns in Gippsland, around the Morwell area. There are about six business services that cover a similar area. One of them is in exactly the same town, in Morwell. Some of the others in Gippsland are looking at options that include running a small unit in Morwell but, say, attached to their service, which might be in some other part of Gippsland.

Senator McLUCAS—How many people were employed in the business service that has closed?

Ms Winzar—We funded the organisation for 35 places for people with disabilities. They had filled 31 of those places.

Senator McLUCAS—Is 35 viable?

Ms Winzar—Yes, I believe so. One of the difficulties with this organisation was that a lot of the contracts were on an informal basis. We spoke to some of the other business services about taking over the workers and some of the existing contracts, but there was, I think, only one formal contract that could be considered by another service; the rest of them were ‘handshake agreements’, which made it quite difficult for the gaining services. But those gaining services are quite confident that they can employ those people in their own services.

Senator McLUCAS—Are there many other rural areas where you have a number of business services operating in quite small communities?

Ms Winzar—That is an interesting question. We know that there are 30-odd business services which are effectively the sole provider in their town or region and which could have some financial exposure as a result.

Senator McLUCAS—Have financial exposure because they are the sole provider of business services?

Ms Winzar—No, not necessarily. Some of the business services in rural and remote parts of Australia are doing just fine, thank you. However, for others—it may be that they are in a very small town or that they are a smaller service or it may be for a completely unrelated reason—their viability is not that great.

Senator McLUCAS—How is the process of developing the marketing plans progressing?

Ms Winzar—That is going quite well. I take it you are referring to the full capability reviews that we are doing with a number of business services?

Senator McLUCAS—Yes; sometimes I do not get the language quite right but I think that is what I mean.

Ms Winzar—We have at present 117 organisations that have asked to have full capability reviews undertaken by the financial advisers. Thirty-eight have been completed and approved. There are another 19 for which the fieldwork has been done; we are just waiting to consider the recommendations of the financial advisors. Beyond that, we have about a further 19 in the pipeline, as we speak. Most of the rest of them are scheduled from now through to about the end of August this year.

Senator McLUCAS—What is the next step after that?

Ms Winzar—The delegate considers the recommendations, after the organisation itself has had a look at the consultants' advice, and agrees or does not agree with the strategy that the financial consultants have put forward. We make arrangements with the organisation to draw up a funding agreement and pay those moneys out to them on a milestone basis. For example, if it is recommended that the organisation have a marketing plan prepared, then we will pay them in instalments as they engage the contractor, as they get the final report and then as they implement any recommendations out of that marketing plan.

Senator McLUCAS—How many business services have completed that capability review?

Ms Winzar—I will get you the exact numbers. We have 117 that have actually put their hands up to have a full capability review. The information I have in front of me says that 28 of them have actually been completed and have been delegated on. I think there are a further 35 in the pipeline at the moment. Most of those have had the fieldwork completed.

Senator MOORE—Ms Winzar, how long does it take?

Ms Winzar—It really depends on the organisation. If it is just a single outlet then it is a reasonably quick process. Bear in mind that, in a lot of cases, we already have some information on file because the panel of consultants was in with the organisation in the middle of 2004. If it is an organisation that has a lot of outlets and some very diverse types of business, it may be that the consultants will do site visits to half a dozen or perhaps even more outlets. It depends also on how long it takes the organisation itself to provide some of the financial information that is required.

Senator MOORE—It is just very standard financial information, showing the books and so on? It is not complex stuff?

Ms Winzar—That is right. What we are asking out of the full capability reviews is for a bit of an assessment over the next four years as to what the financial prospects of the organisation are.

Senator MOORE—That may not have been done. Some of these organisations worked year to year.

Ms Winzar—That is quite right.

Senator MOORE—That would be the difficult one. You have 28 completed and 35 in the pipeline. That leaves about 50 that need to be scheduled; is that right?

Ms Winzar—Yes, Mr Knapp tells me it is about 57, so I will take his word for it.

Senator MOORE—When were you hoping to have those done? Have you got a plan with the consultant for what period of time that will take?

Ms Winzar—Yes, we hope to get them all done by August this year.

Senator McLUCAS—This is just the business services who have agreed to a full capability review?

Ms Winzar—That is right.

Senator McLUCAS—How many have not?

Ms Winzar—It will be 235 take away 117. That is 118.

Senator McLUCAS—For those 118 who have not agreed to a full capability review, can we get an understanding of why?

Ms Winzar—The main reason that organisations will have a full capability review is that they have sought to be a wage phase-in organisation. There are 82 of those. A further six have sought assistance from us to top up wages because their particular industrial circumstances do not allow them to phase in wages. Most of the others will be organisations which, even though they are okay about phasing in wages at the moment, are concerned that there may be some financial vulnerability as they move into the next two or three years.

Senator McLUCAS—Can we go through those one by one?

Ms Winzar—Sure.

Senator McLUCAS—How many wage phasing organisations are there?

Ms Winzar—There are 82.

Senator McLUCAS—What does wage phasing really mean?

Ms Winzar—It means that, as part of the quality assurance requirements, all employment organisations funded under the Disability Services Act are required to meet QA standards, including the payment of pro rata wages, depending on a person's productivity. They were required to do that by 31 December last year. In about April last year, noting that a number of organisations said they needed more time, the government agreed that, as long as organisations had committed to a wage phase-in plan by December 2004, they could have up to four years to phase in the introduction of pro rata wages. So the 82 organisations that we are talking about were ones that chose the wage phase-in option as a way of meeting their quality assurance requirements.

Senator McLUCAS—And there is now an agreement between those organisations and the department. There is no additional cost to the department for those particular 82 operations?

Ms Winzar—There will not be any immediate cost, except in the sense that some of them may still need some assistance to get to the point where they can continue to pay pro rata wages, if that makes sense.

Senator McLUCAS—What sort of assistance would they require?

Ms Winzar—For example, if an organisation is currently paying about 30 per cent of what they should be paying in wages, their wage phase-in plan might say: 'You've got three years to get to 100 per cent. It should be phased this way: a 10 per cent increase in July and then a further 25 per cent by Christmas' and so on. Notwithstanding the wage phase in, some of them may still need assistance with capital equipment, marketing plans et cetera to get to a point where they can phase in to 100 per cent.

Senator Patterson—Some business services seem to be more able to attract the sort of work that fits with the business service activities. Some of them fill up little niche markets. There is one that makes handmade paper and one that makes circuit boards—that is all that it does. It is very hard to advertise those business services so we are developing a portal, which I keep being told will be ready in about August. I always give a bit of leeway, but it should be

by the second half of this year. At the moment, you cannot advertise business services generically because you cannot explain to people how they can find them. If you had a business portal with all the business services on it and a search mechanism, people could find business services near them, or they do not need to be near them. If you are providing circuit boards, you could provide them in WA. If you are disposing of confidential wastepaper, it has to be somewhere near to make it economical and viable.

Once we have that portal, I will be on a campaign. I have told the state ministers about this as well. I will be looking for our department to ensure that when it has some job, if it is possible to ask a business service to tender, they should be tendering. If they can compete they should be considered. I will be asking for our triple bottom line—I think we are the only department that has a triple bottom line—to indicate how many tenders we had and how many were successful in procurement. Once I have done that—I cannot ask people to do what we are not doing—I will then ask other departments to do it and expect state government departments and local governments to do the same, once we have made it easy for them to find them. We cannot expect private enterprise to be the only ones who are purchasing from business services.

I then hope to be able to advertise it amongst business services. I do not think the electronic industry, for example, would know that high-quality circuit boards are being made here. You might not want 100,000 of them. If you are going overseas to get them because you are trialling an alarm system or something, Qualcare in Rydalmere would be a perfect example of where you could have 100 or 200 circuit boards made and shipped to Tasmania or Western Australia. If we are expecting the business service to be viable, we have to make a much better effort at helping them to advertise. Then we can advertise business services generically. If you want something done, think of a business service to do it. They put what they do on the web site and encourage people to use it. There will be a very active campaign. I will be asking businesses to think about it, but we cannot do that when there is not an easy way for them to find a business service. The portal is our first port of call.

Senator McLUCAS—Ms Winzar, you said there could be some extra cost in the wage phase-in organisation in getting people up to 100 per cent wages. They are not top-up costs are they?

Ms Winzar—No, they are not. An example might be where the organisation is paying 30 per cent of what they will need to finally pay. They can see some ways to improve their productivity or extend their market reach and pay the next step up, perhaps the next 25 per cent, but to get beyond that they are going to have to substantially improve their viability. To do that, they might need some assistance with replacing equipment, automating or doing the marketing or business plan.

Senator McLUCAS—How do organisations access those sorts of funds from FaCS?

Ms Winzar—Once the recommendations from the consultants as part of the full capability review are prepared, they are then discussed with the organisation's board. Then the recommendations with any comments go to the FaCS delegate, which is either me or one of my staff. We will make a decision on those recommendations and then we will start some

negotiations with the organisation about the funding agreement to give effect to those recommendations.

Senator McLUCAS—I thought this group were not going to complete a full capability review.

Ms Winzar—The wage phase-in organisations need to have a full capability review undertaken so that we can determine how quickly they are able to phase in wages.

Senator McLUCAS—So those 82 organisations are proposed to undertake a review by August, but have not yet?

Ms Winzar—That is right. About a third of them have now completed the review.

Senator MOORE—About a third of those 82 have?

Ms Winzar—Yes.

Senator MOORE—Does that 50-odd go on to the other 100-and-something that are still outstanding?

Ms Winzar—No, that is included in the 117.

Senator MOORE—I had them in three boxes in my mind.

Ms Winzar—I think at the moment all up we have currently approved about only \$1.6 million worth of immediate assistance to organisations through that process.

Senator McLUCAS—Six organisations are moving to top up. Have they completed their review?

Ms Winzar—Yes, they have.

Senator McLUCAS—That means that they are simply looking for a cash payment to top up to award wages?

Ms Winzar—That is right. That top-up arrangement, again, is a phased-down contribution from the Commonwealth over the period that the organisation needs to get itself to the point where it can meet the full wage bill.

Senator MOORE—Is that up to three years?

Ms Winzar—It can be up to four years.

Senator MOORE—Four years is the absolute maximum.

Ms Winzar—Yes.

Senator McLUCAS—The recommendation of the reviewer has clearly said that this is a viable option that these organisations can maintain if we top-up for next four or so years.

Ms Winzar—That is right. It may only be that we top them up for 12 months until they get to the point where they can make that wage payment themselves without assistance.

Senator McLUCAS—Sorry, I interrupted. You were going through a list of wage-phasing organisations and top-up.

Ms Winzar—Yes, and the others who are already paying pro rata award wages but who have encountered viability problems for some other reason.

Senator McLUCAS—How many of those are there?

Ms Winzar—There are currently 21 of those. Those organisations, if they think they are going to run into strife, can apply to the department to have a full capability review undertaken. Most of those are scheduled for later in this current calendar year, and we will process them in the same way that we have done the others and extend any extra assistance that they need to improve their viability.

Senator McLUCAS—So 21 may have some viability questions.

Ms Winzar—They believe they do. There may be more in the pipeline who come forward.

Senator McLUCAS—Of those 21, none of them have had a full capability review yet.

Ms Winzar—Not to my knowledge.

Senator McLUCAS—Are there any organisations that have undertaken a full capability review and the review has come to the view that they are not viable into the long term?

Ms Winzar—No. The only one that nearly falls into that category is the service which closed in Gippsland. It in fact did not have the full capability review completed because the organisation could not provide the financial information that the external financial person needed to prepare the documentation, because their books were in disarray.

Senator McLUCAS—We will keep a watching brief on that.

Mr Barson—You asked before about the split between the Department of Family and Community Services and the Department of Employment and Workplace Relations. It may help if I just read the figures in, and then we can see if they need more information. If you pretended that the whole of this year the split between the departments' functions had existed then, on the functions which are the responsibility of the Department of Employment and Workplace Relations, their allocation for this year would have been \$189.460 million, and our allocation would have been judged \$231.239 million. So that is the split in the current year's appropriation between the two agencies as if that split had existed for the whole year.

Senator McLUCAS—Right.

Mr Barson—Next year the allocation to FaCS is \$223.255 million and to the Department of Employment and Workplace Relations, \$222.210 million. They are the figures in terms of the respective responsibilities of the two departments and the amounts that relate to those responsibilities in the current financial year and next financial year. I explained before that the services that had moved to the Department of Employment and Workplace Relations were open employment assistance and a range of employer incentives programs, which I read out before for the *Hansard*. I think that answers your question.

Senator McLUCAS—I think it does. Just to be very clear, though, in 2004-05, the pro rata allocation to FaCS is \$231 point something million and this year it is \$223 million?

Mr Barson—If one assumed that this split in responsibility had existed for the whole of the 2004-05 year, then, of the things that FaCS is responsible for, it would have been \$231.239 million and for those same responsibilities in the 2005-06 year, \$223.255 million.

Senator McLUCAS—There is quite a considerable cut there.

Mr Barson—Within that are the amounts of money that are being spent as one-off amounts for the interventions in business services, which you have just been discussing with Ms Winzar.

Senator McLUCAS—Ms Winzar said that the budget for business services was \$140 million to \$141 million. Is that right?

Ms Winzar—That is correct.

Senator McLUCAS—I don't get it, then.

Mr Barson—We are responsible within that appropriation for more than just business services; we also retained responsibility for advocacy services, print disability services and a range of interventions that I spoke about before. So it is not just about business services; business services are a part of that appropriation.

Senator McLUCAS—The question I am asking, Mr Barson, is this: the appropriation in 2004-05, all things being equal—and I think we both know what that means—was \$231 million moving to \$223 million in 2005-06. The largest component of that is business services, which is staying about the same. What about the remaining \$8 million? It is not huge in the scheme of things, but some of the programs are quite small.

Ms Winzar—The \$8 million difference fundamentally relates to a 2003 budget measure which was, again, about business viability in business services. That particular budget measure spent \$25 million over the 2003-04 and 2004-05 financial years—the money was a split across the two years—and that money ceases in June this year. The second year allocation was \$16 million, from memory. That will account for some of the drop. In addition, there will be other changes, such as indexation and so on, which will lift some of the other components of the appropriation. So there are some ons and some offs.

Mr Knapp—Even with the ons and offs, the major change is the ceasing of the business services viability measure.

Senator McLUCAS—That is the full capability review process, which is ongoing, I thought, Ms Winzar?

Ms Winzar—No, that was a precursor, if you like. There was \$25 million for business viability in the 2003 budget. In April last year the Prime Minister announced a further assistance package of \$99 million over four years.

Senator McLUCAS—Yes. How does that \$99 million over four years—which I am aware of as well—factor into your allocation? That is not new money?

Ms Winzar—It is not new money in the sense that it has been announced already, but it was allocated across the four years following the announcement.

Senator Patterson—It was new money that was announced last—was it March?

Dr Harmer—April 2004.

Senator Patterson—It was in April 2004, not long after I became minister. Christopher Pyne, who was my then parliamentary secretary, went round talking to a large number of business services and I became aware that we needed to give them further assistance. The

Prime Minister made the announcement in April 2004. So it was new money over and above the money that was there originally.

Senator McLUCAS—Where can I find that in the budget?

Ms Winzar—You will find the announcement in last year's portfolio budget statement. The split of money is reflected in the \$223 million for this forthcoming year. The money was roughly allocated as follows: \$21.5 million in 2004-05, \$22.2 million in 2005-06, \$25.1 million in 2006-07, and \$30.3 million in 2007-08.

Senator McLUCAS—I am going to pursue this so that I truly understand where we can track this money going through. In this year's budget, on page 123 of the PBS, it shows that figure of \$223.355 million. Is the \$22.2 million of 2005-06 part of the \$99 million? Is that in there?

Ms Winzar—That is correct.

Senator McLUCAS—Is that part of the \$141 million that you earlier identified to me?

Ms Winzar—No, it is additional to the \$141 million.

Senator McLUCAS—Mr Barson, can you possibly give me a dissection of the \$223 million into its component parts?

Dr Harmer—To save you a bit of trouble, why don't we put it in a table for you and give it to you that way?

Senator McLUCAS—That would be lovely. The other thing I have found different in this PBS to the last one—and it is fairly new days for me tracking this portfolio—is that there are no forward estimates. They are in Budget Paper No. 2, but they are not in this document. It is there for the new measures, but not for the budget. Previously, we used to be able to track that into the future. Why is that the case? I do not think you are the only department doing it.

Dr Harmer—I think this is standard across the various departments. It is broad finance guidelines about how things are to be shown.

Senator McLUCAS—Yes, but it is different from last year.

Dr Harmer—Yes.

Senator McLUCAS—It just makes it hard to try and identify where money has turned up again. Can you find that out, Mr Barson, please?

Dr Harmer—We will provide you with the table.

Senator McLUCAS—That would be good. Chair, I would like five minutes to read this note, so someone else can ask questions at this point.

Proceedings suspended from 5.13 pm to 5.28 pm

CHAIR—I call the meeting to order again and invite Senator McLucas to continue.

Senator McLUCAS—I have a question on the CSTDA that goes to the question of young people who are in nursing homes, which I do recognise is funded under DOHA. When a person has a disability, I understand that a payment is made for their community, social and recreational needs as a person who is funded under the CSTDA—that is, that money would

come from the state for that person's support in that respect. This issue has been put to the aged care inquiry. When a young person with a disability moves into a nursing home, is there anything in the CSTDA that precludes that person, simply because they are being housed in a nursing home, from accessing support under the CSTDA?

Mr Barson—I understand the issue. It is one that has been raised before. The CSTDA is the framework agreement between the Australian government and the state and territory governments around the provision of disability services. The services that you are talking about—an aged care nursing home is an example—is not of course under the Commonwealth-State Territory Disability Agreement. It is a service that is provided external to the CSTDA. Whether it is a CSTDA accommodation support service or an aged care place that is provided outside the CSTDA, I think it is fair to say that the assumption in both cases is that the service is meeting the needs of the person. The nursing homes are not part of the CSTDA. The states are providing a range of services for people, however, which includes community access and community support type services. There is no barrier to those services being provided to a person with a disability in any state in any accommodation situation. However, it is fair to assume that, if a person is receiving an accommodation support service or a nursing home service, those service providers are meeting that person's need. Sometimes this question comes up in the context of things that are totally outside the agreement, such as aids, appliances and equipment. That is an attempt to answer your question. If there is something further, I am happy to try and answer that.

Senator McLUCAS—So there is nothing in the agreement that would preclude anyone in a range of housing options, be it a nursing home or supported accommodation, from accessing a component of support out of the CSTDA.

Mr Barson—States and territories are responsible for the planning, policy-setting and management of those services—in particular, accommodation support, community access and community support services. It is up to the state and territory how it manages the expenditure of those funds on people with disabilities. But, no, there is no barrier in the CSTDA to them providing those forms of service to any person with a disability in that state.

Senator MOORE—Is that well understood?

Mr Barson—It is well-understood by the state and territory governments. They have the CSTDA. They know that they are responsible for the planning and policy-setting. It is possible the states are making decisions about what they see as relative priorities. But the question was: is there a barrier in the CSTDA. No, there is not.

Senator MOORE—And it is not being discussed at any of the meetings that occur as part of the CSTDA where the various states and the federal group get together and talk about issues and problems?

Mr Barson—I have had this question raised with me by non-government organisations whose primary concern has been either aids and equipment—

Senator MOORE—That has come up a few times, yes.

Mr Barson—I have had to explain that aids and equipment are not part of the CSTDA. They are in fact a state managed program. Beyond that, if one is providing an accommodation

support service of any type to a person with a disability, one takes on the responsibility of dealing with that person's needs. I am not sure, when you ask whether it is understood. Certainly it is understood by all the states and territories that they manage those programs. As long as they spend the money they have committed to spend on people who are in the target group of the CSTDA, which are essentially people with disabilities, it is up to them what they spend that money on.

Senator McLUCAS—Following on from that same issue, the CSTDA currently says that the states and territories are not required to provide services with a specialist clinical focus, regardless of whether those services are provided to people eligible to receive services under this agreement. This is the clinical type services. That issue, I am sure, has been raised with the department.

Mr Barson—Not in recent times. The specialist clinical services reference also appears in the Supported Accommodation Assistance Act and the Commonwealth-state agreement forms that hang from that act—although the act goes a step further and talks about specialist clinical services and then gives some examples. That, I think, helps people to understand what the intention of that clause is, which is primarily about separating what one would regard as health interventions, such as mental health services, acute health treatment et cetera from the CSTDA.

The intention was, under the CSTDA, to deal with people with disabilities who are living in the community, and their continued life supports, as against acute interventions a la mental health. That is the purpose of the reference to specific clinical services. From memory, it was raised a few years ago, but I have not had it raised with me, except by some non-government organisations.

Senator McLUCAS—The same ones, I am sure, who are talking to me.

Mr Barson—There may be some misunderstanding in that, but that is the intention and our interpretation of that clause.

Senator McLUCAS—Take, for example, a person who has a disability and is living in the community and requires physiotherapy as a part of their re-engagement. That is described as a specialist clinical service?

Mr Barson—The purpose of the CSTDA, as I said, is primarily to deal with people's continued day-to-day life needs. There will be a whole range of medical and paramedical allied health services that a person with a disability may need. As you say, they may need physiotherapy for their physical disability. They may need speech therapy for their communication needs. Beyond a very minor level, those therapy services and acute treatment type services are not considered to be part of the CSTDA. There are a small number of therapy services that are provided primarily as part of early intervention services and there may be some bits and pieces around the date from before the CSTDA within organisations that have been funded right the way through, but the allied health and medical health services are not part of the CSTDA.

Senator McLUCAS—Does this item sit on the table when the agreement is being negotiated, or is it generally agreed between the parties that this is not a matter that should be covered under the CSTDA?

Mr Barson—That particular provision was in the first agreement in 1991. At that time it was a case of the Australian government and states and territories being involved in some of the same sorts of services. The services that the Australian government was involved in were transferred to the states as part of this clarification of responsibilities. Certainly there were some services, primarily those for people with physical disabilities, that had some therapy services associated with them as part of the transfer. But, no, the purpose of the clause was very much around trying to draw a line between the purposes and scope of the CSTDA and the provision of health and allied health services that would generally be available to anyone in the community.

Senator McLUCAS—I have had a number of people come to me talking about how they have been given a package through their state government. They advise that they cannot access those clinical type services using that money. Their assessment of their disability would lead you to believe that better application of the funds would be toward an allied health or clinical type service. This is the element of the CSTDA that precludes them from using the moneys in that way.

Senator Patterson—Given that the states have responsibility for that and given that they have the health care agreement and that they have responsibility for that sort of health care, it would be better to see an integration of those services between the department of health in each state and the department responsible for the delivery of CSTDA.

Senator McLUCAS—Given that in some states the package is quite substantial, and given the person's needs at the point of time in their disability—and it is usually after a traumatic event—in the earlier part of their rehabilitation it is more of a clinical nature and the funds that are applied through the disability package are misdirected at that point.

Senator Patterson—There is nothing in the CSTDA that would preclude a state from integrating money that they use for disability with money that they were using for provision of health services. That person is getting a package.

Senator McLUCAS—I thought we had just clarified that you cannot use a clinical—

Senator Patterson—A person getting a package would not be precluded from having something as a citizen of that state.

Senator McLUCAS—I think you are missing my point.

Senator Patterson—It reflects on the state, not being able to integrate those two things. I am not missing your point. I understand the point you are making, but the state has the responsibility for delivering the accommodation and other services to people with disability. It may be through CSTDA for accommodation or it may also be using a combination of the provisions within Health. They have every right to have treatment in health just as any other citizen does.

Senator McLUCAS—Yes, certainly. The accessing of allied health services, though, through the state health systems is far more limited than any of us would like to see, because of the limitations of every health budget, as I am sure you are aware, Minister. The point that has been put to me is that there are times in a person's recuperation that it may be more

appropriate to use moneys for what seems to be more clinical assistance, but that is precluded under the CSTDA.

Mr Barson—People with disabilities, as you said, are perfectly entitled to access the allied health services. The provision of those services is the responsibility of the state government, along with the provision of accommodation support. Both are matters of state government funding and management. All we are trying to do in the CSTDA, by agreement, is make it clear what is being funded. As the minister said, that does not stop a state from putting together a package of services for a person which includes whatever physiotherapy and allied health services they need. It is simply a state decision and a state responsibility.

Senator McLUCAS—And outside of the CSTDA.

Mr Barson—Yes.

Senator McLUCAS—Thank you.

CHAIR—Mr Barson, in our reference committee—an inquiry into aged care—we have had a vast amount of evidence of young people, particularly those with an acquired brain injury, being inappropriately placed in nursing homes. We have had parents come along and an enormous amount of evidence, and it just seems as though these young people are slipping between the stools in having places available to them. With that as a backdrop, what is being done in the negotiation of the next agreement for some accountability of where the funds are going to be spent and how they are going to be spent, instead of having young people being inappropriately placed in nursing homes, which is tantamount to cost shifting?

Mr Barson—I am aware of the numbers of younger people with disabilities who are living in aged care nursing homes. As you know, it is not the ideal or appropriate environment for many of those people, and the Australian government would certainly wish that those people were appropriately supported. In the current agreement we have included in all but one of the bilateral arrangements work with the state governments to try and address that situation. Some of that work is at its very early stages.

One of the key projects of national disability administrators is to specifically look at the care needs of those younger people who are in nursing homes. Our intention, as part of that process, is to encourage the states and territories to provide care for those people within their own environments in accommodation support services and, most importantly, to try and minimise the need for younger people with disabilities to go into aged care nursing homes in the future. In terms of the next agreement, I would have to leave that for negotiations on the next agreement.

CHAIR—I would certainly hope that in the next agreement there are some accountability provisions. It seems to us—and this is not a political statement, because it seems as though it does not matter what the colour of the state government has been or is—that they take the money and bolt, because we have so many people inappropriately placed in nursing homes.

Senator Patterson—We do not send them without somewhere to go and, if there is no appropriate place for them, they are accepted into a nursing home. There are a number of issues that I have been concerned about in this area. We have people who are deemed by the states to have the highest level of need for care. If those places are not available and a

person's carer has to leave work to care for them, the Commonwealth loses the income tax from that person, and pays them a carer's payment, if they are eligible, and possibly a carer's allowance. If the person is caring for someone for a period of time and they are out of the work force, they are less likely to be able to get back into the work force.

There is absolutely no cost to the state—no penalty to the state—if that person has given up work. There is no way in which we can say to the state, 'This is costing the Commonwealth and the individual who has given up their job because you have not provided accommodation.' Similarly, if we were not providing accommodation for people in aged care, the state might have to do it. Because we are not going to see people on the streets, they are taken into aged care facilities and then we are blamed for not providing care. There is a very clear division of responsibility.

CHAIR—It seems as though, once they are placed in the aged care facility, their name is struck off the list of waiting for anything else, because that is one less we have to worry about. They are in there and, because there is no wish or desire to tip them out into the street, that is where they are going to stay. So it is one less off the list, but it is a bed that an aged person cannot access. It is a chain of events, and that is why I think it is important that the negotiation with this next agreement really has some teeth to it for accountability purposes.

Senator Patterson—I hope it is before the next agreement, because people cannot wait that long.

CHAIR—Exactly!

Senator Patterson—I believe it is one of the issues that the Prime Minister will be addressing in the discussion on health at the forthcoming COAG meeting. It is unacceptable when I find older people who do not have a spot in a nursing home. They are waiting on the list to get into state accommodation, saying that they cannot keep going any longer. It is one of the reasons I put the \$75 million on the table last year, to give older people some respite.

I have to say I had a very good response from some states. One state signed up even though they had an election hiatus, but I still had no joy from Queensland or New South Wales, a year on from the money being allocated in the budget to give people over 70 up to four weeks respite. Some have been caring for a son with a disability or a daughter with a disability for 20, 30, 40 or 50 years.

Senator McLUCAS—This is more in the way of involvement in a DOHA program and follows on from this same question. What involvement does the department's disability section have, if any, in a program in Health, under Ageing, called their innovative pool program? Are you aware of it, Mr Barson?

Mr Barson—Yes.

Senator Patterson—Yes, we all know about it.

Senator McLUCAS—What relationship does DFACS have with that program in terms of involvement—

Senator Patterson—Only one state has taken it up in two projects.

Mr Barson—That is what I understand, yes. We are not directly involved, Senator. We are aware of the program and we discuss it with our colleagues in the Department of Health and Ageing. In fact, we met with them just last week and that was one of the topics on our agenda. As I understand it, that program has so far not been taken up. I believe the minister is right that it is only one program. I understand that some of the state governments are talking about seeking funding under that program.

Senator McLUCAS—I think we might be talking at cross-purposes. I have a table here from Health and Ageing that has two pages of programs that seem to cross all states.

Mr Barson—Is that the innovative pool?

Senator McLUCAS—Yes.

Mr Barson—In the context of seeking to support younger people with disabilities to move from nursing homes, I am only aware of one program in one state, but my information may be out of date.

Senator McLUCAS—Is that the one in Victoria for multiple sclerosis?

Mr Barson—Yes, I believe it is. That is the only one that I am aware of which has been specifically funded under the innovative pool. The detail of that would be beyond this portfolio.

Senator McLUCAS—I will give you a copy of this later, because there are quite a few that I think would come under that program. There are a whole range of states. The nature of your discussions with DOHA is simply around advice. Do you provide information to DOHA about potential applicants; people who have come to you looking for advice and financial assistance about housing people appropriately?

Mr Barson—We have a regular forum with Health and Ageing where we discuss all the interface issues between us, which includes younger people with disabilities in nursing homes but also a range of community care programs. On that program we have also provided information given to us by Health and Ageing to the state and territory governments through national disability administrators and encouraged them to apply for that funding wherever it is appropriate.

Senator McLUCAS—The issue of assessments of people with a disability to go on to the Disability Support Pension, I understand, are undertaken by Centrelink personnel.

Mr Barson—It is a matter for the Department of Employment and Workplace Relations, who make those arrangements with Centrelink.

Senator McLUCAS—What role do you have, as a department, in making assessments of people, or giving advice to those departments about assessing people with a disability?

Mr Barson—We do not. That is a function that transferred from the Family and Community Services portfolio to the Department of Employment and Workplace Relations along with the staff who were involved in that program. It is purely a Department of Employment and Workplace Relations matter now.

Senator McLUCAS—Thank you. That is all I have for disability.

[5.53 pm]

CHAIR—Thank you to the officers from 3.2. We will now move on to 3.3.

Senator McLUCAS—With regard to the PBS on page 124, Appropriation Bill (No. 1) assistance for carers, can you give me an explanation of the changes in that appropriation?

Mr Barson—Are you referring to the changes there in the special appropriations, or in the top one?

Senator McLUCAS—No, the top one, please.

Mr Barson—Okay.

Senator McLUCAS—I will get to the next one later. This is 3.7 to 7.2.

Mr Barson—This is part of a payment for support for younger carers who are encouraged to complete secondary education or schooling through additional respite services. There was a measure announced in the previous budget about supporting younger carers by extending the amount of respite care that they were able to access and extending the number of hours that they would spend not directly involved in care from 20 hours to 25 hours. This is the full year effect of that.

Senator Patterson—Up from 10 hours in 1996.

Senator McLUCAS—Final estimates are on track for expenditure?

Mr Barson—Yes.

Senator McLUCAS—We are looking at \$3.7 million as a final cost for this current year?

Mr Barson—We are. Part of that program is around the provision of additional respite care. We have finished going through a process of allocating those funds to non-government organisations and respite care centres. We have a small number of services where those funds have not been allocated yet but we are confident that we will still meet that estimate in the end this year.

Senator McLUCAS—Moving down the budget, you predict a lower uptake of carer allowance. Is that what that shows?

Mr Barson—No. The carer allowance figures and the carer payment figures for the 2004-05 year include the impact of the carer allowance and carer payment bonuses which are being paid in the 2004-05 year, so the 2004-05 year has an additional amount of money within it that relates to the bonus payments announced in the recent budget. The real expenditure on carer allowance, carer payment, will go up from this year to next year.

Senator McLUCAS—Could you disaggregate that for me for the 2004-05 year?

Mr Barson—In carer allowance the figure, excluding the bonuses—so the carer allowance pure figure—is \$888 million and for carer payment it is \$973 million. As you can see, carer allowance will go up from \$888 million to \$984 million and, similarly, from \$973 million to \$1.111 billion.

Senator McLUCAS—That explains that. Where does the one-off carer payment show?

Mr Barson—The one-off bonus?

Senator McLUCAS—Yes.

Mr Barson—It is within those figures for the 2004-05 year.

Senator McLUCAS—The payment that went through in this budget but will be paid before July is to be paid—

Mr Knapp—It will be paid in June and is in the 2004-05 figures. Mr Barson gave you the numbers excluding that to give you some idea and enable you to compare apples with apples between the 2004-05 and the 2005-06 figures. Those two numbers he gave you excluded the one-off payment so you could see the effect if that one-off payment had not been made in terms of the dollar effect.

Senator McLUCAS—The last one-off payment—now that we are talking about two one-offs; we might get to that in a minute—showed in the previous one.

Mr Knapp—That is right. The one-off payment was announced in the 2004 budget and showed in that one.

Mr Barson—There was a very small amount that came in the 2004-05 year but the vast majority of payments were made in the previous year. The same arrangement applies for this year.

Senator McLUCAS—In the lead-up to the decision about the second one-off payment, what assessment did the department make of the value of providing those funds in a cash payment as opposed to alternative measures for carers?

Mr Barson—Certainly, the bonus payment that was made last year was a very popular move. Most of the feedback from carers on carer payment or carer allowance was very positive. No doubt that was taken into account in decisions this year.

Senator McLUCAS—I am sure no-one rang up and said, ‘I don’t want this.’

Mr Barson—I do not recall any calls.

Senator McLUCAS—I am quite sure. Was there consultation with carer organisations about that being a preferred method of support rather than a range of methods of support—for example, respite?

Mr Barson—Apart from their feedback from last year’s budget measure, no, I am not aware of any consultation on whether it was a preferred method of payment. As you have pointed out, both of them were one-off payments.

Senator McLUCAS—I wonder if we will get another one next year. It has been put to me that people are starting to expect it now and that it is becoming part of people’s budgeting processes. It could potentially be of concern into the future.

Mr Barson—We would want people to understand that the government made this very much as a one-off payment.

Senator McLUCAS—Twice.

Senator MOORE—You just need to rename it—bonus or something.

Senator Patterson—It is about making sure that they benefit as well as people who get tax cuts or increased family payments. This is a way of helping to share that with people who are carers or are on a carer allowance.

Senator McLUCAS—We will just see if we get another one in the next budget. In the last round of estimates, we asked a question—it was question No. 89—that was revised. I need to go back. I have not got the original No. 81. It was revised subsequently.

Mr Barson—Is this the question about the trend?

Senator McLUCAS—Yes.

Mr Barson—How can I help?

Senator McLUCAS—Can you explain your answer, please? How did it differ from the original answer given?

Mr Barson—To explain the answer, the question referred to the increase of 11 per cent in carer payments that was reported in the 2003-04 annual report, whereas in the previous year it increased by 13 per cent. The question was: why was it decreasing? The carer payment had a peak in the 2000-01 year and there had been a significant increase in carer payment recipient numbers right through from 1996 to 1999. Those changes in policy out of those budget measures added people into the carer payment group.

Since that time, we have had normal growth in the numbers of people who are seeking payment. The increase in payments started to decrease from the 2000-01 year, right through to the 2003-04 annual report. We were asked at the time why that was so. Our advice back to the committee was that it was intended to mean, in a sense, a return to perhaps more normal levels of growth or growth simply through carer numbers as against growth that comes out of budget decisions and changes to policies.

The change to the answer was because we realised that our original answer referred in the opening few words to the number of customers receiving carer payment which gave, incorrectly, the impression that the number of customers had steadily decreased. When we realised that error, we put the corrected words in—that the rate of growth was decreasing. The thrust of the paragraph made that error clear, but when we picked it up we thought we had better correct that part of the answer.

Senator McLUCAS—When did you realise the error?

Mr Barson—It was very shortly after the question had in fact been lodged. I looked at the answer and noticed that, while the rest of the paragraph talked about rates of growth, in opening the paragraph we had inadvertently referred to the numbers of consumers rather than the rate of growth of consumers. We then corrected the answer.

Senator McLUCAS—What brought that to your attention?

Mr Barson—Looking at the answer.

Senator McLUCAS—Simply that?

Mr Barson—From recollection, yes.

Senator McLUCAS—The minister's office didn't contact you?

Mr Barson—I don't recall.

Mr Knapp—We identified the error and corrected it.

Senator McLUCAS—But by that stage it had been provided to this committee?

Mr Barson—Correct, yes, which is why we then had to correct the answer.

Dr Harmer—We do our best to correct things. We get a lot of questions on notice and we do our best to try to answer them on time. This time, for the first time since I have been involved in Senate estimates—many years—we have been able to answer all the questions on time and tried very hard to help in meeting these deadlines. We try our best on quality control but with so many questions on notice it is always possible—we are human—to make an error. Once we make it, we fix it up as quickly as we can. Mr Barson has done that.

Senator McLUCAS—I accept that, Dr Harmer. I am just interested in the trigger that made the department—

Dr Harmer—Mr Barson is a very observant person and is constantly reviewing the quality of his work.

Mr Barson—Obviously not observant enough!

Senator McLUCAS—Because it would have crossed your desk originally, Mr Barson.

Mr Barson—It did, and as I said the thrust of the answer was always intended to be about growth rates. I looked at the answer and saw that we had opened it up by talking about numbers of customers—I think, still meaning growth rates—but the words were misleading so we corrected it.

Senator McLUCAS—On what date was the first answer given?

Mr Barson—I cannot recall. I would have to find out.

Senator McLUCAS—Neither do I. We might come back to that one.

Dr Harmer—We would be able to find out for you, Senator.

Senator McLUCAS—I think we might have that information here.

Dr Harmer—The secretariat would know.

Senator McLUCAS—Yes.

Mr Barson—They would certainly be able to tell us when the answer was lodged and when the corrected answer was lodged.

Mr Knapp—It certainly was a matter of only a few days between the two events.

Senator McLUCAS—Actually, I might be able to work it out from my paperwork. I think the first answer was lodged on the last day in March—that might ring true—and then the amendment, around 5 April.

Mr Knapp—There was only a short period of time between the two.

Senator McLUCAS—Do you go back and check answers five days later just for fun, Mr Barson?

Mr Barson—No, Senator, it was not five days later. As part of the normal process I would have received a set of the answers that had been provided to the committee. It was when looking at the set of answers provided to the committee to remind myself of the answers we had given to various questions, not just this one, that I noted the error in this particular question on notice.

Dr Harmer—It probably would have been when Mr Barson was looking to file the answers that had been provided. They were sent back to him; he reviewed them before putting them on file.

Senator McLUCAS—Does he do his own filing too?

Dr Harmer—Sometimes he does. He is very multi-skilled, Senator!

Mr Barson—It is a multi-skilled organisation.

Senator McLUCAS—Maybe the filing people went across to DEWR as well! The backdating provisions of the carer allowance, Mr Barson—can you explain how they will operate?

Mr Barson—These are backdatings that are possible prior to the date of claim. Most income support and other payments take effect from the day of claim. In this particular case of carer allowance, we are standardising the backdating periods across carer allowance and carer payment to a maximum period of 12 weeks prior to the claim lodgment date. There is a capacity within the assessment process, in looking at care needs, for the medical practitioner to indicate that these care needs have existed for some time before the date of claim or before the form is filled out. For children, that has been a standard approach around the question: ‘How long has this condition been present for?’ or words to that effect. For adults, it has been more a case of looking at the question: ‘Was this due to an acute incident which gave rise to this?’ Backdating provisions have applied, but the different backdating rules have led to confusion. This measure standardised it as 12 weeks prior to date of claim. It is still accessible to people. It is still going to be available to people whose care needs predate the time the assessment was completed and a claim was lodged.

Senator McLUCAS—Under the old regime, a person simply had to advise when they became a carer and that was agreed to and taken up by the department.

Mr Barson—It is part of the child disability assessment tool and the adult disability assessment tool that we ask people to get advice from both the medical practitioner and the carer. Within that, there is a process whereby the medical practitioner and the carer can both indicate that these levels of support have been provided for some time previously. As I said, with adults, it was an acute incident. With children, it was often that the care needs had simply existed before. Centrelink takes that combined advice and makes a decision on backdating arrangements.

Senator McLUCAS—It was six months for an adult and 12 months for a child?

Mr Barson—It was 52 weeks for children. That is correct.

Senator McLUCAS—What was the average take-up of the backdating component for the two different circumstances?

Mr Barson—The figures for the children are more familiar to me. I am just looking for the numbers. A high proportion of children were backdated for the full 52 weeks. The 52 weeks rule was a leftover in some ways from the previous child disability allowance, which existed up until 1999 and which depended very much on diagnosis. Under those arrangements, considerable time might be taken by the families in confirming the diagnosis for their child in order to put in that claim. The carer allowance arrangements and the assessment tools do not

require a diagnosis. They are simply looking at functional care needs. That is part of the decision around a 12-week backdating period.

Senator McLUCAS—Sticking with the child figures for the moment, you said a large proportion are backdated for the full 52 weeks. How big is ‘large’?

Mr Barson—From memory, it is of the order of 90 per cent, but I would have to confirm that.

Senator McLUCAS—Why haven’t these people applied for a carer payment? That is a very large percentage for 90 per cent of people receiving carer payment for a child to get backdated for a full 52 weeks.

Mr Barson—What is your question?

Senator McLUCAS—What number of people does that deal with?

Mr Barson—The number of people on carer allowance, for example?

Senator McLUCAS—Yes.

Mr Barson—There are 297,607 customers receiving carer allowance. Of those, 101,774 are providing care to a child.

Senator McLUCAS—And 90 per cent of those, when they became applicants, had their care backdated for 12 months?

Mr Barson—Many of those would have been existing applicants, because they do not go off that payment until the child turns 16. Even then they may have just moved to carer allowance (adult). As I said, under the previous child disability allowance, which existed up until 1999, those backdating provisions of 52 weeks applied. I do not know the percentage that used to get backdating in previous years. I know that when we were looking at it as part of this measure, as I said, the percentage of people who were backdated the full 52 weeks was very large. I recall it was in the order of 90 per cent.

Senator McLUCAS—The group you were looking at were for a couple of years, shall we say? Is that reasonable?

Mr Barson—Yes, it would be reasonable.

Senator McLUCAS—Ninety per cent of those people backdated for the full 12 months. What reasons did they give?

Mr Barson—It is not so much about giving reasons. As part of the assessment the medical practitioner agreed that these care needs had existed, that the functional care levels would not have changed and that those care needs would have existed for the period prior to their date of claim. It is not a reason as such.

Senator McLUCAS—I understand what you are saying. Are they paid that payment in a lump sum?

Mr Barson—It is a backdating arrangement so, yes, once they became confirmed as eligible for carer payment they would have received the money that they were due from that previous time.

Senator McLUCAS—I suppose I am looking at it from another point of view: why is it taking people 12 months to get on to the payment?

Mr Barson—Part of that may be, in effect, that those backdating arrangements were very generous and in that sense there was perhaps not an understood need to lodge their claim for carer allowance at the time that they became eligible for it. If there is a relaxed time period of 52 weeks, I guess it does not have a sense of urgency. Beyond that, I do not know.

Senator McLUCAS—Are you suggesting that people actually know that they can backdate and so they do not bother putting the application in?

Mr Barson—I am suggesting that, in looking at the care and support needs and getting advice on the payments, if people are aware that it is not the date of claim that is critical they may be less likely to put in a claim at that particular time. As I said, most of our income support payments only take effect from the date of claim and there at least you can be reasonably sure that people lodge a claim for that allowance the moment they become aware of the need and the availability of the allowance. With an extensive backdating period there is, perhaps, less urgency involved. But I really do not know.

Senator McLUCAS—How do you intend this program not to affect families that clearly seem eligible for the payment? If the backdating provisions are quite generous, how are we going to make sure people get on to payment rather than letting it go—in many cases for over a year?

Mr Barson—We will be continuing to talk to Centrelink as the deliverers of this program and asking Centrelink to do whatever it can to ensure that people who have a need to claim this payment are supported in doing so as quickly as possible. They will still have the 12-week backdating period, but it will be limited to 12 weeks.

Senator McLUCAS—I am concerned that a lot of people will not know that and will presume, if they are taking advice from their medical personnel, that they do not have to apply because there is a generous backdating provision. Just telling Centrelink seems only one step in what needs to occur.

Mr Barson—We would expect through the range of carer organisations—Carers Australia and its various members along with the agencies that are involved in providing respite care as well as the network of carers that fan out from the minister's National Family Carers Voice—that folks are aware of the change to backdating arrangements. As I said, we will be doing our best to work with Centrelink to encourage and support people to put in claims when they are eligible to claim.

Senator McLUCAS—Did you consult with National Family Carers Voice or Carers Australia prior to introducing this measure?

Mr Knapp—It was a policy decision.

Senator McLUCAS—So you did not feel you had to consult with them.

Mr Knapp—No.

Senator MOORE—Do you know what the basis of the 12-week decision is? It seems a very large reduction from 52 weeks to 12.

Mr Barson—It is 52 weeks for children and six months for adults. It is simply a policy decision.

Senator MOORE—Still, it is halving it. So there is no science to it.

Dr Harmer—It is in within line while maintaining some generosity but it is still more generous than any other payments. It was a budget decision.

Mr Barson—A three-month period was considered reasonable.

Dr Harmer—The assessment process is now much quicker.

Mr Barson—As I said before, in particular, one of the criticisms of the child disability allowance was that it virtually required a diagnosis of the cause of the care needs to be made before one could claim. These days the assessment model relies absolutely on functional and care needs and not on a diagnosis per se. In that sense it is possible, unlike the child disability allowance, to receive carer allowance even if a diagnosis of the cause of the care needs has not been made.

Dr Harmer—So the rationale for the long period because of the way it was assessed before was no longer there. That was certainly part—

Senator McLUCAS—When did that change?

Mr Barson—In 1999 the child disability allowance and the domiciliary nursing care benefit from another portfolio were merged together.

Senator McLUCAS—So the assessment process has been changed since 1999.

Mr Barson—It would have been developed and put in place from that time. I am not sure when the actual tool was approved for use. The work on that would have commenced from that time.

Senator McLUCAS—What is the expected saving from the carer payments for carers of children—I am just trying to disaggregate this. The total is \$0.8 million in 2005-06.

Dr Harmer—We will have that breakdown. We will get it for you. We will take it on notice if we can. We may have it here.

Mr Barson—I have a figure of \$107.6 million over four years. If that is not correct I will come back and correct it.

Senator McLUCAS—That is what it says in the budget. Sorry, I have misled you there: there is actually a cost of \$0.8 million in 2005-06, then a saving in 2006-07 of \$34 million and around the same into the future.

Mr Barson—There are systems changes within Centrelink. There are forms changes and there is change to public information. It is necessary to correct it from the current provisions to the 12 weeks.

Senator McLUCAS—Could you disaggregate that for the cost to carer allowance, care of children, care of adults and where the savings will actually be?

Mr Barson—Yes, we will do that.

Senator McLUCAS—Moving to the backdating provisions for six months—that is, for an adult—what was the take-up of the backdating for that group of people?

Mr Barson—I will do this before the end of the session but I will have to come back with that answer. I do not have it with me. It was less than for children because it had to relate back to a particular incident, a catastrophic event.

Senator McLUCAS—Often it relates to a car accident.

Mr Barson—Yes.

Senator McLUCAS—The date of which is clearly known.

Mr Barson—It required in fact a specific date of the event in order to attract that backdating provision. It was far lower than for children.

Senator McLUCAS—If you could bring that figure to us, that would be good.

Mr Barson—Certainly.

Senator McLUCAS—Changes to the list of recognised disabilities: can you explain how we came to add and delete, though I think we just added.

Mr Barson—Yes, we did not delete. The list of recognised disabilities and list of recognised medical conditions, to give it its full title, are a method that has been used for some years now to provide carers of children under 16 years of age with a fast-track entry to the carer allowance. This is in recognition that, for children with certain conditions, when their carers claim carer allowance and go through the assessment process a very high proportion of those will qualify for carer allowance. Therefore it is a process of saving them the effort and our medical practitioners the effort for people who are going to qualify in the end for carer allowance anyway by recognising those conditions or disabilities in a list. That list is up for regular review.

The most recent review of the list was taken in 2004. There was a reference group formed to review the list which took into account 92 submissions to the review, as well as seeking expert medical advice, and provided advice to the minister. The minister in March this year announced the outcomes of that review, which included adding new conditions to the list such as Asperger's disorder, but, more importantly, modifying some of the eligibility descriptors to make it easier for conditions to be added in the future. For example, instead of attempting to name a range of chromosomal disorders, it now describes it as chromosomal disorders which have certain effects, and so it enables in the future a speedier process of adding new conditions where they are identified or where it is felt appropriate to add them to the list.

Senator McLUCAS—Is that reference group an ad hoc group you pull together from time to time, not a standing committee?

Mr Barson—From memory, it is the third time that we have had a reference group review the lists. The composition of the reference group has been largely similar but they have not necessarily been the same individuals.

Senator McLUCAS—You can give me their names if you want to, but give me an understanding of the skills of the people who sit on that reference committee.

Mr Barson—They have been representatives from various medical bodies, medical associations, they have been people from carer groups, they have been people from disability organisations and they have been people from social worker associations. So expert medical advice and carer practitioners, if you like.

Senator McLUCAS—Who selects them?

Mr Barson—The department has put together those reference groups on each of the three occasions.

Senator McLUCAS—Simply by asking various organisations to nominate somebody?

Mr Barson—Yes, it has been largely a similar process and similar groups that have been involved, although the individuals may have changed.

Senator McLUCAS—You said there were 92 submissions in the process. Are submissions invited or is there an advertising process?

Mr Barson—There was a process of seeking submissions. I believe it was advertised, but I will correct that if it was not. We did go out publicly and announce that we were doing the review and, as I said, we had 92 submissions from various organisations as well as input from ourselves on the data on carer allowance and the numbers of people with various conditions that had claimed and been successful.

Senator McLUCAS—Are the submissions public?

Mr Barson—I do not believe the internal processes were public, but I will consult on that and see if we are able to provide it. They are submissions made by organisations, though, and my understanding would be that we would not release those submissions unless we had the approval of the organisations.

Senator McLUCAS—So it is not a public consultative process in that sense?

Dr Harmer—That is right, Senator. If you wanted a submission for a particular organisation, I would suggest you ask them.

Senator McLUCAS—Sure. I am just trying to ascertain the nature of the consultation. Is the report to the minister or is it an internal report in the department?

Mr Barson—It is a report which was provided to the minister. I would prefer to describe it as an independent panel of experts with representatives from various bodies rather than a consultation.

Senator McLUCAS—Is that report a public document?

Mr Barson—No.

Senator McLUCAS—Can it be provided to the committee?

Mr Barson—It is advice that is provided to the minister.

Senator McLUCAS—Fair enough. I suppose the point I am getting to is: how do we as a committee understand what the eminent group recommended and what was adopted? It is impossible for our committee to make an assessment about whether or not the minister has actually taken their advice or some of their advice.

Dr Harmer—Presumably it fed into our advice to the minister. We can share with you whether we have advised the minister on a particular issue; we can say, ‘We did advise the minister on this issue,’ but, in terms of what we say to the minister, we cannot say. This would be in the same category.

Senator McLUCAS—I understand that, Dr Harmer. That is the point I am making. Some transparency would be useful to the disability organisations who often make representations about what should be on the list and what should not be on the list. There is no clarity as to why something has not been included, even though there might have been advocacy on behalf of that disability or medical condition.

Mr Barson—There has been some correspondence from groups wishing particular conditions to be added to the list. With some of those which we have responded to, it has been very much that while there is no doubt that there are children with that condition whose severity of disability and care needs are such that it would certainly qualify them for carer allowance, the question is more whether that is consistent and across the board. Almost all people who have that condition, in all of the nought to 16 years group, would meet the criteria. So we have been at pains to explain to those groups that the list is not an exclusive list of the only people who can access carer allowance; it is those conditions where the existence of that condition will consistently end up with people qualifying for carer allowance. There are many folks who have raised conditions which, we are advised, have variable effects over the nought to 16-year-old group or have varying effects on individuals. In that case, it would not be appropriate to include that condition on carer allowance, because it would result in people who would not qualify for access to that allowance.

Senator McLUCAS—I totally understand what you are saying. It is the transparency in the nomination process that I think the sector is looking for and would be useful. The list is on the web site, isn't it?

Mr Barson—Yes.

Senator McLUCAS—On notice, could we get a copy of the list before and after the changes were made?

Mr Barson—Yes. It actually gets made in the form of a determination made by the secretary. We can provide you with both the current, unmodified, declaration and the modified declaration.

Senator McLUCAS—Thank you. That brings us to the end of 3.3.

Senator HUMPHRIES—I want to ask about the older carers respite measure that was mentioned earlier. I understand, Minister, that you have agreement from a number of states for acceptance of that measure, which is designed to provide between two and four weeks respite to older carers when they have to go into hospital. I understand that the offer is to split the costs evenly between the Commonwealth and the states. I also understand that Queensland and New South Wales have not accepted the offer at this point. What is the position of the ACT in that negotiation? Do you know?

Senator Patterson—Let me just say, Senator Humphries, that it is about people over 70 having up to four weeks respite and people 65 to 69 having assistance with respite if they

need to go into hospital. So it is about carers who are 70-plus. The states should be giving accommodation and respite as part of the CSTDA. I argued very strongly for extra money in the last budget to try to make the states meet at least some of their obligation to give accommodation and respite. The ACT are in discussion with my officers, and we have reached an agreement at official level with the ACT. Western Australia had an election and it managed to actually sign up early in the new year with a hiatus for an election. Every day that they take longer to sign up means that older people with sons and daughters with a disability are missing out on respite. These people, as I said before, have been looking after their sons and daughters for 20, 30, 40 or 50 years, and they are very old. They want a break.

There are some other issues that need to be discussed, and I have said to the ministers that we needed to have some issues resolved, and we made a commitment in the election about future planning with sons and daughters, and I am working on some areas that the Commonwealth needs to do, and the states will have some areas they need to work on. It was off the agenda at the ministers' meeting after the election, and I was concerned as to why it had disappeared. It seemed to have been rubbed off the agenda. But bad luck for the ministers: I am minister again and we have got it back on the agenda. I said to them that it is not going to be easy for them and it is not going to be easy for me. I am going to have to go and argue for assistance for some of the issues I want to do something about for these older people. But I have got the states on notice that I will be requiring them to do something now. Some of them have not done very well even on the first hurdle.

Senator HUMPHRIES—Presumably it is the states' responsibility in constitutional terms to provide such assistance—if it is to be provided at all—

Senator Patterson—Under the CSTDA, it is their responsibility to deal with accommodation and respite.

Senator HUMPHRIES—So the Commonwealth providing half of the cost of that is above and beyond the call of duty.

Senator Patterson—It is an addition, because I was so concerned when I met with parents who were just at their wits' end and said, 'I need a break.'

Senator HUMPHRIES—Have Queensland or New South Wales offered any explanation as to their failure to take up this offer?

Mr Barson—Just to confirm: we had discussions with the ACT and we are just awaiting a formal offer from the ACT government. With Queensland and New South Wales, there has been no offer made by either government in response to correspondence with the minister and our discussions with them.

Senator HUMPHRIES—Thank you.

CHAIR—Thank you.

Committee adjourned at 6.40 pm